Ministry of Justice

Annual Report and Accounts 2023–24

Protecting and advancing the principles of justice

HC 276

Ministry of Justice
Annual Report and Accounts 2023-24

For the period 1 April 2023 to 31 March 2024

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Performance

Overview

This section sets out the department's objectives for 2023-24, the challenges to the delivery of our objectives and how we have performed during the year. Our outcomes for 2023-24 build on those included in the Outcome Delivery Plan 2021-22, published in July 2021.

Who we are and what we do

The Ministry of Justice (MoJ) is a major government department responsible for the following parts of the justice system:

- prisons
- probation
- courts and tribunals, which we administer in partnership with the independent judiciary
- a range of services to help victims of crime, children, vulnerable people and those seeking access to justice

Read more on services delivered on pages 4 to 6

How we operate

MoJ is a ministerial department, supported by 35 executive agencies and other arm's length bodies.

In 2023-24 we had five executive agencies responsible for the delivery of the majority of our services to the public:

- HM Prison and Probation Service
- HM Courts and Tribunals Service
- Legal Aid Agency
- Office of the Public Guardian
- Criminal Injuries Compensation Authority

We provide services across England and Wales, and certain non-devolved tribunals in Scotland and Northern Ireland.

Our objectives

MoJ is responsible for all aspects of justice. In 2023-24 we worked together with purpose, focusing on protecting the public, reducing reoffending, delivering swift access to justice and reforming the constitution.

Read more about our strategic outcomes, objectives and performance on pages 17 to 64 (performance overview and our performance analysis).

Executive agencies and arm's length bodies

MoJ and its agencies deliver prison, probation and youth custody services, administer criminal, civil and family courts and tribunals, and support victims, children, families and vulnerable adults.

Working in partnership with the independent judiciary and our arm's length bodies, and supported by our corporate functions, we deliver these services, protect the justice system and uphold the rule of law.

Agencies

HM Prison and Probation Service (HMPPS) manages around 88,000 prisoners across over 100 prisons and supervises around 239,000 people on probation, providing a high level of monitoring and public protection. The prison service runs public sector prisons and oversees prisons run by private providers. A youth custody service delivers public sector secure provision and oversees secure provision run by the private sector and local authorities for children and young people.

Legal Aid Agency (LAA) works with solicitors, barristers and others to provide simple, timely and reliable access to legal aid for those whose life and liberty is at stake, where they face the loss of their home, domestic violence or their children being taken into care. LAA also provides a high-quality public defender service.

Criminal Injuries Compensation Authority (CICA) administers compensation schemes for victims of crime who suffer injuries and victims of overseas terrorism.

HM Courts and Tribunals Service (HMCTS) administers the criminal, civil and family courts and tribunals in England and Wales, and non-devolved tribunals in Scotland and Northern Ireland.

It operates more than 300 courts and hearing centres. HMCTS is governed through a partnership between the Lord Chancellor, the Lady Chief Justice and the Senior President of Tribunals, each of whom has specific responsibilities enshrined in statute.

Office of the Public Guardian (OPG) protects people who may not have the mental capacity to make certain decisions for themselves. It offers services including registering lasting and enduring powers of attorney, supervising court-appointed deputies, and investigating complaints made against deputies and attorneys.

Arm's length bodies and other bodies

Executive non-departmental public bodies

Children and Family Court Advisory and Support Service (Cafcass) safeguards and promotes the welfare of children, representing them in family court cases, making sure that children's voices are heard and ensuring decisions are taken in their best interest.

Independent Monitoring Authority for the Citizens' Rights Agreements monitors how public bodies in the UK and Gibraltar implement and apply the citizens' rights part of the EU Withdrawal Agreement and European Economic Area and European Free Trade Association Separation Agreement.

Criminal Cases Review Commission investigates and reviews possible miscarriages of justice in the criminal courts in England, Wales and Northern Ireland and refers appropriate cases to the appeal courts.

Judicial Appointments Commission selects candidates for judicial office in courts and tribunals in England and Wales, and for some tribunals in Scotland and Northern Ireland.

Legal Services Board oversees the regulation of lawyers in England and Wales, approving regulatory arrangements and reviewing the performance of frontline regulators.

Parole Board for England and Wales protects the public by risk-assessing prisoners to decide whether they can be safely released.

Youth Justice Board for England and Wales is responsible for overseeing the operation of the youth justice system and the provision of youth justice services.

Advisory non-departmental bodies

Advisory Committees on Justices of the Peace in England and Wales interview candidates and make recommendations to the Lord Chancellor about who to appoint to their local benches as Justices of the Peace.

Sentencing Council issues guidelines on sentencing and evaluates the impact of guidelines on sentencing practice.

Prison Service Pay Review Body advises on pay for governors, prison officers and staff in the England and Wales prison service, and equivalent posts in Northern Ireland.

Civil, family, tribunal and criminal procedure rule committees make necessary procedure rules to improve and simplify court procedures for the public.

Independent Advisory Panel on Deaths in Custody advises ministers on ways to reduce the number of deaths in custody.

Law Commission undertakes projects at the request of the government to ensure that the law in England and Wales is fair, modern, simple and cost-effective.

Civil and family justice councils improve the justice system and the public's understanding of it.

Office holders

Assessor of Compensation for Miscarriages of Justice gauges the amount of compensation to be paid to applicants under the miscarriages of justice compensation scheme.

HM Inspectorate of Prisons ensures independent inspection of places of detention, reports on conditions and treatment, and promotes positive outcomes for those detained and the public.

HM Inspectorate of Probation reports on the effectiveness of work with offenders to reduce reoffending and protect the public.

Judicial Appointments and Conduct Ombudsman investigates complaints about the judicial appointments process and the judicial conduct investigation process.

Office for Legal Complaints operates the Legal Ombudsman scheme, an independent and impartial scheme set up to deal with complaints from consumers on the services they receive from regulated legal providers.

Offices of the Official Solicitor and Public Trustee help people who are vulnerable because of lack of mental capacity or young age to access services offered by the justice system.

Office of the Prisons and Probation Ombudsman for England and Wales investigates complaints from, and deaths in custody of, prisoners, children in secure training centres/homes, immigration detainees and those subject to probation supervision.

Office of the Commissioner for Victims and Witnesses promotes the interests of victims and witnesses and regularly reviews the Code of Practice for Victims of Crime in England and Wales.

Other

Gov Facility Services Limited provides facility maintenance services to prisons across the south of England.

Judicial Office supports the judiciary, providing advice on judicial statutory functions, legal information, communications and human resources support. It includes the Judicial College, which provides training to the judiciary, and supports the Civil Justice Council and Family Justice Council.

Independent Monitoring Boards of prisons, immigration removal centres and short-term holding facilities monitor each facility for England and Wales on a regular basis to confirm the treatment received by those detained is fair, just and humane.

Oasis Restore Trust is a charitable trust responsible for the operation and management of Oasis Restore, a secure academy for individuals in the youth custody estate which aims to improve outcomes through specialised provision of care and rehabilitation.

2023-2024 in numbers

In this section we outline our performance during 2023-24. Here is a snapshot of the services we provide for the public. Further information on our performance is shown in the performance analysis on pages 25 to 64.

Courts and tribunals

We handled over **4.1 million** cases during 2023-24, an increase of around 300,000 from 2022-23.

We held over **580,000** sitting days across our courts and tribunals in 2023-24, an increase of **2.6 %** from 2022-23.

There was a **36%** increase in adult rape cases going to the Crown Court in 2023 compared to 2022, demonstrating the impact of the Rape Review Action Plan.

Over **553,000** cases were received in the family court and we held over **131,000** sitting days.

Prisons and probation

On 31 March 2024, there were **238,993** offenders supervised by the Probation Service in England and Wales, which has remained broadly unchanged over the past year.

On 31 March 2024, there were **87,869** prisoners in England and Wales, an increase of **4%** compared to the previous year.

We increased the number of prisons with Incentivised Substance-Free Living Units from **50** in 2022-23 to **80** in 2023-24.

We opened the first video conferencing centre in a women's prison in HMP Bronzefield in May 2023, making a total of **16** in the custodial estate.

20,084 individuals were fitted with an electronic monitoring device as of 31 March 2024, an increase of **16%** from **17,350** as of 31 March 2023.

Legal Aid Agency, Office of the Public Guardian and Criminal Injuries Compensation Authority

We processed over **360,000** legal aid applications in 2023-24, compared to over **350,000** in 2022-23. **100%** of criminal applications were processed in **2** working days and **93%** of civil applications in **20** working days, except the most complex cases.

We processed more than **1.3 million** legal aid bills in 2023-24, compared to over **1.25 million** in 2022-23. **99%** of complete, accurate bills were paid within **20** working days, exceeding the **95%** target.

We took over **100,000** civil and over **35,000** crime legal aid calls. We answered **85%** of civil and **87%** of crime calls in **5** minutes or less, achieving our **75%** target. On average, our call handling satisfied **99%** of civil and **89%** of crime callers.

We received around **1.3 million** applications (LPA and EPA) in 2023-24, compared to around **1 million** in 2022-23.

LPA: lasting power of attorney
EPA: enduring power of attorney

We resolved over **37,100** injury claims, an increase of **7%** from 2022-23 and **13%** above the prior five-year average of **32,874**, with victims of crime benefiting from over **£164 million** in compensation.

Corporate

In 2023-24 from the staff who declared their disability status, **17.4%** were declared disabled, up from **17.0%** in 2022-23. The figure for senior civil servants was **12.6%** in 2023-24, up from **12.2%** in 2022-23.

In 2023-24, of staff who declared their ethnicity, **16.9%** were from ethnic minorities, up from **15.8%** in 2022-23. The figure for senior civil servants was **8.8%** in 2023-24, down from **9.9%** in 2022-23.

Our emissions have reduced by **28%** compared to our baseline year (2017-18), against a target of **41%** by 2025.

Parliamentary activity

53 statutory instruments were laid, compared to 52 in 2022-23.

91% of **4,190** parliamentary questions were answered within the parliamentary deadline, against a target of **85%**.

Forewords

From the Permanent Secretary

I am pleased to present the Annual Report and Accounts for the Ministry of Justice. Over the past year, we have made significant strides in achieving our strategic outcomes, which are to protect the public from serious offenders and improve the safety and security of our prisons, reduce reoffending, and deliver swift access to justice.

On the prisons side, to help meet the increasing prison population, we are building 20,000 modern, rehabilitative places through the construction of new prisons, expansion and refurbishment of the existing estate, and temporary accommodation. We opened HMP Fosse Way in Leicestershire in June 2023, and construction continues on HMP Millsike, which is due to open in 2025. We have secured outline planning permission for our fourth new prison, near the existing HMP Gartree in Leicestershire, and for our fifth new prison, near the existing HMP Grendon in Buckinghamshire, which will deliver around 3,000 places between them.

To create environments that support recovery in prison, the drug recovery wing at HMP New Hall is now operational, and by March 2024 we had opened Incentivised Substance Free Living units in 80 prisons, up from 50 in 2022-23. Trace Detection equipment has now been rolled out, providing next generation equipment across all public sector prisons to help prevent the smuggling of illegal drugs impregnated in fabrics and through the mail.

We have maintained our focus on reducing reoffending, and have seen much progress in the reporting period. We launched the new Prisoner Education Service in September 2023, focusing on giving prisoners the skills they need to move into employment or further training on release. We have continued to see an increase in the percentage of prison leavers in employment six months post-release, more than doubling performance in three years from 14% in 2020-21 to over 30% in 2023-24.

We have also taken measures to strengthen and stabilise the prison and probation system, including in June 2024 the extension of Home Detention Curfew which allows the early release of offenders under electronic monitoring. We have increased the number of offenders on electronic monitoring by 16%, with the total number increasing to just over 20,000, providing an alternative to custody and helping to monitor the behaviour of people at risk of reoffending.

Outside the timeframe of this report, in July 2024, the newly-appointed Lord Chancellor announced measures to address capacity pressures, including implementing legislation to change the automatic release point for those serving standard determinate sentences from 50% to 40% (SDS40). This excludes serious violent offences with a sentence of four years or more, sex offences, and certain domestic abuse-connected offences. The first tranche of releases took place on 10 September and the second tranche of releases on 22 October.

We are also committed to delivering swift access to justice. Challenges remain in relation to the open caseload in Courts and Tribunals, a legacy of both the pandemic and of higher volumes of cases being received. However, we continue to take measures to reduce the caseload where possible. In 2023-24, we increased the number of Crown Court sitting days by 7% (from 2022-23) to over 107,000, the highest level since 2016-17.

We have continued to exceed the ambitions first articulated in the 2021 Rape Review, on targeted numbers of referrals, charges, and receipts. Adult rape prosecutions are higher than any other period in the last six years.

In July, we welcomed the new Lord Chancellor and Secretary of State, the Rt Hon Shabana Mahmood MP, and her Ministerial team to the department. I would like to thank the outgoing Lord Chancellor and Secretary of State, the Rt Hon Alex Chalk MP, and his Ministerial team, for their commitment and service during the reporting period.

There were also changes to the department's Executive Committee in the reporting year. Following an operating model review of the department, a new director general role for Service Transformation was created, and Megan Lee-Devlin appointed to the role in March 2024. The Executive Team and I have been well supported by the department's non-executive directors – thank you to all of them, and in particular our Lead Non-Executive Director Mark Rawlinson, for their support throughout the year. The dedication and professionalism of our staff and partners have made the achievements of the last year possible, despite the challenges posed by rising demand across the criminal justice system and an uncertain operational and fiscal environment.

Our most valuable asset is our 96,000 people working for the MoJ and its agencies. I am pleased that in October 2023 we again increased or maintained our scores in all core theme areas in the 2023 Civil Service People Survey. It is thanks to the efforts of colleagues in the department that we have been able to achieve and deliver so much over the past year. It is a privilege to lead them and continue our purposeful work, focusing on our priorities for the justice system and supporting the Lord Chancellor and Ministerial team in the coming year.

Dame Antonia Romeo DCB

Permanent Secretary and Principal Accounting Officer

From the Lead Non-Executive Board Member

Departmental Board members have continued to work in a highly challenging operational and policy landscape. 2023-24 has remained a significantly difficult year, with the department facing two critical issues from my perspective as Lead Non-Executive Director: prison capacity and the Crown Court caseload. The department has responded to growing capacity pressures, particularly in the adult male prison estate, by taking further steps to speed up the removal of foreign national offenders, extending the use of Home Detention Curfew and introducing an early release measure, among other steps. In addition to tackling immediate pressures, the department has continued to take steps to address rising demand in the medium to long term.

In the Crown Court, the department has introduced measures to increase capacity of the courts and hear more cases, funding over 107,000 Crown Court sitting days in 2023-24 in an effort to tackle the higher-than-expected number of cases entering the courts over the year.

To support its oversight and governance, the department appointed three additional non-executive board members (Jennifer Rademaker, Jonathan Spence and Andrew Robb) on 21 August 2023, following a fair and open recruitment campaign. The members complemented the existing cadre with valuable technological and commercial skills and expertise. The non-executives provided valuable scrutiny of our key performance indicators and advice on how to improve board-level understanding of the department's performance.

The Delivery Board that I chair met five times in 2023-24 and scrutinised some of the largest and most complex of MoJ's major projects and programmes on the Government Major Projects Portfolio. This included the department's technical debt, the HMCTS court reform programme, the Evolve IT portfolio, the Synergy Future Shared Services Programme and MoJ's implementation (as part of a four department cluster), and the property transformation programme.

The non-executives have also supported the department in assessing its data and digital capabilities and identifying opportunities to optimise structures and increase efficiency. The non-executives continue to support and challenge the department in its drive to be transformative and innovative.

The Audit and Risk Assurance Committee (ARAC) assists the Departmental Board by assuring that there are effective arrangements in place for governance, risk management and internal control. Paul Smith, our non-executive Chair of ARAC, has continued to develop the ARAC through a critical review of arrangements and improving information flows with the department's agencies. Jonathan Spence joined the ARAC as a new member, providing focused scrutiny in particular to support strengthening of the department's commercial capabilities.

The Departmental Board met three times during the reporting year and the in-depth reviews included discussion on short and long-term prison estates strategy and probation delivery within the criminal justice system. It also considered the annual board effectiveness review undertaken for the period 2022-23. As commissioned by the Secretary of State and in line with Cabinet Office guidance, I subsequently supported the independently led review and evaluation of the Departmental Board to assess its strengths and areas of development for the period 2023-24. The independent review was undertaken by the lead non-executive board member of the Department of Health and Social Care and overall, the board was found to be functioning well.

As non-executives, we are grateful to successive Lord Chancellors and the Executive, under the astute leadership of the Permanent Secretary, for their willingness to engage us in the multifaceted and complex issues facing the department.

Mark Rawlinson

Non-Executive Board Member

Chief Operating Officer's review of the year

Introduction

The department's resource departmental expenditure limit (RDEL) budget, as voted by Parliament in the Supplementary Estimate, was £11,400 million. Capital departmental expenditure limit (CDEL) was £1,518 million, resource annually managed expenditure (AME) was £697 million and capital AME was £23 million.

MoJ's costs are funded, in part, by income. This income comes from a number of sources including fees, fines, contributions from clients who received legal aid funding, and income from prison industries.

Total income in 2023-24 was £1,788 million, compared to £1,711 million in 2022-23, an increase of 4.5%. As a proportion of our gross resource budget, income made up 15% in 2023-24 compared to 16% in 2022-23.

The budgets agreed for MoJ at the Supplementary Estimate, outturn for 2023-24 and the variance to the budget are shown in the table below. This table ties directly to the Statement of Outturn against Parliamentary Supply (SOPS) on page 133. The SOPS is a key accountability statement which is audited.

MoJ successfully managed its spend within the control totals voted by Parliament.

Figure 1: Performance against parliamentary control totals

	Supplementary Estimate £m	Outturn £m	Variance £m
RDEL	11,400	11,330	70
Of which			
Administration	546	517	29
CDEL	1,518	1,458	60
Resource AME*	697	505	192
Capital AME*	23	7	16
Net cash	12,326	11,835	491

* AME is demand led spending, where budgets are not fixed in advance. Expenditure in AME is generally less predictable and controllable than expenditure in DEL. AME is split between resource and capital expenditure. Resource AME covers costs that may be unpredictable, such as provisions and pensions and benefits, and capital AME covers unpredictable costs which also give rise to an asset in the financial statements.

Resource

The majority of the MoJ's resource budget is spent on operational services: running prisons and probation services, running the courts and tribunals system, and funding legal aid. These are largely driven by levels of demand coming into the justice system, including decisions and actions from other parts of government.

The department faced significant financial pressures in 2023-24, predominantly due to inflationary and pay pressures being higher than had been planned for at Spending Review 2021. We managed down these pressures by making reductions in some areas of our resource budget, as well as switching funding from unspent capital to resource. However, additional funding was required at year-end due to further unforeseen pressures that emerged in-year, including a shortfall in fee income and one-off cost of living payments to the department.

We continue to invest in delivering the department's priority outcomes. The Crown Court was funded to sit unlimited sitting days, ensuring Crown Court judges could hear the highest possible number of criminal cases. We have also continued to invest in reducing reoffending, in line with the £488 million investment over the current Spending Review period.

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Figure 2 shows where we spend our money. The vast majority of our resource funding is spent on staff, contracts and legal aid expenditure. The largest area of spend is on our people. Staff costs account for almost 42% of the department's gross expenditure, with the biggest employer being HMPPS. Legal aid costs are the next largest category of spend and provide end users with financial support to meet the costs of legal advice and legal representation in court delivered by the Legal Aid Agency (LAA), making up 18.9% of RDEL.

Capital

A significant part of the MoJ's capital budget is spent on large change programmes, with the majority of this being spent on the 20,000 prison build programme. The rest of the capital budget is spent on maintenance costs for the courts and tribunals, prisons and MoJ HQ estates, leases, and digital and technology. Much of our construction and building maintenance spend is contracted out and subject to inflationary pressures. We continue to focus on progressing our capital projects while managing the impact of rising material costs and pressure on suppliers.

We continue to invest in our prison estate to support the delivery of further capacity and are committed to delivering 20,000 additional modern prison places through the largest prison build programme since the Victorian era. By the end of Spending Review 2021, we will have invested nearly £4 billion to support the rising demand for prison places. This includes opening HMP Fosse Way, which took its first prisoner in May 2023.

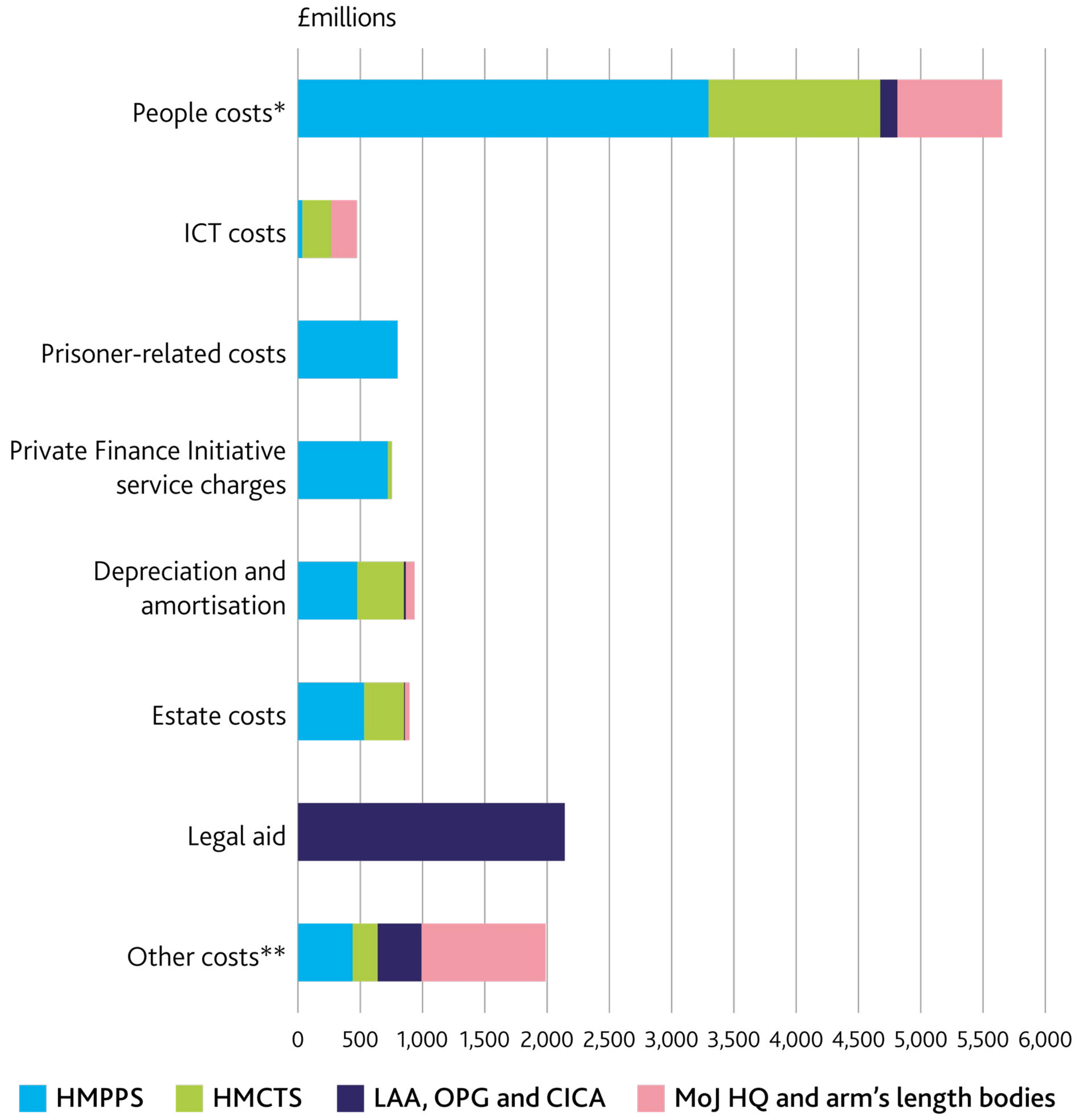
Since Spending Review 2021, we have experienced significant delays in our prison build programme, predominantly due to delays in planning permission and pressure on suppliers. This resulted in £220 million underspends in prison build capital in 2023-24.

We also completed the prison technology transformation programme which served to replace aged digital infrastructure of our digital estate and improved access and increased efficiency across our prisons and probation services.

In August 2023, we increased the capital budget for the courts and tribunals estate, with £220 million being provided for maintenance and major projects across 2023-24 and 2024-25. The improvements to the court estate will make our buildings accessible and sustainable and ensure that those on the front line of the justice system will benefit from modern, energy-efficient heating and cooling systems.

In 2023-24, we invested £116 million in maintenance, renovations and renewal of our courts and tribunals buildings, with a further £38 million spent on acquiring new properties and renewing leases, making our buildings safe and secure and protecting continuity of service. £61 million was spent on our courts and tribunals IT assets, supporting the final stages of reform and reducing technical debt from our legacy systems, many of which are no longer supported. This is essential to enable us to deliver a modern, reliable and efficient service.

Figure 2: Departmental expenditure 2023-24 by category of spend



*People costs (staff and judiciary) include wages and salaries, social security costs, pension costs, early departure costs and the net cost of secondments in and out.

**'Other costs' of £1.57 billion include: grants £309 million (Note 11), contracted out costs £270 million (£173.2 million Note 6 and £96.4 million Note 11), compensation to victims of crime £211 million (Note 20), other programme costs £178 million (Note 11), and professional services £106 million (Note 6). The remainder, spread over various expenditure lines, totals £503 million.

Future plans

We have finalised our budget settlement for 2024-25 and 2025-26 with HM Treasury through the first phase of Spending Review 25. The second phase of the Spending Review will set budgets from 2026-27 onwards and is an opportunity to leverage technology, other assets, upstream investment and prevention, to build a financial strategy for the medium and long term.

Our performance

Our priorities in 2023-24 were to:

- protect the public from serious offenders and improve the safety and security of our prisons
- reduce reoffending
- deliver swift access to justice

We use operational data to understand and improve our performance. Our published performance metric information can be found on GOV.UK.[1]

Performance overview

The performance overview provides a high-level summary of organisational performance against our priority outcomes. Our performance analysis which is set out on pages 25 to 64 provides full details of our activities and analysis of performance against each outcome.

Protect the public from serious offenders and improve the safety and security of our prisons

We protect the public by holding prisoners securely, robustly supervising and managing offenders in the community, and strengthening our capability to mitigate terrorist threats. In 2023-24 we prioritised public protection by:

- delivering around 6,000 additional prison places since 2020, through construction, expansion and refurbishment[2]
- making the prison and probation system more resilient, including temporary measures, to relieve the most acute capacity pressures
- increasing the number of individuals monitored by an electronic monitoring device by 16% to 20,084, along with the implementation of various programmes and initiatives
- continuing to tackle terrorism in prisons and probation by delivering seven of the 13 accepted recommendations from Jonathan Hall's report 'Terrorism in Prisons'[3]
- implementing the commitments in the Female Offender Strategy Delivery Plan to support women in custody and improve their rehabilitative outcomes[4]

1 Statistics at MoJ. Available at: www.gov.uk/government/organisations/ministry-of-justice/about/statistics

2 As at 1 April 2024.

3 Terrorism in Prisons: Independent Reviewer of Terrorism Legislation's Report and Government Response. Available at: www.gov.uk/government/publications/terrorism-in-prisons-independent-reviewer-of-terrorism-legislations-report-and-government-response

4 Female Offender Strategy Delivery Plan 2022 to 2025. Available at: www.gov.uk/government/publications/female-offender-strategy-delivery-plan-2022-to-2025

Reduce reoffending

We are working to divert people away from crime by tackling the main drivers of reoffending with a focus on accommodation, employment, education and skills, and substance misuse treatment. In 2023-24, we addressed this by:

- increasing the percentage of prison leavers in employment six months after release from 14% to over 30% over three years
- securing an additional £15.5 million over four years to support employment activity in prison
- improving the proportion of prison leavers housed on release through the use of temporary community accommodation (CAS3), housing 6,295 individuals who would have otherwise been homeless[5]
- expanding the number of prisons with an Incentivised Substance-Free Living units to 80, up from 50 in 2022-23, enabling more prisoners to address their addictions through abstinence-based treatment
- launching the new Prisoner Education Service in September 2023, aiming to improve literacy, numeracy and employability skills among prisoners[6]
- opening the country's first secure school in August 2024, a brand-new custodial facility for children and young people with education at its centre

Deliver swift access to justice

Justice is a vital public service, relied on directly by citizens, including victims, families and businesses. It underpins the operation of both society and the economy in our country. Throughout 2023-24 we delivered this through:

- increasing the number of Crown Court sitting days to over 107,000
- exceeding our ambition for the number of adult rape cases progressing through the criminal justice system, with 662 cases received in the Crown Court between October and December 2023 against an ambition of 553
- continuing to improve victims' experience of the criminal justice system, ensuring they have access to the support they need
- completing the rollout of a new Common Platform case management system

5 Community Accommodation Service tier 3 (CAS3). Available at: www.gov.uk/government/statistics/offender-accommodation-outcomes-update-to-march-2024/offender-accommodation-outcomes-statistical-summary#community-accommodation-service-tier-3-cas3

6 Press release: New Prison Education Service to cut crime. Available at: www.gov.uk/government/news/new-prison-education-service-to-cut-crime

Strategic enablers

Our corporate functions support delivery of our priority outcomes by:

- surpassing our 2027 national Places for Growth targets by relocating 2,300 roles outside of London and expanding our national office network to 40 locations, up from 29 in March 2023, driving greater efficiency from the estate, broadening our talent pool and providing opportunities nationwide
- contributing to prisoner rehabilitation through technology tools that facilitate booking of activities, appointments, visits and in-cell technology for learning and administration – we have rolled out 60,000 in-cell phones across 93 prisons, supporting prisoners' wellbeing and making prisons safer
- supporting prison staff through modern technology such as the Digital Prison Service and Calculate a Release Date Service, reducing the time spent on administration[7]
- using data linking via the Better Outcomes through Linked Data (BOLD) programme to improve data management and decision making through advanced analysis[8]
- focusing on sustainability in all our operations – our four new prisons (Millsike, Gartree, Grendon and Garth) are designed to be all-electric, net zero-ready and, where possible, Building Research Establishment Environmental Assessment Method (BREEAM) outstanding[9,10,11]
- reducing our carbon footprint by planting 200,000 trees across nine prisons to support cross-government tree planting initiatives, and partnering with Forestry England to plant trees through community payback, establishing purposeful activity for offenders

7 Justice Digital blog: Calculate Release Dates. Available at: mojdigital.blog.gov.uk/2022/05/06/calculate-release-dates

8 Ministry of Justice: Better Outcomes through Linked Data (BOLD). Available at: www.gov.uk/government/publications/ministry-of-justice-better-outcomes-through-linked-data-bold

9 Climate change adaptation strategy 2024: MoJ. Available at: www.gov.uk/government/publications/climate-change-adaptation-strategy-moj/climate-change-adaptation-strategy-2024-moj

10 Net Zero Strategy: Build Back Greener. Available at: www.gov.uk/government/publications/net-zero-strategy

11 Sustainable Construction: BREEAM Policy. Available at: assets.publishing.service.gov.uk/media/65116b0006e1ca000d616136/moj-breeam-policy.pdf

Principal risk summary

Principal risk area	Outcome /enabler	Trend this year	Comment on trend	External factors
Operational delivery: Ensuring effective service delivery and compliance in our operations.	①②③	▲ Increase	The upward trend in net prisoner inflows from 2022-23 has continued. This has created further pressure in prisons despite bringing on new prison capacity through a combination of new builds, expansions and temporary accommodation. Challenging staffing levels in some services and capability have added to this, however improvements have been seen in retention levels towards the end of 2023-24. We have seen an increase to the average age of cases in the system. In the civil, family and tribunal jurisdictions, improvements to throughput and productivity are essential to reducing risks. Improvement in the criminal courts is intrinsically tied to improving prison capacity. We have also seen a sustained increase in demand for our services in CICA and OPG. Additional workforce has been recruited to manage this, but it will take sustained effort to improve performance.	Criminal justice system demand, labour markets, planning permission, economic factors, supply chain costs and stability, and cost of living impacts

Principal risk area	Outcome /enabler	Trend this year	Comment on trend	External factors
Capacity: Managing and maintaining sufficient criminal justice system capacity to meet demand.	①②③	▲ Increase	The adult male prison estate faced acute capacity challenges across the year, exceeding critical capacity on four occasions. Measures taken in September and October 2024 have mitigated short-term risks. Medium-term forecasts suggest further material growth in the prison population. In courts we have kept open the temporary Nightingale courtrooms and remain committed to further judicial recruitment to increase judicial capacity. Ageing property infrastructure continues to impact physical capacity across the operations of HMCTS and HMPPS.	Planning permission and environmental requirements for new build and expansion capacity, and criminal justice system demand
People and capability: Recruiting and retaining sufficient capable individuals to ensure continually effective service delivery.	①②③④⑤	◀▶ No change	Recruitment and retention rates in our prisons have improved throughout 2023-24. This is due to increased media advertising, improvement to the employment offer, and quicker time to hire, with fewer applicants falling out of the process. Given the recent high volume of recruitment into prisons and the associated safety risks, there has been more focus on building capability of prison staff. Capability concerns remain in all parts of the organisation but these are managed locally.	Other government department pay and labour market factors, cost of living, and changing needs of employees
Digital: Reducing the level of technical debt and improving resilience and flexibility of digital and technology services to the business. Improving innovation and productivity.	①③④⑤	◀▶ No change	We have made progress on critical systems, but resource constraints mean that technical debt remains in many areas. Attracting technical skills and capability continues to be an issue.	Competitive labour markets, rapid development of new technologies, and developments in artificial intelligence

Principal risk area	Outcome /enabler	Trend this year	Comment on trend	External factors
Security and information: Reducing the likelihood of a cyber security attack, together with keeping our information secure and enabling better information practice. Improving compliance with GDPR and other legislation.	① ③ ④ ⑤	◀▶ No change	We have implemented a refreshed campaign to improve our information security culture through policy. This includes seeking supplier assurance given MoJ's reliance on outsourced services. Due to a heightened risk from cyber threats, work is being done to improve incident management and recovery from incidents or breaches. A Cyber Silver Command exercise has been conducted.	Geopolitical tensions, economic climate particularly cost of living increases, and rapid development of new technologies
Commercial: Ensuring we can put in place and manage effective contracts which support the delivery of justice services.	① ② ③ ④ ⑥	◀▶ No change	Supply chain risks and issues have continued across multiple industries. MoJ monitors the financial stability of its major suppliers and develops contingency plans, in the event any supplier fails.	Market cost pressures coupled with exchange rate fluctuations, supply chain costs and stability
Change: We have an ambitious portfolio of change projects with a range of risks that require active management to ensure delivery.	① ② ③ ⑤ ⑥ ⑦	◀▶ No change	Focus this year has been on ensuring programmes within our major change portfolio are set up for success and adhere to the appropriate government standards. Work is ongoing to improve scheduling and costing for programmes as we have seen a rise in the number of projects needing to re-base this year due to overambitious timescales and our tight fiscal position. We continue to provide robust oversight, constructive challenge processes and a strong cadre of project delivery professionals, who provide expertise across the portfolio.	Planning permission, inflationary pressures on construction materials, and market cost pressures

Principal risk area	Outcome /enabler	Trend this year	Comment on trend	External factors
Evidence and insight: Ensuring decisions taken by ministers and others are underpinned by sufficiently accurate evidence.	① ② ③ ④ ⑤	▲ Increase	Demand caused by prison capacity challenges created workload challenges in Data Analytical Services. We are piloting data governance and ownership to help drive collaborative solutions. Data engineering continues to improve data pipelines towards delivery of data warehousing in 2024-25.	Reliance on other government department delivery partners to join up criminal justice system data
Property: Maintaining an estate that is compliant, operational, environmentally sensitive and efficient.	① ② ③ ⑤ ⑦	◀▶ No change	We continue to invest in the maintenance of our buildings to maintain capacity and reduce dilapidations, while also undertaking planned maintenance programmes. Condition surveys have taken place throughout 2023-24, with the prisons programme completed in December 2023. We have managed a range of compliance risks throughout the year including asbestos, fire safety, Reinforced Autoclaved Aerated Concrete and radon levels at some sites.	Inflationary pressures on construction materials and supply shortages
Climate change and sustainability: Adapting effectively to physical and transition climate change exposures.	① ② ③ ⑤ ⑦	▲ Increase	Risk management controls are in place, but they do not materially reduce risk exposure, and some risk areas continue to rise. Compliance risks have increased as new obligations are introduced. Grant funding has been secured for three decarbonisation projects, increased solar power generation, connections to six district heating schemes, and 20,000 LEDs.	Extreme weather and increasing compliance obligations

Principal risk area	Outcome /enabler	Trend this year	Comment on trend	External factors
Finance: Long-term funding uncertainty and inflationary pressures on current budgets disrupted operational delivery, inefficiency and reputational damage.	① ② ③ ④ ⑤ ⑥ ⑦	◀▶ No change	Short-term financial risks were minimised by a positive outcome of our efficiency and savings review. In-year pressures were higher than previous years due to a number of factors, including shortfalls in income and pay. This led to a fiscal reserve claim in 2023-24. We managed all other in-year pressures through robust management controls and prioritisation decisions. Long-term plans are being developed to support the next Spending Review.	Wider macro-economic environment, in particular inflationary pressures and consequent pay settlements, and judicial litigation

Key to outcomes and strategic enablers

Outcomes		Enablers	
①	Protect the public from serious offenders	⑤	Innovation, technology, data
②	Reduce reoffending	⑥	Delivery, evaluation, collaboration
③	Deliver swift access to justice	⑦	Sustainability
④	Workforce, skills, location		

Our performance analysis

Priority outcome 1: Protect the public from serious offenders and improve the safety and security of our prisons

We have maintained our commitment to addressing the capacity challenges faced within prisons, ensuring the ongoing protection of the public.

Prison capacity

The adult male prison estate has been under acute pressure since autumn 2022 due to a rise in the remand population. Increased charging by the police and Crown Prosecution Service, and changes in sentencing policy, has had knock-on impacts across the whole justice system.

In response to the increasing demand, we have:

- introduced a package of measures to increase resilience in the system, including the extension of Home Detention Curfew and reforming Imprisonment for Public Protection sentences
- introduced the End of Custody Supervised Licence in October 2023 to provide temporary emergency relief for the most acute capacity pressures
- expanded the early removal scheme to allow the removal of foreign national offenders up to 18 months before the end of their custodial sentence
- implemented short-term measures to expand usable capacity across the prison estate by adding around 1,700 places since September 2022 to March 2024, including doubling up cells where safe to do so and delaying non-essential maintenance – in addition to the places being delivered via the 20,000 places programme
- as at 1 April 2024, delivered around 6,000 additional prison places since 2020, as part of the 20,000 places programme – around 80% (16,100 places) of the 20,000 target places have now either secured planning permission, can proceed under permitted development rights, are not subject to planning requirements, or have been delivered, while construction is currently underway at the new prison HMP Millsike in Yorkshire, due to open in 2025

Following the change in government, the new Lord Chancellor announced measures to address the capacity pressures in July 2024. We have implemented legislation to change the automatic release point for those serving standard determinate sentences from 50% to 40% (SDS40), with important exclusions for serious violent offences with a sentence of four years or more, sex offences and certain domestic abuse-connected offences. The first tranche of releases took place on 10 September and the second tranche on 22 October, and we have committed to reviewing this change in 18 months.

There have been delays to the 20,000 places programme delivery. These include for the new prisons programme, where planning permission refusals and subsequent appeals have introduced significant delays to progress at HMPs Grendon, Gartree and Garth. Challenging conditions on other sites have lengthened construction phases. We are continuing to push ahead with further options to deliver capacity across the estate, including looking at all options for accelerating timelines.

Probation

The measures we have taken to address prison capacity pressures are expected to create additional demand for probation services. In particular, the End of Custody Supervised Licence scheme introduced in October 2023 placed additional demands on probation, as has its successor, the SDS40 scheme introduced under the new Lord Chancellor in September 2024.

We implemented Probation Reset, a strategic initiative designed to alleviate workload pressures and ensure that staff can focus on supervising the most serious offenders. This was fully implemented from July 2024 and prioritises early engagement and supervision during the initial two-thirds of an offender's sentence, a critical period where probation staff can exert the greatest impact on public protection and reducing reoffending.

Prison and probation staffing

We have made significant progress addressing capacity issues within our prisons and probation systems through recruiting additional operational staff. In 2023-24 we have successfully:

- appointed 543 trainee probation officers and continue to run centralised recruitment campaigns in priority regions to help bolster probation capacity
- appointed 5,264 band 3-5 prison officers and focused on increasing staff retention through improving pay and support

Safety and security

We are committed to ensuring that our prisons are safe and secure places to live, work and support rehabilitation. Despite ongoing efforts, rates of assaults and self-harm remain high, influenced by wider prison capacity and staffing pressures. We are actively addressing this by:

- providing targeted support to prisons with the highest rate of assaults
- undertaking a range of work including alternatives to wet shave razors and prisoner debt which can impact violence and self-harm
- continuing to take action to tackle the high rates of self-harm in the female estate

In our continued efforts to tackle serious and organised crime, we have:

- embedded regional Serious and Organised Crime Hubs to improve the identification and management of threats across prisons and probation
- detected and deterred the conveyance of illegal substances into prisons, supported by the drone-only restricted airspace legislation for prisons and young offender institutions, which came into effect in January 2024

Women in the criminal justice system

We have improved outcomes for women in the criminal justice system, ensuring they have access to the right support when they need it by:

- staying on track to meet all our commitments set out in the Female Offender Strategy Delivery Plan[12]
- collaborating with health partners to progress delivery of recommendations as outlined in the Women's Prisons Health and Social Care Review, published in November 2023, which aims to ensure that all women in prison, as well as those who are released, have fair and equal opportunities to access health and social care services[13]
- mobilising an Early Days Service in five women's prisons to improve support for women in the first 28 days of custody
- launching a pilot to provide domestic abuse and sexual violence workers in seven women's prisons, alongside a young adults pilot in two of our prisons focused on improving outcomes for women aged 25 and under

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12 Female Offender Strategy Delivery Plan 2022 to 2025. Available at: www.gov.uk/government/publications/female-offender-strategy-delivery-plan-2022-to-2025

13 A review of health and social care in women's prisons. Available at: www.gov.uk/government/publications/a-review-of-health-and-social-care-in-womens-prisons

Counter terrorism in prisons

We continue to make progress combatting terrorism in prisons via the Joint Counter Terrorism in Prisons and Probation Hub, which works in partnership with Counter Terrorism Police and the Security Service to increase our intelligence gathering and identify terrorist threats.

We have also:

- continued to implement the recommendations of the review by Jonathan Hall KC into terrorism in prisons, with seven of the 13 accepted recommendations now delivered
- improved our ability to counter terrorist activity in prisons based on the findings of the Counter Terrorism Joint Inspection in July 2023, focusing on joint work between prisons, probation and the police[14]
- used our prison network application tool, which links up multiple sources of administrative data to help detect prisoners involved with drug smuggling, gang violence and organised crime

Electronic monitoring

We continue to strengthen the use of electronic monitoring in the criminal justice system. We have:

- increased the number of individuals fitted with an electronic monitoring device, with the total number increasing by 16% from 17,350 on 31 March 2023 to 20,084 on 31 March 2024
- continued to improve awareness and understanding of electronic monitoring as an alternative to remand among the police, Crown Prosecution Service and judiciary
- published the Electronic Monitoring Court Bail Protocol for England and Wales in August 2023, which sets out information for those involved in imposing and managing electronically monitored conditions of court bail[15]

Legislation

In November 2023, we introduced the Sentencing Bill to ensure that the public are protected from the most serious offenders, whilst reforming short sentences.[16]

The Victims and Prisoners Act gained Royal Assent on 24 May 2024.[17] It introduced a requirement for the police to ensure that a victim's counselling records are likely to add 'substantial probative value' to their investigation before a request can be made. This change is designed to protect the privacy of victims and ensure that only pertinent information is considered in the investigative process.

The Victims and Prisoners Act also introduced changes to the parole system following the Root and Branch Review in March 2022 to increase public confidence. These changes include:

- establishing a clear statutory release test, placing the safety of the public at the forefront of parole deliberations
- introducing a provision for ministers to invoke a review by the High Court and direct a second check by an independent court on behalf of the public, ensuring an additional layer of scrutiny for the release of the most serious offenders, including murderers, rapists and terrorists
- reforming the eligibility periods for termination of licences for those sentenced to Imprisonment for Public Protection

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14 Counter Terrorism Joint Inspection – National security division and multi-agency arrangements for the management of terrorist offenders in the wake of terrorist attacks. Available at: www.justiceinspectorates.gov.uk/hmiprobation/wp-content/uploads/sites/5/2023/07/Counter-Terrorism-joint-thematic-inspection-report-by-HM-Inspectorate-of-Probation-and-HMICFRS-and-HMIP.pdf

15 Electronic Monitoring Court Bail Protocol. Available at: www.gov.uk/government/publications/electronic-monitoring-court-bail-protocol

16 Sentencing Bill 2023. Available at: www.gov.uk/government/publications/sentencing-bill-2023

17 Victims and Prisoners Act 2024. Available at: bills.parliament.uk/bills/3443

Our performance metrics

Key to metrics

Value change from previous year:

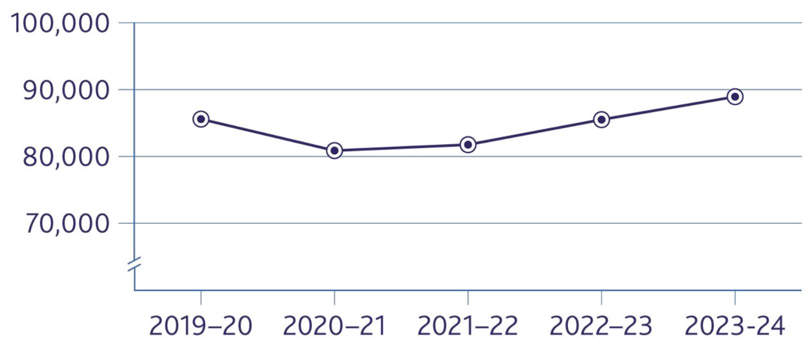
- Increasing
- Decreasing
- No change

Progress on previous year:

- Green = improving
- Amber = marginal or no change
- Red = worsening

Useable prison places

Prisons capacity – useable prison places



Value change/ Progress

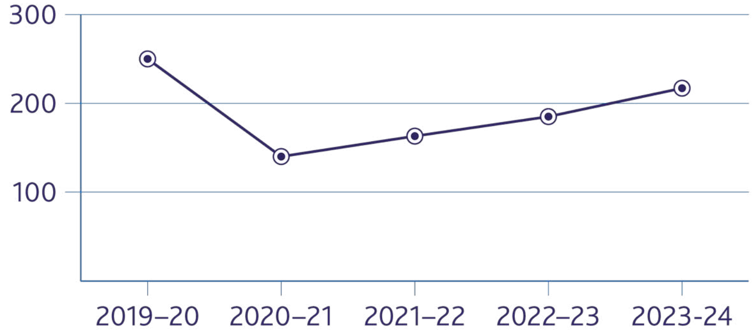
The number of useable prison places increased by 3,432 (4%) from 85,503 to 88,935 between 31 March 2023 and 22 March 2024. Prison capacity continues to be put under pressure by increasing demand.

The net increase is explained by the combination of additional prison places being delivered through the 20,000 build programme (around 6,000 to the end of March 2024) and contingency measures which include increasing capacity within existing provision and a reduction in the number of places offline for maintenance activities. This is offset by the number of cells that are taken out of use for maintenance and through dilapidation.

As part of the 6,000 additional places, HMP Fosse Way, which opened in June 2023, added 1,715 new prison places, and rapid deployment cells have also provided 666 places across 12 sites. We continue working towards our target of creating 20,000 prison places by building new prisons, expanding, renovating and refurbishing the existing estate.

Prisoner-on-prisoner assaults

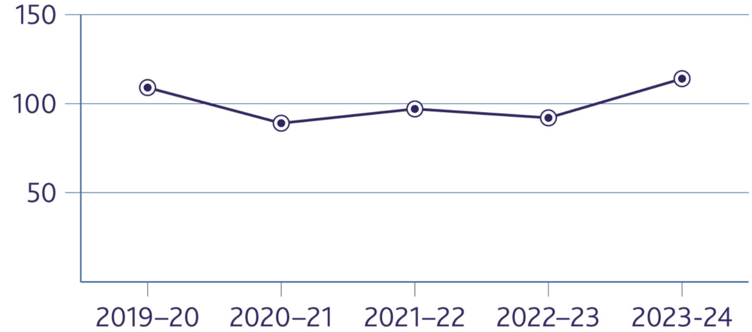
Rate of incidents per 1,000 prisoners



The rate of prisoner-on-prisoner assaults increased by 17%, from 185 to 217 (per 1,000 prisoners) between the year ending March 2023 and March 2024. The prisoner-on-prisoner assault incidents rate remains below the pre-pandemic levels. The data above does not cover the youth secure estate.

Prisoner-on-staff assaults

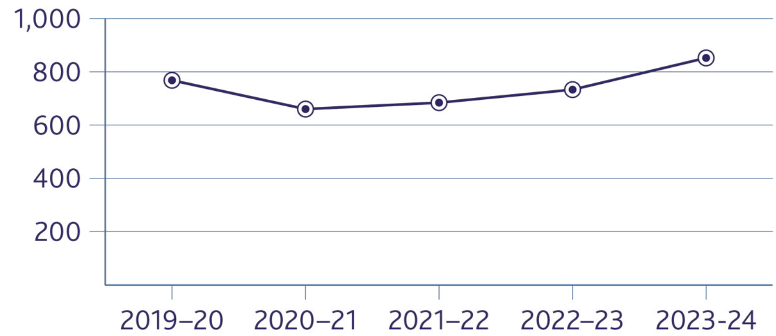
Rate of incidents per 1,000 prisoners



The rate of prisoner-on-staff assaults increased by 24%, from 92 to 114 (per 1,000 prisoners) between the year ending March 2023 and March 2024. The data above does not include the youth secure estate.

Self-harm incidents

Monthly rate of incidents per 1,000 prisoners



Value change/ Progress

The rate of self-harm was 852 incidents per 1,000 prisoners in the year ending March 2024, a 16% increase from the 12 months to March 2023. This comprised a 25% increase in male establishments and a 4% decrease in female establishments. The self-harm trends vary significantly by gender, with the rate in female prisons being almost nine times higher than in male prisons. The youth secure estate is not included in the data above.

Random mandatory drug tests

% of random mandatory drug tests for illicit substances with positive results

Although the use of random mandatory drug testing in prisons increased during 2023-24 by 25% to 51,452, from 41,308 in 2022-23, testing has not yet to returned to pre-COVID-19 levels due to operational and staffing pressures. We have allocated £8.8 million for mandatory drug testing in prisons. This delivers all forms of mandatory drug testing, including random and suspicion-based testing. We are rolling out trials to capture the variety and prevalence of illicit substances in prisons. These include:

- wastewater testing to provide us with detailed insight into the types of drugs being used in prisons
- a forensic testing service for drug finds and seizures introduced in April 2023

All public sector prisons have been provided with trace detection technology to enable the identification of drugs soaked onto paper or fabric.

Serious further offence convictions

% of those in the overall probation caseload that result in a serious further offence conviction

Serious further offences are rare. Consistently, fewer than 0.5% of offenders under statutory supervision are convicted of serious further offences. Available published data currently covers a period up until 31 March 2022.

There is a lag in conviction data to allow time for cases to conclude at court. Following a lag, the information is added to the published data. However, figures for some years may be provisional as some cases may not yet have concluded.

Published SFO data is available on GOV.UK.[18]

18 Proven reoffending statistics. Available at: https://www.gov.uk/government/collections/proven-reoffending-statistics

Priority outcome 2: Reduce reoffending

We have supported individuals in custody by addressing their accommodation, educational and vocational needs through the following measures:

Employment

Access to education is crucial to improving the employment rate of prison leavers. Most prisoners have low levels of education and 42% were excluded from school.[19] We will continue to equip prisoners through access to education, training and work to give all prison leavers the best chance to lead law-abiding lives. To address this, we have:

- improved prisoners' progress in English and/or maths, improving attendance at educational lessons and increasing participation in purposeful activities – our focus on individualised regime planning has played a role in achieving these positive outcomes
- increased the percentage of prison leavers in employment six months after release to over 30%
- successfully engaged with over 200 employers through our Unlocking Potential initiative, resulting in 238 prison events and over 150 job offers, with ongoing events through 2024 in various sectors – providing greater opportunities for those seeking employment after release
- introduced apprenticeships in open prisons, with plans to extend these opportunities to closed prisons – the HMP Academies initiative has developed a national framework by securing 12 new suppliers, linking in-prison work with post-release employment

Accommodation

Our ongoing efforts to support prison leavers include facilitating access to accommodation and strengthening prisoners' ties with their families. This approach provides them with the best opportunity to break away from their previous life of crime. We have:

- expanded on Community Accommodation Services – between April 2023 and March 2024, we provided temporary housing for 6,295 individuals who would otherwise have been homeless on release, 2,400 places for 13,000 high-risk people on probation, and accommodation for 2,600 low-to-medium-risk offenders on Home Detention Curfew or bail
- improved our support for prisoners to maintain family connections by introducing secure social video calling, facilitating over 230,000 calls this year

Substance misuse

Support and treatment for prisoners struggling with substance misuse is important to breaking the cycle of reoffending. We supported prisoners by:

- increasing the number of prisons with an Incentivised Substance-Free Living units to 80, up from 50 in 2022-23
- introducing three recovery-focused approved premises to provide post-release continuity for those in recovery
- recruiting 19 Drug Strategy leads in prisons to aid prisoners in continuing addiction recovery after release, bringing the total to 37

19 Prisoners' childhood and family backgrounds. Available at: www.gov.uk/government/publications/prisoners-childhood-and-family-backgrounds

- recruiting health and justice partnership co-ordinators to build connections between substance misuse and mental health services
- rolling out 600 tele-recovery laptops to enable community providers to deliver virtual appointments before release, bringing the total to 1,000 in the prison estate
- opening more abstinence-focused drug recovery wings, bringing the total to seven, including one in the women's estate at HMP New Hall
- working with NHS England to roll out lifesaving naloxone which can be used in emergencies to reverse the effects of an overdose

We are working to get offenders with substance misuse problems into community treatment programmes instead of prison, focusing on their recovery by increasing engagement in treatment through community sentences with drug rehabilitation requirements. In 2023-24, efforts to promote drug rehabilitation requirements have included:

- improving probation's capability to drug test individuals with drug rehabilitation requirements for better compliance monitoring
- introducing a screening tool to assist probation in identifying drug needs and informing the court prior to sentencing
- initiating pilot intensive supervision courts for regular offender reviews by the same judge, ensuring tailored progress in substance misuse treatment and other interventions

Readjustment to society

We will continue to improve support for prison leavers and ensure that the elements proven to reduce reoffending are in place when a person leaves prison.

We have done this by:

- launching the Friday Release Scheme in June 2023, to facilitate earlier discharge for people leaving custody at risk of reoffending – allowing them to access resettlement support services before the weekend or public holidays[20]
- developing resettlement passports to equip released prisoners with a personalised digital passport – aiding those at risk of reoffending to transition back into society
- using release on temporary licence to support temporary releases for resettlement

Education

In 2023-24, MoJ has been actively trying to expand educational opportunities for prisoners to aid in reducing reoffending by:

- launching the Prisoner Education Service in September 2023, which aims to improve prisoners' literacy, numeracy and employability skills – achievements include expanding secure laptops for in-cell study, procuring new learning content, and appointing neurodiversity support managers in 113 prisons
- launching the HMPPS National Regime Model in January 2024, which aims to improve prison regimes by increasing time out of cell, time in the open air, essential work, and tier 1 activities like education and work[21]

20 Press release: End to Friday prison releases calls time on damaging race against the clock. Available at: www.gov.uk/government/news/end-to-friday-prison-releases-calls-time-on-damaging-race-against-the-clock

21 A Response to: Thematic review – Weekends in prison. Available at: assets.publishing.service.gov.uk/media/64623d84427e41000cb4379d/Weekends_in_prison_Thematic_Action_Plan.pdf

Children and young people in custody and the community

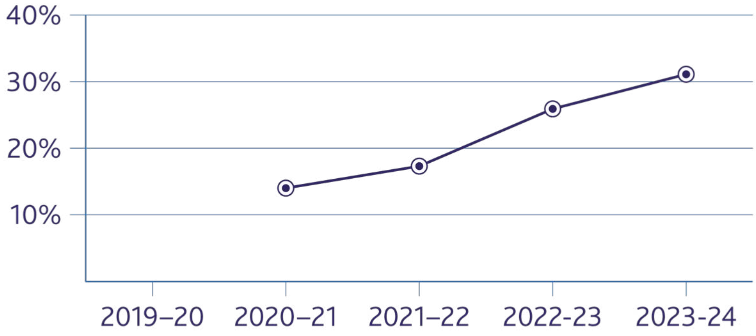
We have focused on improving outcomes for children and young people in custody and the community by:

- opening the first secure school, Oasis Restore, in August 2024 – this pioneering 'school with security' serves as a Secure Academy Trust, offering an integrated health and education programme for children in custody[22]
- launching a new education contract for England's young offender institutions to offer a comprehensive curriculum through both classroom teaching and digital learning
- providing funding to 154 youth offending teams across England and Wales via the early intervention Turnaround programme, on track to divert up to 17,500 children away from reoffending[23]

Our performance metrics

Prison leavers employment (6 months post)

% of prison leavers in work six months after their release



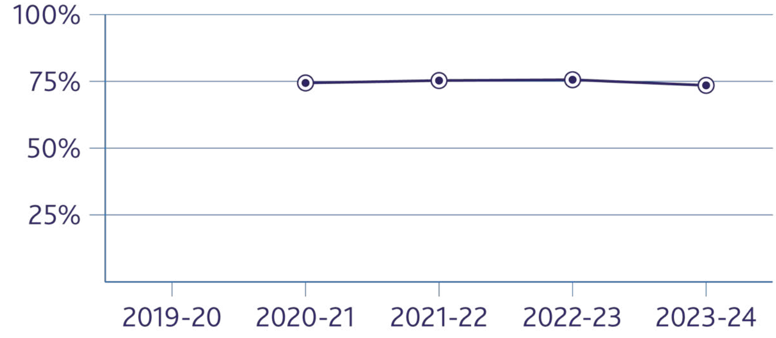
The percentage of prison leavers in work six months after their release increased by 5.2 percentage points from 25.9% to 31.1% between 2022-23 and 2023-24.

22 Press release: New Secure School to protect public and cut crime. Available at: www.gov.uk/government/news/new-secure-school-to-protect-public-and-cut-crime

23 Turnaround programme. Available at: www.gov.uk/guidance/turnaround-programme

Post-custody accomodation

% of prison leavers in settled accommodation three months after release



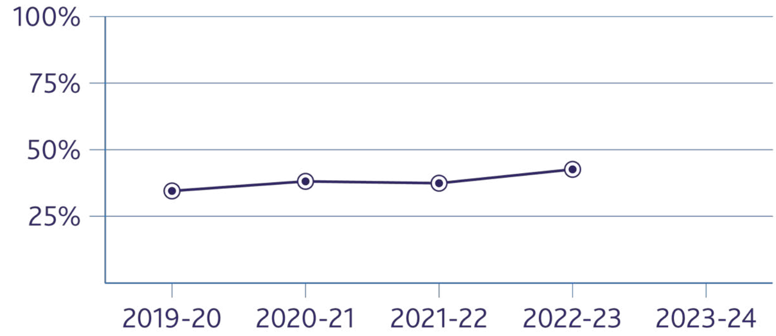
Value change/ Progress

The proportion of prison leavers who were in settled accommodation three months after release (excluding cases out of scope or where the status was unknown) decreased by 2.1 percentage points from 75.6% to 73.5% between 2022-23 and 2023-24. Settled accommodation rates have remained above 70%, while operating within a challenging housing market.

2020-21 is the earliest year for which we have data of sufficient quality to report.

Post-custody treatment

% of adults with a need for treatment for substance misuse who successfully engage in community-based structured treatment within three weeks of release from prison



Value change/ Progress

The proportion of adults released from prison and successfully starting community treatment increased by 5.2 percentage points from 37.4% to 42.6% between 2021-22 and 2022-23.

Data for the financial year 2023-24 will be available in the next publication in December 2024.

Priority outcome 3: Deliver swift access to justice

This year we have continued our focus on helping our courts and tribunals to recover from the impacts of the pandemic. We have also continued work to improve the rights of victims and address violence against women and girls, as well as undertaking vital work to modernise the justice system.

Crown Court outstanding caseload

Maximising the capacity of our courts and enhancing our ability to hear cases is critical to reduce the outstanding caseload. To support our focus on increasing capacity, we have:

- sat over 107,000 Crown Court sitting days in 2023-24
- increased the capital budget for the court and tribunal estate, with £220 million being provided for maintenance and major projects across 2023-24 and 2024-25
- introduced operational initiatives to maximise capacity, including remote hearings[24]
- recruited into around 1,000 judicial posts across all jurisdictions

Children in the justice system

To help to reduce caseloads in the family courts and ensure fewer children are subject to court proceedings, we announced significant investment to help separating parents resolve their issues earlier and more amicably, including:

- strengthening the court rules on the pre-court process and developing a new online information and guidance tool to encourage early resolution
- extending the pathfinder court approach to family courts in Birmingham and South-East Wales
- continuing the family mediation voucher scheme, which has so far helped more than 27,000 separating parents to access mediation on 31 March 2024

Tackling violence against women and girls

We have continued to make significant progress on delivering the milestones of the Rape Review Action Plan. We are exceeding all three Rape Review ambitions ahead of schedule, increasing police referrals to the Crown Prosecution Service, Crown Prosecution Service charges and Crown Court receipts for adult rape to 2016 levels. The number of adult rape prosecutions continues to increase, rising 44% in the latest year.

We are also providing vital assistance to individuals affected by rape and sexual abuse. The 24/7 Rape and Sexual Abuse Support Line, launched in December 2022, has facilitated 56,000 calls and 20,000 webchats, ensuring victims have access to specially trained operators round the clock.[25]

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24 Inside HMCTS blog: Looking at the future of remote hearings. Available at: insidehmcts.blog.gov.uk/2024/01/25/looking-at-the-future-of-remote-hearings. See also: Fact sheet: Video hearings service. Available at: www.gov.uk/government/publications/hmcts-reform-infrastructure-and-enabling-services-fact-sheets/fact-sheet-video-hearings-service

25 Rape Review progress update. Available at: assets.publishing.service.gov.uk/media/65cb5cc2103de2000eb8f375/rape-review-progress-update.pdf

Victims

We have continued to work to improve the experience of victims in the criminal justice system, ensuring they have timely access to the right support when they need it. The Victims and Prisoners Act was granted Royal Assent on 24 May 2024, enhancing victim support.[26]

Other ongoing work to support victims includes:

- providing funding to recruit around 1,000 independent sexual violence advisors and independent domestic violence advisors to provide vital support for victims[27]
- funding frontline and specialist support projects for victims and survivors, including counselling, training and community outreach[28]

In 2023-24 we heard directly from victims about their experiences through independent research undertaken by those we have appointed to promote the interests of victims. This includes:

- the Victims' Commissioner's survey (published in November 2023), which although based on a small sample of around 500 victims, highlighted the need for further improvements to build confidence in the effectiveness of the criminal justice system[29]
- a survey by the independent advisor to the Rape Review, involving around 2,000 victims, which underscores the significance of access to support services for sexual violence victims and the need to inform victims about these support services to enable informed decisions about their use[30]

To hear from more victims directly about their criminal justice system experience in 2024-25, we will review the outcome of a feasibility study which looked at whether a single cross-system mechanism could routinely collect victim feedback.

Widening access to legal aid

We are making progress with our comprehensive and wide-ranging review of legal aid. Following the closure of our public call for evidence in February 2024, we finished the evidence-building stage at the end of May 2024. In parallel, we are broadening access to legal aid, including:

- launching the Housing Loss Prevention Advice Service, providing free legal advice to anyone at risk of losing their home
- publishing the Government Response to the Legal Aid Means Test Review in May 2023, aiming to create a fairer system that targets legal aid to those who need it most

26 Press release: Infected blood compensation body and Victims and Prisoners Bill become law. Available at: www.gov.uk/government/news/infected-blood-compensation-body-and-victims-and-prisoners-bill-become-law

27 Rape Review progress update. Available at: assets.publishing.service.gov.uk/media/65cb5cc2103de2000eb8f375/rape-review-progress-update.pdf

28 Funding boost for specialist victim support services. Available at: www.gov.uk/government/news/funding-boost-for-specialist-victim-support-services

29 Victims' Experience: Annual Survey 2022. Available at: cloud-platform-e218f50a4812967ba1215eaecede923f.s3.amazonaws.com/uploads/sites/6/2023/11/Victim-Survey-2022.pdf

30 City Research Online: Rape and sexual assault survivors' experience of the police in England and Wales. Available at: openaccess.city.ac.uk/id/eprint/31310

Modernising services

The HMCTS reform programme has made significant progress by:[31]

- launching end-to-end digital services in areas such as immigration and asylum, and in the Social Security and Child Support Tribunal for those appealing benefits decisions made by the Department for Work and Pensions and HM Revenue and Customs
- completing roll-out of the new Common Platform case management system in all criminal courts in England and Wales in summer 2023
- having our reform services used over 2.4 million times and using the insights to make informed decisions for future improvements

With the Master of the Rolls, we also established the Online Procedure Rule Committee. This will develop rules to support greater use of non-court-based dispute resolution where appropriate in the civil and family jurisdictions and the tribunals.[32]

Our performance metrics

Crown Court disposals

Number of cases disposed of in Crown Court

At the time of publishing this report, the release of the latest statistics in June 2024 had been postponed by HMCTS for further quality assurance as a result of concerns about the quality of data inputs. This was in line with the Code of Practice for Statistics. As a result, HMCTS is providing a link to the latest available data instead of a graphical representation.[33]

In 2023-24, we sat the highest number of Crown Court days since 2016-17. Despite the additional days, the open caseload has continued to remain at a high level. Challenges continue, especially given the continued deterioration of the early guilty plea rate, as well as availability of sufficiently experienced legal professionals.

Magistrates' courts disposals

Disposal volumes – in magistrates' court

At the time of publishing this report, the release of the latest statistics in June 2024 had been postponed by HMCTS for further quality assurance as a result of concerns about the quality of data inputs. This was in line with the Code of Practice for Statistics. As a result, HMCTS is providing a link to the latest available data instead of a graphical representation.[33]

The average timeliness from charge to disposal has remained stable between 9 and 10 weeks since April 2022. The total work received by the magistrates' courts has been higher than expected. Disposals have also been higher than expected, but not to the same level, so the open caseload has steadily grown.

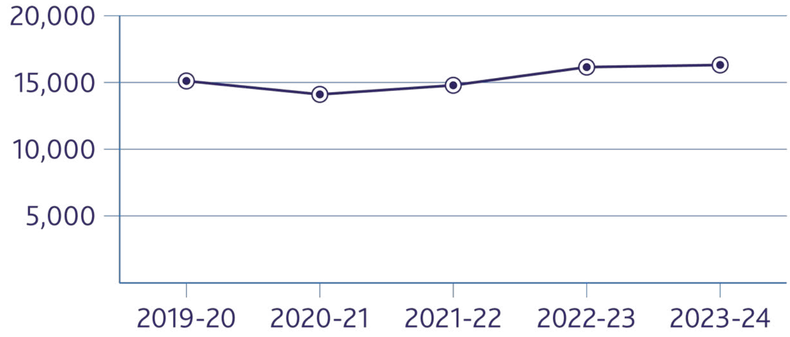
31 The HMCTS reform programme. Available at: www.gov.uk/guidance/the-hmcts-reform-programme

32 New Online Procedure Rule Committee launched. Available at: www.gov.uk/government/news/new-online-procedure-rule-committee-launched

33 Criminal court statistics. Available at: https://www.gov.uk/government/collections/criminal-court-statistics

Family court disposals (public law)

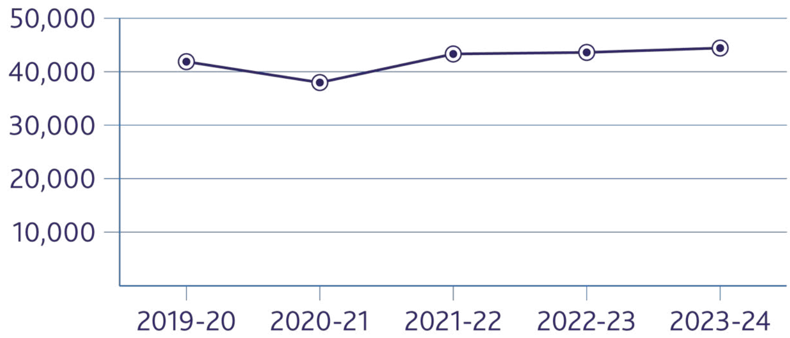
Number of cases disposed of in public law family courts



The volume of disposals (completed cases) in family public law increased by 1%, from 16,150 to 16,310 between 2022-23 and 2023-24. The average waiting for public law cases has improved to 38 weeks. However, disposals were lower than planned, reflecting lower than planned sitting days in this jurisdiction. We have also improved our digital systems for family public law services.

Family court disposals (private law)

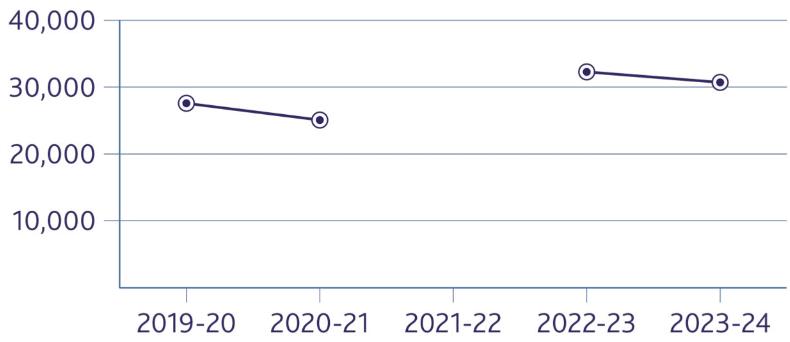
Number of cases disposed of in private law family courts



The volume of disposals (completed cases) in family private law have increased by 1.9% from 43,610 to 44,427 between 2022-23 and 2023-24. Open caseload and waiting times have reduced, which reflects higher than planned sitting days. Work continues to deliver a range of pilots to improve timeliness by increasing efficiency in the system and ensuring cases are ready to be heard when they reach court.

Employment tribunal disposals (single claims)

Number of cases disposed of in employment tribunals



The volume of disposals (completed cases) in employment tribunals single claims decreased by 5%, from 32,273 to 30,705, between 2022-23 and 2023-24. Disposals over the year were lower than planned, driven by fewer sitting days than expected from salaried judges. These new judges have a period of onboarding and training which has reduced disposal rates, alongside some judges starting their appointments a little later than anticipated. We increased the hearing capacity through the judicial-led 'virtual region', enabling fee-paid judiciary to hear suitable cases remotely.

Employment tribunals transitioned to a new employment case management database during March to May 2021. We are not able to provide results for the migration period and therefore data for 2021-22 has not been included to avoid a misleading comparison.

Victims' Code

Victims' awareness of the Victims' Code

Data is not available for years ending March 2021 and March 2022 as the question behind this metric was removed from the Crime Survey for England and Wales during the COVID-19 pandemic. Data for the years ending March 2023 and March 2024 have not been published by the Office for National Statistics.

Strategic enablers

Our corporate functions provide the specialist expertise that every organisation requires for strong performance. Our people are vital to everything we do as a department and effective financial management is essential to meet the expectations of Parliament and deliver accountability to the general public. Our openness to new ideas and digital change has helped us deliver better public services.

Workforce, skills, location

MoJ continues to ensure we have a strong, high-skilled and appropriately resourced workforce across the country. We are doing this by:

- exceeding our 2027 national Places for Growth targets by moving 2,300 roles outside of London and making progress against our location-specific targets
- adopting a national recruitment approach for eligible senior civil servant roles, to support achieving 50% of senior civil servant roles based outside of London by 2030
- growing our national office network with larger regional justice collaboration centres and smaller supporting justice satellite offices within our own estate from 29 to 40 locations at March 2023, driving greater efficiency, broadening our talent pool and offering opportunities nationally

Innovation, technology, data

We continue to grow our internal digital capability, transforming people's experience of interacting with the justice system by creating simpler, faster, secure and better services.

We are achieving this by:

- appointing a new director general for the Service Transformation Group who is leading service transformation, modernising legacy systems and co-ordinating MoJ's digital transformation strategy[34]
- delivering a service modernisation strategy in partnership with the LAA, CICA and OPG, outlining how digital and technology will support improved experiences to our users, the modernisation of these agencies and the department
- upgrading the digital services within HMCTS – removing all software applications hosted in legacy data centres by the end of July 2024
- upgrading the digital services within HMPPS, including 60,000 in-cell phones across 93 prisons, the roll-out of the Calculate a Release Date Service, and a resettlement passport for community reintegration – the new digital prison system, which is going to replace NOMIS (the National Offender Management Information System), now handles 60% of tasks, improving productivity and safety[35]
- designing, delivering and maintaining sustainable and efficient technology infrastructure and workplace technology services
- improving tools and connectivity across all MoJ locations
- improving mobile and office telephony services, security operations and service desk functions
- stabilising and modernising legacy systems to mitigate security, data, capability and support risks – the overall outcome being fewer red-rated legacy IT systems under the Central Digital and Data Office's legacy IT framework and less technology debt[36]

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34 Ministry of Justice Digital Strategy 2025. Available at: www.gov.uk/government/publications/ministry-of-justice-digital-strategy-2025/ministry-of-justice-digital-strategy-2025

35 Justice Digital blog: Calculate Release Dates. Available at: mojdigital.blog.gov.uk/2022/05/06/calculate-release-dates

36 Guidance on the Legacy IT Risk Assessment Framework. Available at: www.gov.uk/government/publications/guidance-on-the-legacy-it-risk-assessment-framework/guidance-on-the-legacy-it-risk-assessment-framework

The Evolve portfolio continues to improve and modernise service delivery, balancing in-house and outsourced IT contracts. We have re-procured three core technology contracts, we have implemented Wi-Fi services in over 300 Probation Service offices, and are transitioning to a new contact centre service.

We are building capability to manage more services in-house and procuring a new generation of technology service contracts that will support modern, high-quality, resilient services to provide better outcomes for users.

We have made significant progress in data-linking with the Better Outcomes through Linked Data (BOLD) programme.[37] This is providing new insights and streamlining processes. We are:

- implementing a pilot tool for automating probation data in North Essex, consolidating offender information into a single dashboard to improve service delivery
- publishing new evidence on drug and alcohol treatment for victims and suspects of homicide, linking the UK Home Office Homicide Index with Office for Health Improvement and Disparities and Department of Health and Social Care substance misuse treatment data[38]
- embedding Splink, an open-source data matching library used across government to link data assets system-wide, which analysts from the Department of Health and Social Care, the Ministry of Housing, Communities and Local Government, MoJ, and Welsh Government use to unlock new insights[39]

The new MoJ Data Board aligns department-wide data initiatives, linking court data for insights into victim attrition, improving service efficiency through advanced analysis. A new Artificial Intelligence Steering Group has been established to oversee initiatives using artificial intelligence and to ensure responsible and safe use within the department.

We are rolling out GovAssure, the assessment framework for IT services, focusing on assessing our business-critical services.

We continue to support innovation by ensuring security, information management and privacy requirements are built into services by design and default.

Delivery, evaluation, collaboration

MoJ is enhancing public service efficiency through collaboration and professional development.

We have committed to eight reviews in the 2023-2025 Public Bodies Review Programmes, publishing reviews for CICA and the Independent Monitoring Authority in 2023-24.[40,41] Reviews for HMPPS, Cafcass and OPG are ongoing.

We are continuing our programmes to update arm's length bodies' framework documents. Six have been updated and are either published or awaiting publication, and the remaining framework documents are in the final stages of drafting and approvals.

We are promoting a culture of learning and driving innovation through an evidence-based approach to our prison design and operations. Since spring 2023, our Evaluation and Prototyping Hub has successfully facilitated over 20 evaluations and rapidly tested ideas within prison projects, which has improved the new prisons programme.

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37 Ministry of Justice: Better Outcomes through Linked Data (BOLD). Available at: www.gov.uk/government/publications/ministry-of-justice-better-outcomes-through-linked-data-bold

38 Drug and alcohol treatment for victims and suspects of homicide. Available at: www.gov.uk/government/statistics/drug-and-alcohol-treatment-for-victims-and-suspects-of-homicide

39 Data in government blog: Splink: Fast, accurate and scalable record linkage. Available at: dataingovernment.blog.gov.uk/2022/09/23/splink-fast-accurate-and-scalable-record-linkage

40 Criminal Injuries Compensation Authority: Review 2022 to 2023. Available at: www.gov.uk/government/publications/criminal-injuries-compensation-authority-review-2022-to-2023

41 Independent Monitoring Authority for the Citizens' Rights Agreements: Review 2023 to 2024. Available at: www.gov.uk/government/publications/independent-monitoring-authority-for-the-citizens-rights-agreements-review-2023-to-2024

Additionally, the hub collaborates actively with academic scholars and external specialists to explore the impact of new prison environments on inmate wellbeing. Data literacy has also been a focus, with 50% of MoJ HQ staff signing up to One Big Thing in 2023 to improve data skills.[42]

As of the last quarter of 2023-24, the department is delivering 21 major projects and programmes on the Government Major Projects Portfolio, which cover:

- infrastructure and construction projects, primarily to deliver the commitment of 20,000 additional prison places
- service transformation programmes, such as court reform and electronic monitoring expansion
- critical rehabilitation programmes, such as the Prisoner Education Service and probation workforce reform
- re-procurement of operational and enabling services, including IT services across MoJ

The in-year expenditure for the financial year 2023-24 for these 21 major projects and programmes was approximately £1.6 billion. There has been a reduction of six major projects and programmes compared with the last quarter of 2022-23 following closure. A major project successfully completed during 2023-24 is the 1,700-place new prison HMP Fosse Way, which won 'Infrastructure Project of the Year' at the Government Project Delivery Awards 2024.

Sustainability

MoJ is embedding sustainability in all operations, working towards net zero and the 2025 Greening Government Commitments.[43,44] We are:

- securing grants for decarbonisation projects at Bradford Courts and HMPs Featherstone and Prescoed – our project to remove oil-fired heating at HMP Eastwood Park is in progress
- designing our four new prisons (HMPs Millsike, Gartree, Grendon and Garth) to be net zero-ready
- publishing our Climate Change and Sustainability Strategy[45]

A revised MoJ Climate Change Adaptation Strategy has been published following evidence gathered through an organisation-wide climate change risk assessment of our estate and operations in 2022-23.[46] Our research indicates overheating and flooding are significant risks. We are continuing to conduct flood risk assessments (26 conducted in 2023-24) for our most vulnerable sites and to understand overheating and assess suitable interventions to reduce these risks. We have completed eight overheating studies across prison estates, resulting in heatwave guidance for prisons.

MoJ has published its Nature Recovery Plan setting out nine principles to restore biodiversity across our estate and to benefit our people.[47] Site-specific Ecological Management Plans have been developed for the majority of our estate and a Biodiversity in Construction Policy has also been developed.

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42 A Modern Civil Service blog: One Big Thing: data upskilling for all civil servants. Available at: moderncivilservice.blog.gov.uk/2023/07/19/one-big-thing-data-upskilling-for-all-civil-servants

43 Net Zero Strategy: Build Back Greener. Available at: www.gov.uk/government/publications/net-zero-strategy

44 Greening Government Commitments 2021 to 2025. Available at: www.gov.uk/government/publications/greening-government-commitments-2021-to-2025

45 Climate Change and Sustainability Strategy. Available at: www.gov.uk/government/publications/climate-change-and-sustainability-strategy-moj/climate-change-and-sustainability-strategy

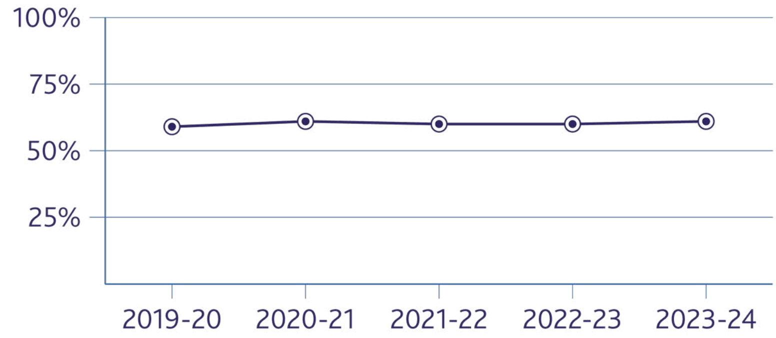
46 Climate Change Adaptation Strategy 2024: MoJ. Available at: www.gov.uk/government/publications/climate-change-adaptation-strategy-moj

47 Nature Recovery Plan summary: MoJ. Available at: www.gov.uk/government/publications/nature-recovery-plan-summary-moj

Our performance metrics

People Survey engagement score

Average engagement score (%)

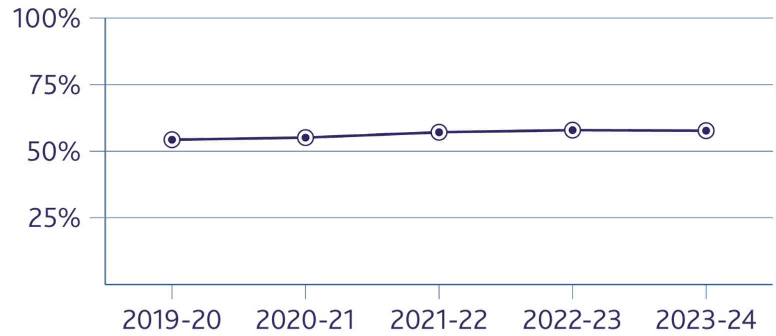


Value change/ Progress

The engagement score has risen slightly to around 61% from 2022-23 to 2023-24.

Representation of female staff at MoJ

% of staff who are female

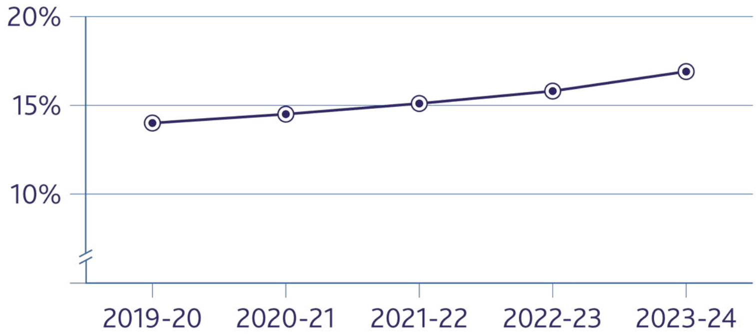


Value change/ Progress

Representation of female staff in MoJ has remained steady at 57.7% in 2023-24 compared to 57.9% in 2022-23. Representation of female staff in post remains above the Civil Service target of 50% gender parity, across MoJ and its executive agencies. While these are positive results, within the department and its agencies, there are some grades and staff groups where there remains work to do to improve the representation of female staff. There are strategic actions to improve gender equality by attracting and retaining talent across our workforce. Representation is monitored and the actions overseen by the MoJ Gender Equality Forum and the MoJ Inclusion Council.

Representation of ethnic minority staff

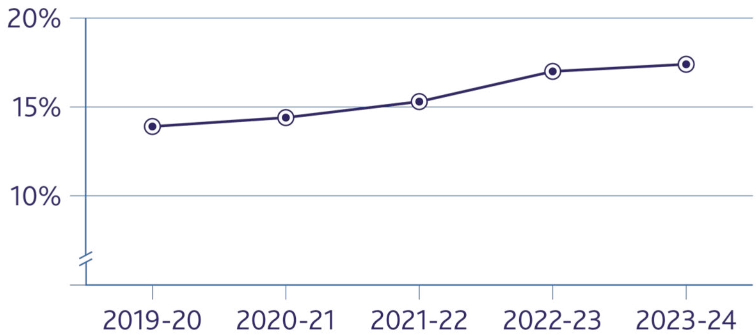
% of staff from ethnic minority backgrounds



Representation of ethnic minority staff in MoJ has steadily increased to 16.9% in 2023-24 from 14% in 2019-20. There is a strategic programme of work across MoJ to improve the attraction, retention and development of ethnic minority staff. Representation is monitored and the actions are overseen by the MoJ Race Action Committee and the MoJ Inclusion Council.

Representation of disabled staff

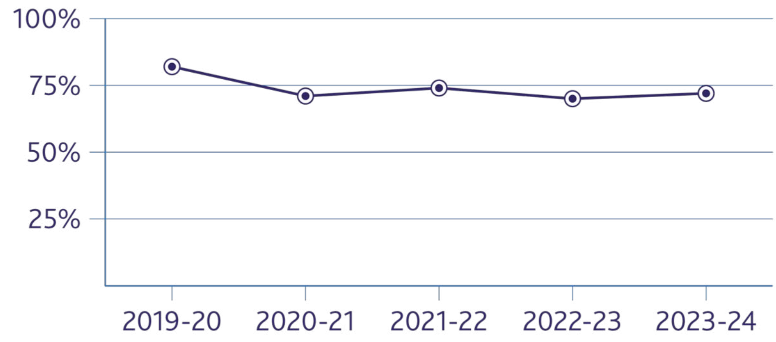
% of staff who are declared disabled



Representation of disabled staff in MoJ has increased to 17.4% in 2023-24 from 13.9% in 2019-20. There is a strategic programme of work led by a disability action group to improve the attraction, retention and development of staff with a disability or long-term health condition. Representation is monitored and the actions overseen by the MoJ Inclusion Council.

Greenhouse gas emissions – annual CO_2 emissions

% vs baseline year



Value change/ Progress

Currently our emissions have reduced by 28% compared to our baseline year (2017-18), against a target of 41% by 2025. This has been achieved through a combination of electricity grid decarbonisation and energy efficiency measures taken across our estate.

United Nations Sustainable Development Goals

MoJ shares responsibility with other government departments for supporting delivery of the UK's commitments to the United Nations Sustainable Development Goals (SDGs).[48] The table describes our contributions.

SDG	MoJ's priority outcomes (contributing to SDG)	MoJ activity in 2023-24
SDG 3 – Good health and wellbeing Target: 3.5 - Substance abuse	Reduce reoffending ▪ Substance misuse	Piloting intensive supervision courts and increasing the number of prisons with an Incentivised Substance-Free Living Unit from 50 in 2022-23 to 80.[49] We have recruited the first 36 of a planned 50 staff to co-ordinate prison activity on drugs and have completed recruitment of over 50 staff to support continuity of care post-release.
SDG 4 – Quality education Targets: 4.4 – Youth and adult skills 4.6 – Literacy and numeracy 4a – Education facilities	Reduce reoffending ▪ Education	The Youth Custody Service (YCS) has delivered monthly planning workshops across all sites with subject specialists to support in English and maths. This has resulted in schemes of learning, lesson plans and assessment points across sites. Reading and a lack of reading support have been identified through both YCS assurance and recent Ofsted findings. Our providers are using a reading screener and the YCS has released the Reading Roadmap to guide sites in developing a wider reading curriculum. We have also worked with the Shannon Trust to develop a programme of support suitable for the youth estate. We have invested in new roles such as heads of education, skills and work to strengthen educational leadership in prisons, and support governors to improve their curriculum. There are neurodiversity support managers in every prison to improve support for prisoners with additional needs to access education, skills and work opportunities, both in prison and in preparation for release. The Prison Education Framework incentivises achievement at maths and English. The percentage of prisoners who make at least one level of progress in English and/or maths during their time in custody increased from 6.9% to 8.2% between 2022-23 and 2023-24.

48 United Nations Sustainable Development Goals. Available at: sdgs.un.org/goals

49 Press release: Pioneering initiative to force offenders to get clean or face jail time. Available at: www.gov.uk/government/news/pioneering-initiative-to-force-offenders-to-get-clean-or-face-jail-time

SDG	MoJ's priority outcomes (contributing to SDG)	MoJ activity in 2023-24
SDG 5 – Gender equality Targets: 5.1 – Discrimination against women and girls 5.2 – Violence against women and girls 5c – Gender equality policies	Reduce reoffending ▪ Tackling female reoffending Deliver swift access to justice ▪ Domestic abuse	We have implemented commitments in the Female Offender Strategy Delivery Plan. This provides support to women in the criminal justice system to improve their rehabilitative outcomes, ensuring they have access to the right support when they need it.[50] We published the latest Rape Review progress report in February 2024.[51] We have exceeded all three Rape Review ambitions ahead of schedule, increasing police referrals to the Crown Prosecution Service, Crown Prosecution Service charges and Crown Court receipts for adult rape to 2016 levels. This means we have doubled Crown Court receipts since the review was commissioned in 2019. The number of adult rape prosecutions also continues to increase, rising 44% in the latest year. The Victims and Prisoners Act gained Royal Assent on 24 May 2024.[52] It was introduced to improve victims' experiences of the criminal justice system and drive up public confidence in the process. This will introduce a joint statutory duty on police and crime commissioners, integrated care boards and local authorities to work together when commissioning support services for victims of domestic abuse, sexual abuse and other serious violence. The Act will also require government to issue guidance about victim support roles listed in regulations. We are quadrupling funding for victim and witness support services by 2024-25, up from £41 million in 2009-10. This includes additional ring-fenced funding to increase the number of independent sexual and domestic violence advisors to 1,000 by 2024-25. Specifically for victims of violence against women and girls, MoJ and Home Office have committed up to £5.9 million of ring-fenced funding for 'by and for' services over three years to March 2025. We have continued to prepare for the launch of Domestic Abuse Order pilots.[53] These orders are intended to provide protection to victims from all forms of domestic abuse, and will be available in the family, criminal and civil courts.

50 Female Offender Strategy Delivery Plan 2022 to 2025. Available at: www.gov.uk/government/publications/female-offender-strategy-delivery-plan-2022-to-2025

51 Rape Review progress report: Winter 2024. Available at: www.gov.uk/government/publications/rape-review-progress-report-winter-2024

52 Victims and Prisoners Act 2024. Available at: bills.parliament.uk/bills/3443

53 Domestic Abuse Protection Notices / Orders factsheet. Available at: www.gov.uk/government/publications/domestic-abuse-bill-2020-factsheets/domestic-abuse-protection-notices-orders-factsheet

SDG	MoJ's priority outcomes (contributing to SDG)	MoJ activity in 2023-24
SDG 8 – Decent work and economic growth Targets: 8.3 – Job creation, entrepreneurship, creativity, innovation, and SMEs 8.5 – Full and productive employment 8.6 – Youth not in employment, education, or training 8.8 – Labour rights and safe working environments	Reduce reoffending ▪ Employment opportunities and access to work ▪ Resettlement support Protect the public from serious offenders and improve the safety and security of our prisons	We have increased the percentage of prison leavers in employment six months after release from 14% to over 30% over two years. To do this in 93 prisons, including all resettlement prisons, we have: ▪ rolled out prison employment leads, who match prisoners to jobs on release ▪ set up Employment Hubs, which are physical spaces where prisoners can access job vacancies and support with applications ▪ helped prison leavers to arrange a bank account and right to work ID, find accommodation and claim out of work benefits ▪ set up employment advisory boards, chaired by business leaders, which advise prisons on the skills they deliver to align these with labour market demand

SDG	MoJ's priority outcomes (contributing to SDG)	MoJ activity in 2023-24
SDG 10 – Reduced inequalities Target: 10.2 – Empower and promote the social, economic, and political inclusion of all	Workforce, skills, location	In December 2023 we published our pay gap report, setting out updates and actions that we will continue to progress in 2024.[54] This year the department achieved the Carer Confident re-accreditation and retained the Disability Confident Leader status. We have also moved to an exclusively in-year reward and recognition system for delegated grades across MoJ Group, with HMPPS implementing this in a new performance management process. We will continue to monitor for diversity and inclusion outcomes. Over the next year we will build on our progress by: ▪ continuing the transformation of our people policies so that they are inclusive and consistent across the department ▪ developing line manager skills, knowledge and behaviours using our People Manager Handbook and associated learning opportunities ▪ working in partnership with internal stakeholders to understand staff experiences and to help the organisation improve and/or promote policy, guidance and support available for all staff and managers in the workplace Judicial diversity is a priority for MoJ. We work closely with the members of the Judicial Diversity Forum (JDF), which includes the judiciary, Judicial Appointments Commission, legal professions, and the Legal Services Board. The JDF identifies, supports and, where appropriate, works collaboratively on activities to improve judicial diversity. The forum's 2024 action plan was published in January 2024.[55] It includes a wide range of actions that JDF members have committed to delivering, both individually and collectively. The updated magistrates' recruitment process and our inclusive marketing strategy targets a wider, more diverse audience and aims to attract applicants from under-represented groups. We publish comprehensive data on recruitment and diversity in the annual combined diversity of the judiciary statistics.[56]

54 Ministry of Justice gender pay gap report 2023. Available at: www.gov.uk/government/publications/ministry-of-justice-gender-pay-gap-report-2023/ministry-of-justice-gender-pay-gap-report-2023

55 Judicial Diversity Forum: Priorities and Actions for 2024. Available at: judicialappointments.gov.uk/wp-content/uploads/2024/01/Judicial-Diversity-Forum-Priorities-and-Actions-for-2024.pdf

56 Diversity of the judiciary: 2023 statistics. Available at: www.gov.uk/government/statistics/diversity-of-the-judiciary-2023-statistics

SDG	MoJ's priority outcomes (contributing to SDG)	MoJ activity in 2023-24
SDG 12 – Responsible consumption and production Targets: 12.5 – Reduce waste 12.6 – Companies adopting sustainable practices 12.7 – Sustainable public procurement practices	Protect the public from serious offenders and improve the safety and security of our prisons Building sustainable prisons	MoJ launched a Circular Economy and Waste Management Strategy in 2023-24 to develop a circular economy within prison industries and to improve waste management practices and waste governance. The central objective of the strategy is to develop circular economy opportunities, which has seen the piloting and expansion of various prison industry waste reuse, refurbishment and remanufacturing projects. MoJ has a range of strategies and policies to support sustainability outcomes in relevant procurements, including a Sustainable Construction BREEAM Policy and our Sustainable Procurement Policy. The Prison Capacity Sub Portfolio contracts contain stretching energy and carbon reduction targets, including our new prisons which will be all-electric. This eliminates the need for gas boilers, meaning they will produce no operational carbon emissions when the National Grid fully decarbonises.[57]
SDG 13 – Climate action Target: 13.2 – Integrate climate change measures into national policies	Protect the public from serious offenders and improve the safety and security of our prisons	We have developed our operational resilience to the changing climate by refreshing our Climate Change Adaptation Strategy.[58] We have also taken action on our flood and overheating risks, including: ▪ conducting 26 flood risk assessments across our highest risk sites ▪ completing eight overheating studies in different MoJ asset architypes ▪ developing heatwave guidance for prisons

57 Climate change and environmental sustainability: MoJ. Available at: www.gov.uk/guidance/ministry-of-justice-climate-change-and-sustainability

58 Climate Change Adaptation Strategy 2024: MoJ. Available at: www.gov.uk/government/publications/climate-change-adaptation-strategy-moj/climate-change-adaptation-strategy-2024-moj

SDG	MoJ's priority outcomes (contributing to SDG)	MoJ activity in 2023-24
SDG 15 – Life on land Target: 15.5 – Reduce the degradation of natural habitats and loss of biodiversity	Reduce reoffending ▪ Training, skills and work Sustainability	Nine tree nurseries grow 200,000 saplings across the custodial estate. The nurseries provide meaningful work, training and skills, including horticultural qualifications, helping to rehabilitate offenders while also providing an employment pathway into the green economy sector on their release. Our community payback team launched a partnership with Forestry England, where offenders are learning new skills while repaying their communities and delivering local nature improvements. Work includes coppicing, invasive species removal, pond maintenance, sapling care and woodland thinning. We have drafted Ecological Management Plans for the prison estate and launched a new Biodiversity in Construction Policy, which sits alongside our Nature Recovery Plan.[59] Together, this mitigates nature depletion, and enables nature recovery and prison expansion.

59 Nature Recovery Plan summary. Available at: www.gov.uk/government/publications/nature-recovery-plan-summary-moj/nature-recovery-plan-summary

SDG	MoJ's priority outcomes (contributing to SDG)	MoJ activity in 2023-24
SDG 16 – Peace, justice, and strong institutions Targets: 16.1 – Reduce violence 16.3 – Promote the rule of law 16.B – Strengthen national institutions	Reduce reoffending Protect the public from serious offenders and improve the safety and security of our prisons Deliver swift access to justice	MoJ has improved security in prisons through the £100 million security investment programme by clamping down on the weapons, drugs and mobile phones that contribute to prisoner debt, crime and violence. Prison safety statistics are published quarterly and are available online.[60] MoJ has promoted the rule of law in the legislature and in wider professional arenas, and has promoted public understanding of the role of judges and the importance of their impartiality and independence to democracy. Internationally, UK ministers have addressed international partners on the importance of upholding the rule of law, alongside contributing to the development and implementation of laws to support swift access to justice. This includes representation at the G7 summit in Tokyo, the Council of Europe Justice Ministers meeting in Riga, and the Commonwealth Law Ministers meeting in Zanzibar.[61] Investment in judicial recruitment meant that around 1,000 judges and tribunal members posts were recruited into in 2023-24 to meet the demands on the courts in England and Wales and UK tribunals. We appointed 2,029 new magistrates in 2023-24, resulting in a total of 14,576 magistrates in England and Wales. We are aiming to recruit similar numbers in future years. Data on recruitment and diversity is published in the annual combined diversity of the judiciary statistics.[62]

60 Safety in custody statistics. Available at: www.gov.uk/government/collections/safety-in-custody-statistics

61 Press release: International Community to help rebuild Ukrainian legal system and champion rule of law. Available at: www.gov.uk/government/news/international-community-to-help-rebuild-ukrainian-legal-system-and-champion-rule-of-law

62 Diversity of the judiciary: 2023 statistics. Available at: www.gov.uk/government/statistics/diversity-of-the-judiciary-2023-statistics

Climate change and sustainability

As the second largest government estate, our vision is to lead the way in greening government by embedding sustainability into everything we do. We will use our environmental policies, projects and programmes to deliver justice outcomes, while also supporting the delivery of the government's climate and environmental objectives.

Sustainability is a strategic enabler in our Outcome Delivery Plan, supporting the department's strategic outcomes. Areas of focus include:

- tackling climate change
- using resources sustainably
- protecting and enhancing the environment
- embedding sustainability across the organisation
- maximising opportunities to deliver justice outcomes that also support delivery of government's Environmental Improvement Plan

MoJ's Climate Change and Sustainability Unit co-ordinates strategy, policy, governance, risk and assurance of climate change and sustainability activities, providing expert advice to functions and agencies. Strategic oversight is provided by MoJ's Senior Sustainability Board.

Scope and data quality

This information is prepared in accordance with HM Treasury's sustainability reporting guidance 2023-24.[63]

MoJ reports on all its executive agencies and non-departmental public bodies, subject to any agreed exemptions. MoJ is unable to report data from locations where property owners are not obliged to provide it. Where necessary, some data has been estimated.

United Nations Sustainable Development Goals

The work of the department primarily supports delivery of four United Nations SDGs: SDGs 5, 10, 13 and 16, relating to climate change, equality, peaceful and inclusive societies, and access to justice.

Embedding sustainability

MoJ's Climate Change and Sustainability Strategy sets out how the department embeds environmental sustainability throughout its estate, operations and procurement activity.[64]

Sustainability Action Plans have been agreed with executive agencies and functions to identify actions to drive improvements across our estate. These are regularly reviewed and updated to reflect progress and highlight new opportunities for improving our environmental performance. Arm's length bodies are also engaged on greening government through MoJ's arm's length body Centre of Excellence.

Greening Government Commitments performance

MoJ tracks its progress against the Greening Government Commitment (GGC) targets for the period 2021 to 2025 on a quarterly basis. This report shows our present position for 2023-24 against a 2017-18 baseline, using data available to December 2023 due to the timing of this report. The non-financial indicators for 2022-23 have been restated to show the full financial year up to March 2023.

63 HM Treasury: Sustainability reporting guidance 2023-24. Available at: assets.publishing.service.gov.uk/media/64b955f206f78d000d742645/2023-24_Sustainability_Reporting_Guidance.pdf

64 Climate Change and Sustainability Strategy: MoJ. Available at: https://www.gov.uk/government/publications/climate-change-and-sustainability-strategy-moj

Greening Government Commitments progress

During 2023-24 we have:

- continued to install LED lighting and boiler efficiency controls, increase solar power generation capability, and commence a heat decarbonisation scheme (removing oil boilers) at a number of our prisons
- implemented actions in MoJ's Nature Recovery Plan, created Ecological Management Plans for 95% of our land outside the wire to increase biodiversity, and developed the new Biodiversity in Construction Policy
- continued to embed sustainability in community payback projects such as tree planting, nature reserve management litter picking and tree planting in local communities
- incorporated 10% biodiversity net gain and net zero-ready principles in our new prisons programme
- fixed 14 water leaks throughout 2023-24, avoiding £3.8 million in water costs

Moving forward, we will:

- continue to develop projects that deliver both improved offender outcomes and environmental recovery, such as through our tree nurseries in prisons and unpaid work partnerships with organisations like Forestry England
- continue our circular economy pilots on the prison estate to support resource efficiency
- manage our land in a nature-positive way through improved land management and through our facilities management contracts

Tackling climate change: Mitigating emissions and adapting to the changing climate

Climate change is having an increased impact across our estate and operations, principally through overheating during heatwaves and flooding from increased rainfall. MoJ recognises the need to move towards net zero while also being more resilient to climate change and has taken an active approach to addressing these challenges.

Task Force on Climate-related Financial Disclosure-aligned disclosure compliance statement

The climate-related financial disclosure contained within this annual report and accounts is consistent with HM Treasury's UK public sector Task Force on Climate-related Financial Disclosure-aligned disclosure guidance. In line with the central government timetable, this annual report and accounts complies with the Task Force on Climate-related Financial Disclosure's recommended disclosures for 2023-24 around:

- governance – recommended disclosures (a) board's oversight and (b) management's role
- metrics and targets – recommended disclosure (b) emissions reporting

For a detailed overview of our climate-related risks and opportunities, governance, strategy, risk management, and metrics and targets, see MoJ's Task Force on Climate-related Financial Disclosure-aligned disclosure 2023-24.

Overall GGC performance 2023-24 (against the updated 2017-18 baseline)[65]			
Requirement by 2025	**2023-24 performance**	**RAG status**	**Commentary**
Reduce greenhouse gas emissions by 41%	-28%	Not on track	Prison expansion and backlog maintenance has hampered progress. MoJ's Net Zero Strategy describes our organisational priorities for decarbonisation.
Reduce direct greenhouse gas emissions by 23%	-10%	Not on track	Financial constraints and electrical capacity constraints mean that achieving the target continues to be challenging. Heat decarbonisation plans have been completed for prioritised prison and probation sites, and funding has been obtained to progress decarbonisation works at some sites.
Reduce emissions from domestic business flights by 30%	-82%	On track	Domestic air travel continues to remain significantly below 2017-18 levels.
Reduce overall waste by 15%	-15%	On track	MoJ is piloting recycling and refurbishment schemes within prisons to save money and reduce waste, and shaping future facilities management contracts to improve waste management.
Landfill waste to be less than 5%	4%	On track	Prioritising waste diversion from landfill through facilities management contracts.
Increase recycling to at least 70%	50%	Not on track	Piloting recycling and refurbishment schemes at prisons, and shaping future facilities management contracts to improve waste management.
Reduce paper use by 50%	-49%	Not on track	Although many processes are still paper-based, services are increasingly moving online to increase accessibility, efficiency and paper use – for example, online processing of simple cases saves 185 million sheets of paper annually.
Reduce water consumption by at least 8%	+5%	Not on track	Challenges include prison expansion, and leaks and burst pipes due to ageing infrastructure on our existing estate. Smart meter installation continues to help identify and subsequently fix water leaks.

65 GGC performance may not align exactly with the emissions reporting table, due to differences in the scope of emissions reported.

Climate governance

Board oversight of climate-related risks

MoJ appointed a ministerial champion and non-executive director champion for climate change and sustainability matters. Both individuals attend the MoJ Departmental Board. The board is responsible for setting strategic direction and reviewing delivery against the MoJ Outcome Delivery Plan, which includes climate change and sustainability objectives.

Climate change and sustainability risks were escalated to a principal risk in 2022. Our Audit and Risk Assurance Committee receives quarterly updates on MoJ's climate and sustainability transition risks, trends and control effectiveness.

For 2024-25 we are improving oversight of climate-related matters. We are introducing an annual board update and biannual Audit and Risk Assurance Committee update on climate-related MoJ risks and opportunities.

Management's role in assessing and managing climate-related risks

MoJ has also appointed an Executive Committee champion and a Chief Sustainability Officer for climate change and sustainability matters.

MoJ climate change and sustainability transition and risk management is co-ordinated by our Climate Change and Sustainability Unit, while strategy, performance and risk is overseen by our Senior Sustainability Board. The board meets quarterly and is made up of representatives from our C-suite officers, functional directors, profession directors and agency directors. The board is supported by net zero transition and climate adaptation sub-groups.

Our climate change and sustainability risks and performance are reviewed quarterly by our Finance, Performance and Risk Committee. Major programmes and projects are scrutinised by our Investment Committee.

The Project Delivery Function supports this committee by managing the MoJ assurance keyholder review process for programme and major project business cases, within which climate and sustainability is a keyholder. All business cases with expenditure above £10 million are screened for their climate change impacts.

Mitigating climate change: Decarbonisation

MoJ's Net Zero Strategy has been published and sets out a long-term vision for the department and its agencies to reach decarbonisation pathway targets.

MoJ carbon emissions show an overall 28% decrease compared to the 2017-18 baseline. We have continued to manage our overall carbon emissions through a range of energy and carbon saving measures this financial year, including:

- securing £7 million Public Sector Decarbonisation Scheme funding to decarbonise a number of prison and probation sites, which is expected to deliver an annual saving of 1,717 tonnes of carbon dioxide equivalent (tCO2e) – these projects will be delivered over the coming two years
- installing 193 boiler control units at a number of prison sites, forecasted to save 1,015 tCO2e and an estimated £205,000 per year in financial savings
- upgrading lighting to LEDs through routine maintenance, using 64,000 purchased lights and over 14,000 LEDs manufactured in prisons
- funding LED upgrade projects within probation, forecasting to save 194 tCO2e
- developing decarbonisation studies at eight sites to inform future capital funding proposals
- delivering low carbon heating upgrades at a prison, forecasted to save 672 tCO2e
- putting net zero at the heart of new prison design by recognising that what we build now will still be in use by 2050

MoJ achieved the target of 25% of cars converted to ultra-low emission vehicles in line with the GGC target. This was achieved 12 months ahead of the target date of December 2022. The MoJ fleet currently comprises 67% ultra-low emission vehicles and 4.9% zero emission vehicles against a UK government target of 100% by December 2027.

Climate change metrics and targets – emissions reporting

Table 1: Overall greenhouse gas emissions and financial costs 2023-24

Greenhouse gas emissions from buildings and travel		2017-18 baseline[66]	2018-19	2019-20	2020-21	2021-22	2022-23 restated[67]	2023-24
Non financial indicators (tCO_2e)[68]	Total gross scope 1 (direct) greenhouse gas emission	189,874	185,407	182,242	170,888	184,533	172,209	173,406
	Total gross scope 2 (energy indirect) greenhouse gas emissions	166,976	126,714	111,393	92,097	90,193	84,345	89,581
	Total gross scope 3 (official business travel) emissions	13,546	22,938	21,496	11,491	9,123	8,905	7,653
	Total emissions	**370,396**	**335,059**	**315,131**	**274,476**	**283,849**	**265,459**	**270,641**

66 These values are based on the updated baseline data approved by the Department for Environment, Food and Rural Affairs.

67 2022-23 calendar year data has been restated to show the full financial year up to March 2023.

68 Definitions for scope 1-3 emissions: www.gov.uk/government/publications/environmental-reporting-guidelines-including-mandatory-greenhouse-gas-emissions-reporting-guidance

Greenhouse gas emissions from buildings and travel		2017-18 baseline[66]	2018-19	2019-20	2020-21	2021-22	2022-23 restated[67]	2023-24
Non financial indicators (MWh)	Electricity	474,376	447,642	435,812	395,044	424,779	435,782	434,727
	Electricity: renewable on site[69]	28.605	Data not available	Data not available	Data not available	463	907	1,617
	Gas	924,849	876,973	837,642	816,750	881,873	810,484	801,892
	Other energy sources	38,984	43,114	47,143	42,689	47,500	82,381	70,867
	Total energy	1,438,237	1,367,729	1,320,597	1,254,483	1,354,615	1,329,554	1,309,104
Financial indicators (£m)	Energy	92	92	111	97	103	148	183
	Carbon reduction scheme	7	6	6	0	0	0	0
	Official business travel	24	28	29	5	10	26	27
	Total: energy and business travel	123	126	146	102	113	174	210

69 Previous reports showed values for renewable energy that referred to grid-supplied green tariff. This does not align with GGC reporting, which makes no allowance for green tariffs in the carbon reporting. The table has therefore been updated to show on-site generated renewable energy.

Travel and emissions[70]

Flight-related emissions have remained low since the pandemic restrictions, and emissions from domestic flights have reduced by 82%, compared to our 2017-18 baseline.

Table 2: International and domestic business travel distance and greenhouse gas emissions 2023-24

Air travel	2017-18 restated[71]	2018-19	2019-20	2020-21	2021-22	2022-23 restated[72]	2023-24
Domestic flights (km)	1,905,878	1,838,087	1,499,117	64,326	255,017	521,783	336,832
Domestic flights emissions (tCO_2e)	270	290	202	8	33	68	48
International business flights (km)	3,387,593	3,609,624	4,739,114	3,382,713	3,669,534	4,131,216	2,016,712
Short haul economy class	1,255,551	None held	None held	None held	1,868,392	1,167,586	764,914
Short haul business class	58,527	None held	None held	None held	6,643	24,933	None held
Long haul economy class	1,252,533	None held	None held	None held	876,294	1,294,499	903,172
Long haul premium economy	329,097	None held	None held	None held	507,834	663,919	222,119
Long haul business class	491,885	None held	None held	None held	410,371	980,279	126,506
International business flights (tCO_2e)	372	375	463	311	383	504	238

MoJ is reviewing organisation-wide travel policies to make more sustainable travel options preferable to air and single-occupancy vehicle travel.

70 Business travel emissions measured and reported as per GGC requirements is one part of scope 3 emissions. More work is required to understand our broader scope 3 emissions profile.

71 These values are based on the updated baseline data approved by the Department for Environment, Food and Rural Affairs.

72 2022-23 calendar year data has been restated to show the full financial year up to March 2023.

Adapting to the changing climate

MoJ has published a revised Climate Change Adaptation Strategy, following a climate change risk assessment of our estate and operations in 2022-23. Our research indicates overheating and flooding are significant risks. We are continuing to conduct flood risk assessments (26 conducted in 2023-24) for our most vulnerable sites. We are also improving understanding of overheating in our buildings, as well as assessing suitable interventions to reduce these risks.[73]

The government's third National Adaptation Programme (NAP3) identifies a specific risk to prison services, and we have developed a NAP3 risk reduction pathway which includes actions to:[74]

- conduct an updated climate change risk assessment by 2027
- design and build new prisons targeting BREEAM excellent standards as a minimum
- address research gaps and pilot operational interventions to reduce the risk of prison service delivery failure

Climate change plans for 2024-25

We will:

- aim to cut new prison operational carbon emissions by at least 85% compared to HMP Fosse Way
- deliver the commitments set out in our NAP3 risk reduction pathway
- develop a Net Zero Delivery Plan

Reducing water use

Water is one of our most precious resources, and as an organisation we are committed to reducing our consumption wherever possible. We have developed a Water Efficiency Strategy to support this.

Our water usage has increased by 5% compared to 2017-18. This is due to prison expansion, and leaks and burst pipes due to ageing infrastructure on our existing estate.

We have invested £340,000 installing 290 smart water meters across the HMPPS estate. Smart meter data has enabled identification and repair of leaks more quickly.

Table 3: Water consumption and financial costs 2023-24

Water		2017-18 restated[75]	2018-19	2019-20	2020-21	2021-22	2022-23 restated[76]	2023-24
Non-financial indicators	Total water consumption (m^3 000)	9,503	8,917	8,940	9,137	9,402	9,645	9,994
Financial indicators	Total water supply costs (£'m)	26	27	29	24	23	28	31

73 Climate Change Adaptation Strategy: MoJ. Available at: www.gov.uk/government/publications/climate-change-adaptation-strategy-moj

74 NAP3 Annex 1: Climate risks and opportunities. Available at: assets.publishing.service.gov.uk/media/65d47d9b0f4eb10064a981ae/NAP3_Annex_1_Climate_risks_and_opportunities.pdf

75 These values are based on the updated baseline data approved by the Department for Environment, Food and Rural Affairs.

76 2022-23 non-financial data has been restated to show the full financial year up to March 2023.

Minimising waste and promoting resource efficiency

Table 4: Waste generation 2023-24

Waste – non-financial indicators (tonnes)	2017-18 baseline[77]	2018-19	2019-20	2020-21	2021-22	2022-23 restated[78]	2023-24
Landfill	6,797	1,323	1,355	4,922	3,615	2,984	1,771
Recycled/reused (total)	25,863	41,666	42,113	33,169	25,074	19,683	21,451
Waste electrical and electronic equipment (electrical and ICT)	255	n/a	n/a	n/a	282	297	613
Food waste	2,109	n/a	n/a	n/a	4836	1,184	879
Incinerated with energy from waste	16,037	6,862	9,102	6,989	16,496	15,555	17,810
Incinerated without energy recovery	21	0	11	14	1	724	492
Total waste	**51,082**	**49,851**	**52,581**	**45,094**	**45,186**	**40,427**	**43,016**
Financial indicators (£m)						2.7	

MoJ has reduced its waste by around 15% compared to the 2017-18 baseline, of which 4% went to landfill and 50% was recycled.

A Circular Economy Strategy has been published and several pilot recycle and repair workshops across the prison estate have been established, reducing waste and increasing recycling.[79]

Case study: Reducing reoffending through circular economy projects

Circular economy workshops in prisons support MoJ's priority of reducing reoffending through providing meaningful, hands-on work for prisoners, while helping develop green skills to support them in finding jobs on release.

Since launching national electrical repair workshops at selected prisons, prisoners have repaired 8,200 TVs and 1,200 phones, saving 220,000kg in carbon emissions.

77 These values are based on the updated baseline data approved by the Department for Environment, Food and Rural Affairs.

78 2022-23 non-financial data has been restated to show the full financial year up to March 2023.

79 Circular Economy Strategy summary: MoJ. Available at: https://www.gov.uk/government/publications/circular-economy-strategy-summary-moj

Paper use

MoJ has reduced paper use by 49% compared to the 2017-18 baseline. Better data is helping us to identify where most of our paper is being used and to help drive efficiencies. Digitalisation of some processes, including the use of prison 'in-cell technology', is also helping reduce paper use.

Single-use plastics

MoJ's single-use plastics policy, published in January 2019, sets out our approach to reducing single-use plastics and only using them when no viable alternative is available.[80]

Biodiversity and nature recovery

MoJ has a Nature Recovery Plan setting out nine principles to restore biodiversity in our estate and benefit our people.[81] Ecological Management Plans were developed for most of our landholdings, detailing site-specific actions for our land managers to implement. Considerable support has been provided to the property transformation programme to ensure that spatial data is accurately captured in the new total facilities management requirements. We have developed a Biodiversity in Construction Policy and wildlife assessment check tool to drive best practice across our expansion and refurbishment projects. Nine HMPPS tree nurseries are aiming to grow 200,000 saplings a year for use on MoJ land and other public bodies, while also contributing to prisoner education.

Case study: Reducing reoffending through community payback projects

In 2023, MoJ and HMPPS launched a national partnership between the Probation Service and Forestry England, where people on probation work on Forestry England projects and receive training while completing their community payback.

Since the partnership launched, hundreds of people on probation have completed community service at Forestry England sites, through taking part in activities including cutting back brambles, litter picking, repairing pathways, and tree planting.

80 MoJ's single-use plastics policy. Available at: www.gov.uk/government/publications/ministry-of-justicesingle-use-plastics-policy

81 Nature Recovery Plan summary: MoJ. Available at: www.gov.uk/government/publications/nature-recovery-plan-summary-moj

Procuring sustainable products and services

MoJ educates, engages and embeds sustainability across our commercial function while considering the operational environment and whole-life value for money. Focused sustainability support is prioritised for contracts that have the greatest opportunities to embed positive environmental outcomes. An assessment tool is in development to identify contracts with potential for sustainability impact and risk. This tool will allow us to prioritise resources and develop additional guidance across relevant procurement categories.

MoJ has continued to develop a clearer understanding of the link between sustainability outcomes and our major contracts, such as prison operators' contracts and the prison food contracts.

The prison food contract ensures that all goods are bought in line with animal welfare and fair trade or ethical standards. All animal-derived foods are from farm-assured sources, all fish and products containing palm oil are sustainably sourced, and over 50% of produce is from the UK.

Training is regularly provided on policies such as PPN 01/24 Carbon Reduction Schedule. All commercial staff must complete the annual ethical sourcing assessment which includes a module on environmentally sustainable procurement. Commercial activity is guided by our Sustainable Procurement Policy that sets out our minimum environmental sustainability standards.

The MoJ project assurance process means most business cases that have a whole-life cost exceeding £10 million are assessed by a panel of specialists across MoJ, including sustainability experts. Government Buying Standards are applied where applicable.

MoJ seeks to achieve social value from all relevant procurements. Decarbonisation, increasing biodiversity, improving air quality and reducing supply chain waste can all be achieved through the 'fighting climate change' theme of the Social Value Model.

Modern slavery

Policy Procurement Note 02/23: Tackling Modern Slavery in Government Supply Chains sets out the actions government departments must take to manage the risk of modern slavery in procurements and contracts. It is applicable to existing contracts and new procurement activity from 1 April 2023. All commercial staff must complete a high-level modern slavery risk assessment prior to commencing any new procurement. Commercial teams may use intelligence, tools or resources to help inform their assessment of the market and to determine the modern slavery risk of the procurement. A comprehensive modern slavery training programme and guidance pack was delivered across commercial teams in 2022 and this year an additional online resource will be made available for teams to support and build intelligence around modern slavery mitigation.

For procurements that are assessed as high risk, and where the Standard Selection Questionnaire is used, commercial teams will also be required to ask bidders for further information on their supply chains. At contract stage, procurements that are deemed high or medium risk of modern slavery are required to complete the Modern Slavery Assessment Tool, designed to help public sector organisations work in partnership with suppliers to improve protections and reduce the risks in their supply chains.

Reducing environmental impacts from ICT and digital

MoJ has adopted the Greening Government: ICT and Digital Services Strategy and associated targets. Through our digitalisation and ICT programmes and projects, we are reducing our environmental impacts such as paper use and travel emissions. We report ICT emissions to the Department for Environment, Food and Rural Affairs on an annual basis and are working on improving data through better internal reporting and tracking.

Prison workshops are recycling laptops and printers, reducing waste to landfill and giving offenders skills and qualifications. Old printers are now dismantled in prison workshops (previously recycled in Amsterdam) and all parts are recycled, reducing emissions. Offenders are being trained in plastic identification for reuse in other projects, aiding the circular economy. This project is so successful that our printer supplier is now sending printers from outside MoJ to prisons for dismantling.

Sustainable construction

Our BREEAM Policy requires all new build projects to target BREEAM outstanding (excellent as a minimum) and major refurbishments to target BREEAM excellent (very good as a minimum). We have also set out mandatory credits to ensure the BREEAM process drives the right outcomes and operational efficiencies. The new prisons programme, starting with HMP Millsike which is currently under construction, will be all-electric, using green technology such as photovoltaics and heat pumps to cut operational emissions by nearly 90% and deliver at least 10% biodiversity net gain.

Case study: Protecting the public through building safe, secure and sustainable prisons

As part of MoJ's priority to build safe, secure and sustainable prisons, we will open our first all-electric prison at HMP Millsike in 2025, which will be powered by solar panels and heat pump technology, and will use more efficient lighting systems.

HMP Millsike has received an interim BREEAM design certificate score of 87%, demonstrating efforts to embed sustainability throughout the design and build process. The new prison will also deliver at least 10% biodiversity net gain, ahead of the legal requirement introduced in February 2024.

The prison is the third new prison being built under the government's prison expansion programme, which aims to deliver 20,000 new prison spaces.

Dame Antonia Romeo DCB
Principal Accounting Officer

8 November 2024

Accountability

Corporate governance report

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.

Directors' report

The table below sets out names and titles of all ministers and members of the Departmental Board who have had responsibility for the department during 2023-24.

Departmental Board, Audit and Risk Assurance Committee, and Nominations Committee member attendance from 1 April 2023 to 31 March 2024

	Meetings attended per member of those eligible to attend		
	Departmental Board	**Audit and Risk Assurance Committee**	**Nominations Committee**[82]
Ministers[83]			
The Rt Hon Alex Chalk MP, Lord Chancellor and Secretary of State for Justice (from 21 April 2023)	3 of 3	-	-
The Rt Hon Dominic Raab MP, Deputy Prime Minister, Lord Chancellor and Secretary of State for Justice (from 25 October 2022 to 20 April 2023)	0 of 0	-	-
Lord Christopher Bellamy KC, Parliamentary Under Secretary of State for Justice (from 7 June 2022)	3 of 3	-	-
Mike Freer MP, Parliamentary Under Secretary of State for Justice (from 20 September 2022)	2 of 3	-	-
The Rt Hon Edward Argar MP, Minister of State for Justice (from 27 October 2022)	3 of 3	-	-
The Rt Hon Damian Hinds MP, Minister of State for Justice (from 27 October 2022 to 12 November 2023)	1 of 1	-	-
Gareth Bacon MP, Parliamentary Under Secretary of State for Justice (from 13 November 2023)	2 of 2	-	-
Laura Farris MP, Parliamentary Under Secretary of State for Justice (from 13 November 2023)[84]	2 of 2	-	-

82 The Chief People Officer is a member of the Nominations Committee but is not listed in this table as they are not a member of the Departmental Board.

83 There was a change in ministerial team following the general election in July 2024.

84 Laura Farris MP holds a joint ministerial role with the Home Office.

Departmental Board, Audit and Risk Assurance Committee, and Nominations Committee member attendance from 1 April 2023 to 31 March 2024			
	Meetings attended per member of those eligible to attend		
	Departmental Board	Audit and Risk Assurance Committee	Nominations Committee[82]
Executive management			
Dame Antonia Romeo DCB, Permanent Secretary	3 of 3	6 of 8	1 of 1
Jo Farrar, Second Permanent Secretary (from 1 September 2022 to 31 May 2023)	0 of 0	0 of 1	-
Amy Rees, Director General, Chief Executive of HMPPS	3 of 3	-	-
Nick Goodwin, Chief Executive, HMCTS	3 of 3	-	-
James McEwen, Chief Operating Officer	3 of 3	7 of 8	-
Jerome Glass, Director General, Policy Group – Courts and Access to Justice	3 of 3	-	-
Richard Price, Director General, Performance, Strategy and Analysis	3 of 3	-	-
Ross Gribbin, Director General, Policy Group – Prisons, Offenders and International Justice (from 16 November 2023)	2 of 2	-	-
Megan Lee-Devlin, Director General, Service Transformation (from 28 March 2024)	0 of 0	-	-
Non-executive or independent members			
Mark Rawlinson, Lead Non-Executive Member	3 of 3	-	1 of 1
Paul Smith, Non-Executive Member and Chair of Audit and Risk Assurance Committee	3 of 3	8 of 8	-
Mark Beaton, Non-Executive Member	3 of 3	5 of 5	-
Jennifer Rademaker, Non-Executive Member (from 21 August 2023)	2 of 2	-	0 of 0
Andrew Robb, Non-Executive Member (from 21 August 2023)	2 of 2	-	-
Jonathan Spence, Non-Executive Member (from 21 August 2023)	1 of 2	2 of 2	-
Heather Savory, Independent Member of Audit and Risk Assurance Committee	-	7 of 8	-

Departmental Board, Audit and Risk Assurance Committee, and Nominations Committee member attendance from 1 April 2023 to 31 March 2024	Meetings attended per member of those eligible to attend		
	Departmental Board	Audit and Risk Assurance Committee	Nominations Committee[82]
Nicky Wilden, Independent Member of Audit and Risk Assurance Committee	-	6 of 8	-
Alison Bexfield, Independent Member of Audit and Risk Assurance Committee	-	8 of 8	-

Managing conflicts of interest

Members of the department's governance forums are asked to declare any interest that could give rise to a conflict of interest. Declarations are documented alongside any agreed actions to manage the risk of conflicts of interest.

Any significant interest held by management, where there is a link with the department, is included in Note 27 on related party transactions. The list of ministers' interests can be found on GOV.UK.[85]

Links to our executive and non-executive register of interest can be found on GOV.UK.[86]

Personal data-related incidents

MoJ handles millions of records containing personal data and takes all data incidents seriously. The following table provides a summary report of personal data-related incidents reported to the Information Commissioner's Office (ICO) in 2023-24. MoJ has seen an 11% reduction in the number of reportable incidents in comparison to the previous financial year.

All staff are required to undertake mandatory data protection training on joining the department and yearly afterwards. Security measures are implemented effectively in line with the government's security policy framework and the Government Functional Standard on Security. Adherence is monitored through a network of trained security and data protection practitioners.

85 List of ministers' interests. Available at: www.gov.uk/government/publications/list-of-ministers-interests

86 Ministry of Justice register of board members' interests. Available at: www.gov.uk/government/publications/ministry-of-justice-register-of-board-members-interests/ministry-of-justice-register-of-board-members-interests

Personal data incidents reported to the ICO

Date incident reported	Nature of incident	Nature of data involved	Number of people potentially affected	Notification status
18-Apr-23	Details of offenders attending a sex offender treatment programme found in the street by a member of the public	Name, health and criminal offence data	10	Case closed by the ICO with no further action (18 August 2023)
10-Aug-23	Disclosure of the confidential address of an applicant to a respondent in a special guardianship case	Name and address	3	Case closed by the ICO with no further action (28 March 2024)
14-Aug-23	Disclosure of the confidential address of an applicant to a respondent in a divorce case	Name and address	2	Case closed by the ICO with no further action (4 September 2023)
18-Aug-23	Disclosure of a victim's clinical psychologist report in an offender's parole dossier, which included details of victim's children	Confidential psychologist report and victim impact statement	5	Case closed by the ICO with no further action (9 April 2024)
17-Nov-23	Disclosure of the surname and confidential address of adoptive parents to the birth mother in an adoption case	Name and address	3	Case closed by the ICO with no further action (27 November 2023)
27-Nov-23	Disclosure of the home address of a data subject to an offender who had been in contact with them via the Email a Prisoner service	Name and address	1	Case closed by the ICO with no further action (12 December 2023)
29-Dec-23	Disclosure of the bail address of defendant to a non-party	Name and address	1	Case closed by the ICO with no further action (2 January 2024)
15-Feb-24	Disclosure of confidential information on an offender's ex-partner's three children in the offender's parole dossier	Names and addresses	3	Case closed by the ICO with no further action (3 April 2024)

MoJ continues to monitor and assess its personal data risks to identify and address any weaknesses and ensure continuous improvements. For further information on information security, see page 90.

Complaints to the Parliamentary and Health Service Ombudsman

The Parliamentary and Health Service Ombudsman addresses complaints made by members of the public, brought to its attention by MPs, where there has been alleged maladministration by government departments and other bodies in their jurisdiction. The department's performance for the year 2023-24 is shown below. The Parliamentary and Health Service Ombudsman's annual analysis of the complaints it has received for each government department can be found at: www.ombudsman.org.uk

The completed Ombudsman investigations refer to complaints made in relation to HMCTS and OPG. Further details can be found in those bodies' annual report and accounts. Where complaints are upheld or partly upheld, we review the case to identify any learnings and make improvements.

Number of complaints accepted for investigation in 2023-24*	Number of completed investigations in 2023-24**	Investigations upheld or partly upheld		Investigations not upheld		Investigations resolved without a finding or discontinued	
		Number	%	Number	%	Number	%
5	6	2	33.3%	3	50%	0	0%

	Complied with	Not complied with	Total
The number of Ombudsman recommendations	2	-	**2**

* Includes enquiries about organisations that are accountable to the department.

** This is inclusive of investigations started in 2022-23 but not completed until 2023-24.

Statement of Accounting Officer's responsibilities

Under the Government Resources and Accounts Act 2000 (the GRAA), HM Treasury has directed MoJ to prepare, for each financial year, consolidated resource accounts. These must set out the resources acquired, held or disposed of by the department during the year, and the uses to which those resources have been put. The scope of the accounts must cover the department, including its executive agencies, and those of its sponsored arm's length public bodies that are designated by order made under the GRAA by Statutory Instrument 2022 No. 247. These public bodies are together known as the 'departmental group', consisting of the department and sponsored bodies listed at Note 29 to the accounts. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the department and the departmental group and of the income and expenditure, Statement of Financial Position, and cash flows of the departmental group for the financial year.

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

- observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- ensure that the department has appropriate and reliable systems and procedures in place to carry out the consolidation process
- make judgements and estimates on a reasonable basis, including those judgements involved in consolidating the accounting information provided by non-departmental and other arm's length bodies
- 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 as a whole is fair, balanced and understandable and take personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable

HM Treasury has appointed me as the Permanent Secretary and Principal Accounting Officer of MoJ.

As the Principal Accounting Officer of the department, I have appointed the chief executives or equivalents of the department's sponsored arm's length bodies as accounting officers of those bodies. I am responsible for ensuring that appropriate systems and controls are in place to ensure that any grants that the department makes to its sponsored bodies are applied for the purposes intended, and that such expenditure and the other income and expenditure of the sponsored bodies are properly accounted for, for the purposes of consolidation within the resource accounts. Under their terms of appointment, the accounting officers of the sponsored bodies are accountable for the use, including the regularity and propriety, of the grants received and the other income and expenditure of the sponsored bodies.

My responsibilities as an Accounting Officer, including responsibility for the propriety and regularity of public finances for which I am answerable, for keeping proper records and for safeguarding the assets of the department or non-departmental or other arm's length body for which the Accounting Officer is responsible, are set out in Managing Public Money published by HM Treasury.

As the Principal 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 MoJ'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.

The annual report and accounts as a whole are fair, balanced and understandable and I take personal responsibility for the annual report and accounts and the judgments required for determining that they are fair, balanced and understandable.

Accounting Officer System Statement

In 2016, the Public Accounts Committee recommended, as part of its wider work on accountability to Parliament for taxpayers' money, that all departments should prepare accountability statements.

The Accounting Officer System Statement provides Parliament with a single statement setting out all of the accountability relationships and processes within the department, making clear who is accountable for what, from the Principal Accounting Officer down. It ensures accountability for all of the public money and other public resources which fall within the Accounting Officer's responsibilities.

The department's Accounting Officer System Statement is available at: www.gov.uk/government/collections/accounting-officer-system-statements

Governance statement

This governance statement sets out the main features of the governance, risk management and internal control frameworks operated in 2023-24 and up to the date of approval of the annual report and accounts. It sets out my view of the most significant challenges across the department in operating an effective review of the system of risk management and internal control, and the collective steps teams are taking to continuously improve and strengthen these frameworks. The governance statement should be considered in conjunction with the Accounting Officer System Statement (which was updated and published this year).

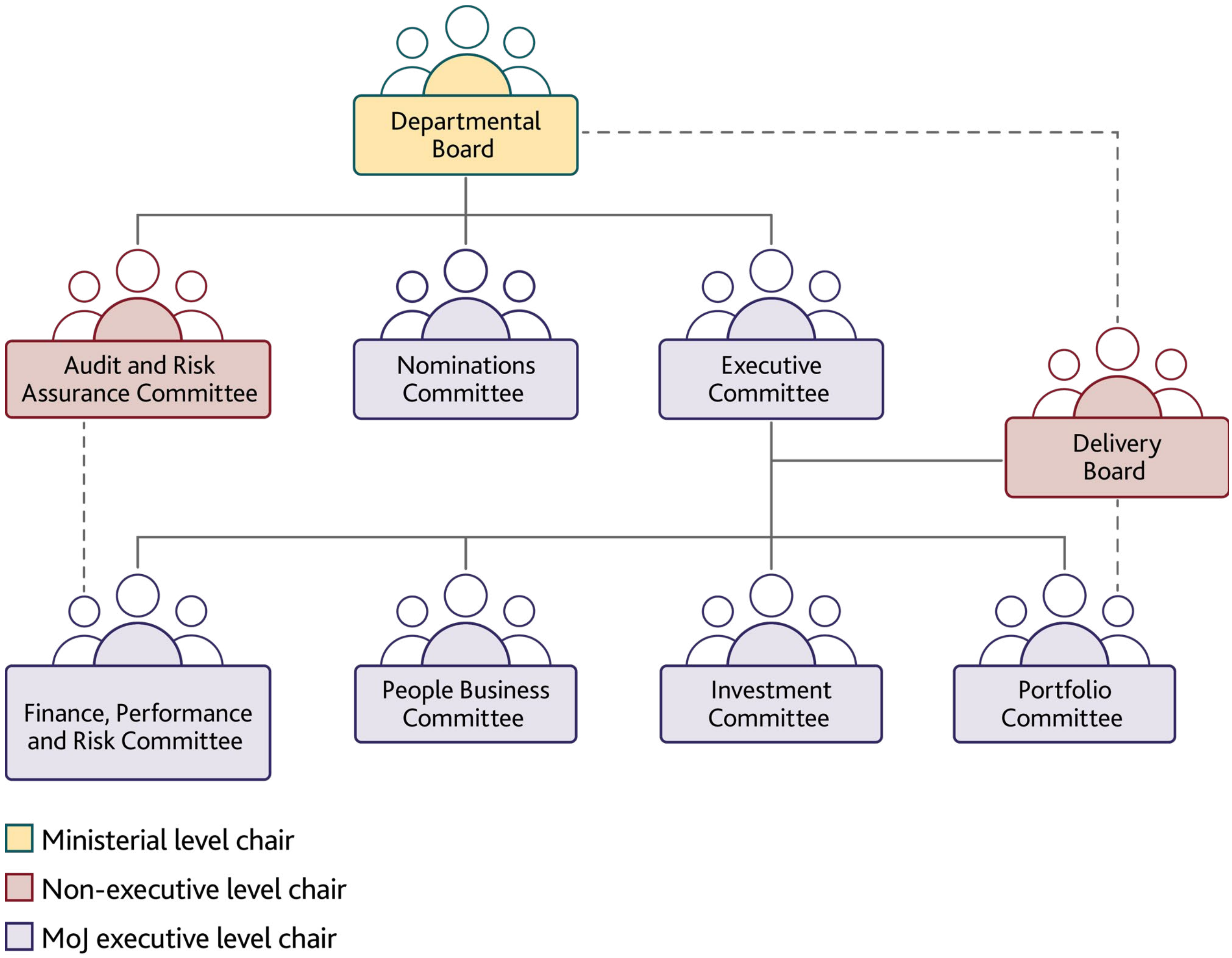
The department's governance structures

MoJ maintains governance arrangements to support delivery of departmental priorities and objectives. The governance framework:

- provides leadership and direction, including a clear vision of what the department is trying to achieve
- brings relevant capabilities, experience and insights together to provide rigorous scrutiny of the efficiency and effectiveness of performance and value for money
- promotes transparency and accountability that maintains the trust and confidence of stakeholders through clear, complete and accurate reporting on what is being achieved and to what standards
- ensures compliance with HM Treasury's Corporate Governance Code for Central Government Departments
- supports our work to deliver change in line with the Declaration on Government Reform
- aligns with the updated Orange Book's risk control framework

I have structured MoJ's governance arrangements with the aim of ensuring we have complete, timely and insightful information flows to direct and manage the department's delivery and use of resources.

Board and committee information

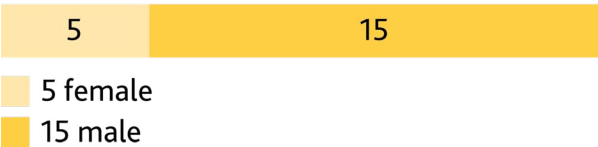


The Departmental Board secretariat ensures the information provided to the Departmental Board and its committees is of a good quality to enable informed decision-making, with risks and resource implications highlighted for detailed engagement and challenge during discussions.

Departmental Board	
Chair:	Secretary of State
Meetings in 2023-24:	3

Purpose: The Departmental Board forms the collective strategic and operational leadership of the department. Chaired by the Secretary of State for Justice, it brings together the ministerial and Civil Service leaders with senior non-executives from outside government. It is responsible for setting strategic direction, including reviewing delivery against the business plan.

Meeting composition:	20 members



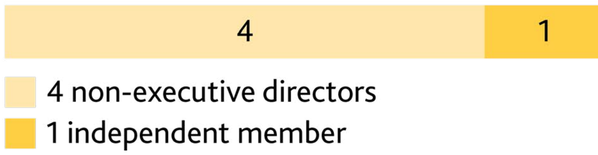
Activities in the year under review included:

- assessment of progress against the Outcome Delivery Plan, including performance and delivery critical milestones
- departmental priorities
- consideration of the recommendations and actions from the Audit and Risk Assurance Committee
- prison capacity update and prison estates strategy
- probation delivery
- annual board effectiveness review

Audit and Risk Assurance Committee	
Chair:	Non-executive board member
Meetings in 2023-24:	8

Purpose: The Audit and Risk Assurance Committee supports the Departmental Board and Principal Accounting Officer in their responsibilities to ensure effective arrangements for governance, risk management and internal control are in place for the department. It does this by focusing on assurance arrangements over governance, financial reporting, and the annual report and accounts, including the evidence for and content of the governance statement. The committee ensures there is an adequate and effective risk management and assurance framework in place to meet the board and Accounting Officer's assurance.

Meeting composition:	5 members



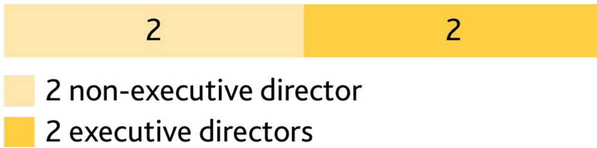
Activities in the year under review included:

- consideration of the Government Internal Audit Agency findings
- consideration of the work of external audit, including reviewing end-of-year accounting estimates and judgements and the controls and processes to reduce the risk of error
- consideration and challenge of the department's approach to demand and supply modelling, workforce capacity, recruitment, retention and reward, climate change and sustainability, estates, cyber, and data and information
- reviewing the annual report and accounts and providing independent oversight and challenge on its content
- continuing oversight of public bodies and executive agencies through dedicated meetings with public bodies and executive agencies' Audit and Risk Assurance Committee chairs to increase openness, encourage collaboration and share information
- challenge on the department's approach and progress to mitigate against fraud, bribery and corruption and to test the whistleblowing process
- considering MoJ's overall risk profile to ensure there is an adequate and effective risk management and assurance framework in place

Nominations Committee	
Chair:	Permanent Secretary
Meetings in 2023-24:	1

Purpose: The Nominations Committee provides assurance on senior executive appointments within the department.

Meeting composition:	4 members[87]



The standing agenda in 2023-24 included appraisal of directors general, and discussing and advising on performance assessment. The meeting considered:

- pay award recommendations
- talent strategy
- succession planning

87 Jennifer Rademaker joined the Nominations Committee in August 2023.

Executive Committee	
Chair:	Permanent Secretary
Meetings in 2023-24:	42

Purpose: I chair the Executive Committee, which is the executive leadership team for the department and comprises senior officials. It ensures that the department is fully aligned with the strategic direction set by the Secretary of State, maintains and directs the capabilities to deliver, oversees the delivery of outcomes, and allocates financial and other resources.

Meeting composition:	12 members

Activities in the year under review included:

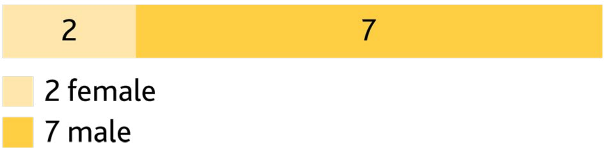
- reviewing and monitoring the department's performance against its budget and objectives, and managing the delivery of its outcomes
- examining specific risks or issues that could affect the delivery of the department's objectives, including a quarterly review of the overall departmental risk profile
- reviewing the approach to capital spend and fiscal planning, and associated spending allocations
- reviewing the progress made against agreed diversity priorities in the department's diversity and inclusion strategy
- assessing and monitoring the position on prison capacity and plans to manage risks and address pressures
- reviewing the department's priorities, including long-term policy priorities

Delivery Board

Chair:	Lead non-executive board member
Meetings in 2023-24:	5

Purpose: The Delivery Board provides assurance to the Principal Accounting Officer and the Departmental Board on the delivery of the department's strategy, Outcome Delivery Plan and Government Major Projects Portfolio. This includes oversight and scrutiny of the activities, projects and programmes that drive agreed outcomes, ensuring that plans are well evidenced and strategic benefits are on track to be delivered.

Meeting composition:	9 members



Activities in the year under review included:

- oversight and scrutiny of the department's major projects and programmes, ensuring that plans are well-evidenced, that strategic benefits are on track to be delivered, and that there is a clear line of sight from objectives and activities through to defined outputs and measurable outcomes
- challenge and scrutiny of the robustness of the plans and processes for delivery and the adequacy of their management

Finance, Performance and Risk Committee

Chair:	Director General, Performance, Strategy and Analysis
Meetings in 2023-24:	12

Purpose: The Finance, Performance and Risk Committee is responsible for scrutinising, challenging and supporting departmental delivery against the Outcome Delivery Plan and the department's performance framework. It also informs management of the department's principal and secondary risks, examines in-year finances, and monitors compliance with functional standards and other government, legal or professional requirements.

Meeting composition:	13 members

Activities in the year under review included:

- examining the department, its executive agencies, and other public bodies' in-year finances
- reviewing the impact of inflation and other external factors on forecasting and budgets
- considering and advising on the departmental Spending Review settlement conditions
- assessing and challenging performance, delivery and risk against the Outcome Delivery Plan

People Business Committee

Chair:	Chief People Officer
Meetings in 2023-24:	11

Purpose: The People Business Committee supports the Executive Committee in its leadership and management of people and workforce strategies to improve the co-ordination of design, decision making, and implementation of cross-cutting programmes of work.

Meeting composition:	21 members

Activities in the year under review included:

- reviewing the strategic landscape of diversity, inclusion and wellbeing and performance against strategic outcomes of diversity, talent and culture
- reviewing workforce planning activity including headcount, geographical location and capability
- considering the impact of the rising cost of living and reviewing the guidance to support staff
- oversight of strategic people risks and correct identification of appropriate management actions

Investment Committee	
Chair:	Chief Operating Officer
Meetings in 2023-24:	24

Purpose: The Investment Committee has delegated powers to make investment decisions on the Executive Committee's behalf, with oversight of the MoJ portfolio. This includes ensuring that portfolio projects remain strategically aligned, affordable and deliverable from inception through to implementation. The committee considers and, where appropriate, approves investment decisions on behalf of the Executive Committee, including gated release of funds for change programmes, ensuring that investments deliver value for money, meet regularity and propriety considerations, and are affordable and sustainable.

Meeting composition:	17 members

Activities in the year under review included:

- scrutiny and approval of expenditure of £30 million whole-life cost and above
- agreeing and monitoring departmental change programmes' funding
- setting permissible tolerances that include costs, benefits, schedule, quality, scope and performance
- release of funds after reviewing progress of programmes and projects

Portfolio Committee	
Chair:	Chief Operating Officer
Meetings in 2023-24:	11

Purpose: The Portfolio Committee provides oversight of our major change portfolio, reporting to both the Executive Committee and Delivery Board. It ensures projects are set up for success, resolves issues that may compromise successful delivery and improves overall delivery confidence, further advising on prioritisation decisions regarding the deployment of expert resources. The committee ensures that the portfolio is strategically aligned, affordable and deliverable and that project leaders comply with project delivery standards.

Meeting composition:	9 members:

Activities in the year under review included:

- assuring that all portfolio programmes and projects comply with agreed delivery standards and best practice, including oversight of the tolerances for time, cost, scope and quality set by the Investment Committee
- oversight of delivery confidence of the portfolio and identification of projects and programmes that merit enhanced governance and/or scrutiny
- review and resolution of project or programme-level issues (for example, risks and benefit management)
- undertaking deep dives on cross-cutting systemic issues, thematic risks and constraints using data to drive improvement actions

Further details and membership of these forums can be found on GOV.UK.[88]

In addition to standing arrangements, new governance structures were introduced to strengthen departmental oversight of the immediate prison capacity challenges. The Custodial Options Taskforce co-ordinated information flows on capacity forecasts and supply and demand choices across the department and reported this to the Executive Committee, ministers and No 10. It also fed into and received updates from the Criminal Justice System Strategic Command, a multi-agency group set up to manage the impact across the wider criminal justice system, ensuring cross-government collaboration and alignment.

88 Our governance. Available at: www.gov.uk/government/organisations/ministry-of-justice/about/our-governance

Departmental Board performance and effectiveness

A board effectiveness evaluation was undertaken during the year. In alignment with the requirement for regular external input as set out in the HM Treasury Corporate Governance Code for Central Government Departments, this year's evaluation was independently led. The report highlighted opportunities for improvement for consideration by board members, concluding that overall, the Departmental Board is operating effectively.

Identifying and managing conflicts of interests

MoJ's Declaration and Management of Outside Interests Policy is based on Cabinet Office guidance and is available to all employees via the intranet. The policy sets out the expectations and process for declaring an interest. It is the responsibility of individuals to declare all interests (actual, potential or perceived) that could be relevant to their role. Failure to do so could result in action being taken against the individual in line with the relevant conduct or discipline policy.

MoJ holds a central register of declarations of interests for all members of the Senior Civil Service (SCS) and non-executive directors employed by the department. This includes details of any financial interests declared, secondary employment and appointments, personal interests, and any other relevant interests. There is an annual declaration of interest exercise and individuals are required to submit an updated declaration when there is a change in circumstance during the year. Declarations of interest for employees in the delegated grades are recorded and managed locally. MoJ's register of interests can be found on GOV.UK.[89]

In line with the Declaration and Management of Outside Interests Policy, details of all SCS who have declared outside employment, work or appointment which is paid or otherwise remunerated can be found on GOV.UK.[90]

In line with the current declaration of interest policy for special advisers, all special advisers have declared any relevant interests or confirmed they do not consider they have any relevant interests. I have considered these returns and the following relevant interests are set out in public.

Full name	Details of any interest
Hannah Galley	Ms Galley was Deputy Chairman of Membership and Fundraising, Cities of London, and Westminster Conservative Association. Ms Galley was also on the approved candidates list for the Conservative Party.

Business appointment rules

All officials are subject to rules on accepting outside appointments after leaving the Civil Service. The purpose of the business appointment rules is to avoid:

- the risk that an employer might gain an improper advantage by appointing a former official who holds information about its competitors, or about impending government policy
- any suspicion that an appointment might be a reward for past favours
- the risk of a former official improperly exploiting privileged access to contacts in government
- unfair questioning or criticism of the integrity of former civil servants

Full details on the business appointment rules, including when they apply and the application process, can be accessed by all employees via the intranet. All exit management letters contain wording on the business appointment rules as a reminder to employees of their obligations.

89 Ministry of Justice register of board members' interests. Available at: www.gov.uk/government/publications/ministry-of-justice-register-of-board-members-interests/ministry-of-justice-register-of-board-members-interests

90 Register of senior civil servant secondary paid employment: Ministry of Justice. Available at: www.gov.uk/government/publications/ministry-of-justice-register-of-senior-civil-servant-secondary-paid-employment/ministry-of-justice-register-of-senior-civil-servant-secondary-paid-employment

MoJ has a clear procedure in place for considering applications under the business appointment rules employees at grades SCS2 and below. The process is managed by the people policy and transparency team and includes input from the individual, their line manager, the Chief Commercial Officer and the Chief People Officer. In exceptional cases the Permanent Secretary is consulted on business appointment rule applications.

MoJ liaises with the Advisory Committee on Business Appointments for applications from ministers and directors general (SCS3) and above.

During 2023-24 there were 20 Civil Service exits from the department at SCS level. 20 business appointment rule applications were made as follows:

- ministers
  - nine ministerial applications
- civil servants
  - one SCS3 application
  - two SCS2 applications
  - three Grade 6 applications
  - four Grade 7 applications
  - one application below Grade 7

No applications were found to be unsuitable for the applicant to take up. All applications below SCS2 were approved with conditions set. The Advisory Committee on Business Appointments determines the outcome and any conditions set for SCS3 and above. There were no breaches of the business appointment rules.

In compliance with business appointment rules, the department is transparent in the advice given to individual applications for senior staff, including special advisers. There is advice published by the department on specific business appointments.[91] The Advisory Committee on Business Appointments publishes advices on business appointment rule applications for director general SCS3 and above.[92]

Whistleblowing

MoJ has a clear whistleblowing policy in place. It provides guidance on the process for raising a whistleblowing concern (including roles and responsibilities, and public interest disclosures), advice on the protection afforded to an individual who raises a concern, and reassurance that concerns will be investigated promptly and professionally. The policy is accessible to all staff on the intranet.

In response to feedback from assurance activities, MoJ's People Function has strengthened awareness of the whistleblowing policy across the department through continuous improvement activities. MoJ has engaged with and promoted the cross-government 'Speak Up' campaign and appointed a senior civil servant whistleblowing champion. Work has taken place to develop the network of nominated officers who provide an independent route to raise a whistleblowing concern and impartial advice to the individual.

A new record management system has been introduced to improve the accuracy of recording whistleblowing cases. This will improve the way that disclosures are managed and provide greater assurance that concerns raised within the department are dealt with efficiently.

Significant control issues

Throughout 2023-24, we had appropriate governance in place to mitigate control challenges and issues with the exception of criminal jurisdiction data.

Criminal jurisdiction data

In June 2024, in HMCTS, concerns about the quality of key data inputs for criminal courts statistics led to the postponement of the release of latest statistics for further quality assurance. At the time of publication of this annual report and accounts, HMCTS' quality assurance is still ongoing. HMCTS leadership has committed as part of this process to assess and review potential control failures that may have led to material errors in key data inputs and to rectifying these swiftly.

91 MoJ business appointment rules. Available at: www.gov.uk/government/publications/moj-business-appointment-rules

92 Advisory Committee on Business Appointments. Available at: www.gov.uk/government/organisations/advisory-committee-on-business-appointments

Risk management arrangements

Risk management

The department's risk management framework sets out the principles, concepts and accountabilities that underpin how we manage risk in alignment with the Orange Book: Management of Risk – Principles and Concepts.[93]

Risk management is an essential part of our governance and leadership. It is fundamental to the way that the organisation is directed, managed and controlled at all levels. Our risk management framework and capabilities enhance our strategic planning and prioritisation, assist in achieving the delivery of outcomes and objectives, and strengthen the ability of the department to respond agilely to the challenges faced.

As Principal Accounting Officer, supported by the Audit and Risk Assurance Committee, I have established the organisation's overall approach to risk management. Responsibilities for the management of areas of risk are devolved through the organisational structure, defined roles and responsibilities, and delegated authorities. Responsibility for the operation of the risk framework is delegated to the Chief Operating Officer.

The Chief Operating Officer is supported by our Chief Risk Officer who is actively engaged with the department's governance arrangements. The Chief Risk Officer's responsibilities include:

- setting the framework and guidance in accordance with the principles in the Orange Book
- assessing compliance with this to drive continuous improvement in risk maturity
- supporting MoJ's Executive Committee, Audit and Risk Assurance Committee, and Departmental Board in understanding the risk landscape and assessing the department's risk appetite to inform decision making

Our risk management framework has continued to evolve and improve during 2023-24. We are now close to compliance with the Orange Book with one exception, that the Departmental Board requires a greater focus on risk management arrangements as identified in this year's board effectiveness evaluation. This will be addressed in the coming months.

Activities we have undertaken include:

- our risk management framework was revised in November 2023 to strengthen risk owner responsibilities
- our principal risks have been considered and discussed by the Finance, Performance and Risk Committee and Executive Committee quarterly, and reported to the Audit and Risk Assurance Committee quarterly
- an ongoing programme of principal risk deep dives are now in place with several conducted to date – notably property, sustainability and commercial risk
- risks are now routinely assessed as a part of investment decisions and within the lifecycle of our projects, programmes and commercial relationships
- the Departmental Operations Centre horizon scan the external environment routinely and principal risks are assessed against findings
- short-term resilience risks are reported to the executive team and ministers in advance of significant recess periods
- there continue to be strong relationships between risk leads across all parts of the department, with a consolidating business partnering approach operated by our Risk Management Centre of Expertise

93 Orange Book. Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1154709/HMT_Orange_Book_May_2023.pdf

- risk training and awareness has been provided to our risk community and leaders throughout the year, including a Risk Awareness Week in November 2023 with the theme of making risk mainstream
- our strategy, strategic finance, planning, risk management and performance teams continue to work together closely to ensure that risks inform our allocations processes and Spending Review preparations

Business continuity

The Departmental Operations Centre leads on business continuity, resilience and incident response for MoJ, ensuring the department has met the major challenges of the past year. These include those presented by widespread industrial action across the public sector, the Reinforced Autoclaved Aerated Concrete identification programme, and delivery of departmental activities associated with His Majesty the King's Coronation.

The department has received external validation that the corporate business continuity policy and processes are aligned to the International Standard for Business Continuity (ISO22301). We have taken several steps to strengthen the general organisational resilience of the department, including:

- producing horizon scanning reports detailing systemic threats to the department, which includes assessing intelligence from the Cabinet Office's COBR Unit
- conducting departmental self-assessment processes against international standards
- running several cross-cutting exercises within the department and developing an exercise suite to allow business areas to manage their own test events
- developing an assurance approach to ensure preparedness for seasonal risks

A director-led departmental Business Continuity and Resilience Governance Board meets quarterly and is supported by a working-level Practitioners Forum. The board oversees business continuity and resilience work across MoJ and supports the development of the community of staff working in those areas.

Fire, health and safety

The department is fully committed to protecting the health, safety and wellbeing of our employees, the judiciary, those in custody, contractors and all our visitors. This year we have published revised versions of the corporate health and safety policy and the corporate fire safety policy. These provide clear performance outcomes aligning our health and safety strategy to the Health and Safety Executive's Plan, Do, Check, Act model, and aligning our fire safety strategy to British Standard 9997. We are committed to ensuring that all prison accommodation meets modern fire safety standards and remain actively engaged with stakeholders to support various improvement initiatives and the standardisation of policies and practices across the department. The policies' statements of intent are endorsed by the Chief Operating Officer, on my behalf.

Internal control framework

As the Principal Accounting Officer, I am responsible for the development and maintenance of effective systems of internal control for the department, its executive agencies and other public bodies. This is supported through a framework of delegated authorities with the standards, policies and practices set and monitored through our governance and risk management frameworks.

MoJ's Accounting Officer System Statement describes in more detail the component parts of our system of internal control, including delegated authorities.[94] In this section of the governance statement, I have outlined the most significant changes to our control framework in 2023-24, as well as material issues where we have responded to limitations in our control framework.

Functional maturity

Functional standards exist to create a coherent, effective and mutually understood way of doing business within central government organisations. These standards are mandated for use across central government and provide a stable basis for assurance, risk management and capability improvement, supporting value for money for the taxpayer.

MoJ's Functional Forum has agreed a collective approach to improving functional maturity. Throughout 2023-24, the functions' understanding of the requirements of their cross-government functional standards have deepened, with all functions currently participating in an ongoing programme of continuous improvement. A report is produced at regular intervals to track progress in-year and set levels of maturity against the most important aspects of a standard (developing, good, better or best) alongside wider functional considerations.

The Functional Forum continues to support functions in integrating additional best practice elements from their respective standards into their operating models.

A regular programme of functional deep dives is in place to provide the Chief Operating Officer with an opportunity for support and challenge twice annually. These sessions are an improvement-focused environment where plans for embedding functional standards and progress on improving compliance and engagement are discussed.

Finance

As the Principal Accounting Officer, I plan to use resources affordably and sustainably within agreed limits. I formally delegate authority to commit resources and incur expenditure ensuring compliance with the financial controls, including those mandated by HM Treasury and the Cabinet Office, as set out in our spending control framework. These controls are designed and operated to ensure that the department and its public bodies operate effectively and to the high standard of probity expected. Each budget holder is required to check expenditure to ensure that all transactions are legitimate and in line with anticipated spend, and to keep records of all approvals with supporting documents. Any anomalies are investigated with action taken as appropriate, including, where necessary, disciplinary action.

Commercial

The Chief Commercial Officer holds the delegated authority to sign, seal, vary or extend commercial agreements on behalf of the Secretary of State and Lord Chancellor, entering the department into a commercial agreement with a third party provider. The delegated commercial authority for property-related transactions, such as property licences, leases and deeds, on behalf of the department is held by the Chief Property Officer. This delegation provides authority to manage and approve commitments and expenditure within allocated budgets.

94 Accounting Officer System Statement November 2024. Available at: https://www.gov.uk/government/collections/accounting-officer-system-statements

During 2023-24 we managed multiple supply chain risks, working closely with our business partners and suppliers to maintain MoJ frontline operations with minimal disruptions. We consistently work with the Cabinet Office and Crown Commercial Services across suppliers, and with supplier financial health to incorporate supplier financial distress risk.

Projects and programmes

The department's projects and programmes are each led by a senior responsible owner who is accountable for the delivery of each project and is responsible for ensuring that the project or programme delivers the business case benefits and outcomes.

Senior responsible owners are expected to manage projects and programmes in accordance with the Government Functional Standard on Project Delivery, other functional standards that might be applicable and the requirements of the Government Project Delivery Framework. This ensures that all project and programmes follow best project delivery practices and effective risk management processes.

All major projects require an individual project Integrated Assurance and Approvals Plan, quality assured by our project delivery assurance team and the Infrastructure and Projects Authority, and reported to our Portfolio Committee. Our projects are assured using the standard gateway assurance review process. Business cases above £10 million are also assured through our keyholder process, using a panel of functional experts to test against their relevant functional standards.

Established processes are in place which test compliance with MoJ standards, which enables the identification and management of any significant area of non-compliance.

Portfolio reporting enables our senior leaders to understand and scrutinise the overall performance and achievability of MoJ's major projects and programmes. The Project Delivery Function has made significant enhancements in portfolio reporting, which has driven rich discussions at departmental committees including the Delivery Board and Portfolio Committee. This has prompted positive feedback from our non-executive directors and board members.

In 2024-25, we will continue to focus on project delivery fundamentals, including risk management, benefits management and planning.

People

During 2023-24, a review of the People Function was undertaken to drive performance improvements and efficiencies. Through reviewing the operating model and governance approaches and seeking insight from stakeholders and delivery partners, the process generated significant changes to organisational and decision-making structures in the People Function. These improved transparency, collaboration and efficiencies through:

- implementing a structure based on professional best practice which builds on the People Function Target Operating Model and brings together our HR business partnering, supported by consolidated centres of expertise and a single People Function – this sits alongside a new Business Architecture Function spanning the whole of the department
- establishing a new governance model rooted in a monthly People Function Executive Leadership Team Performance Hub and Change Hub – sitting beneath these are three director-led sub-groups to manage the portfolios, policies and risks associated with workforce capacity, capability and experience, and a HR Delivery and Approval Board to manage all our HR change projects
- strengthening assurance, including risk management, to understand how we are delivering against our commitments for MoJ on an ongoing basis, as well as the opportunity to use what our customers tell us about our services such as through the Civil Service-wide HR functional standards survey

Property

We continue to make improvements in the governance arrangements for the Property Function. The Chief Property Officer attended the Finance, Performance and Risk Committee, the Executive Committee and the Audit and Risk Assurance Committee to discuss property as a principal risk. Conversations focused on the increasing impact on operational delivery and how the Property Function was managing the risk by tracking the effectiveness of a number of thematic controls. As a result, each board had a better understanding of the scale of the risk being managed across the estate and provided the Chief Property Officer with helpful feedback on ongoing activity to strengthen the approach to risk management.

We have continued to embed the Government Functional Standard on Property into our ways of working and demonstrated continuous improvement in several categories, such as the strategic asset management plan, roles and accountabilities, and delivery. Our annual assurance statement, which assessed 113 elements, demonstrates a reduction in the partially compliant criteria from eight last year to two this year.

One of our main sources of independent assurance has come from working closely with the Government Internal Audit Agency. Over the last 12 months, the Government Internal Audit Agency has carried out several audits on behalf of the Property Function, looking at themes such as strategic estates planning, corporate fire health and safety, and licences, leases and deeds. Those reports have led to several improvements such as the establishment of an MoJ Property Board and the creation of a three-to-five-year property strategy.

Environmental sustainability

The Climate Change and Sustainability Control Framework has been reviewed for effectiveness. Given many of the controls introduced as a result are recent, assessment of effectiveness is not practical at this stage. However, it is acknowledged that in terms of the most significant risks faced, current controls in place will have limited impact.

Information security

There is increasing risk from internal and external threats of exposure to loss of personal or sensitive information. The scale and complexity of MoJ coupled with large volumes of sensitive information remains a challenging factor in reducing the security risks. We have worked hard to improve our information security culture through implementation of government standards, policy and guidance. We continue to focus on improving our response to and recovery from security breaches across MoJ.

Data and quality of information

The Analysis Function has operated in a challenging environment over the last 18 months, with significant demands for analysis at pace to inform departmental policy and operational delivery.

Building agile and responsive analytical capacity to meet increasing demand in the face of major operational challenges (such as the acute prison capacity pressures) is a priority. We are committed to developing this capacity to ensure the function remains responsive to emerging and ongoing needs and has the right capabilities to provide advice for critical decision-making.

We have enhanced the analytical assurance process, strengthened our training offerings, promoted user ownership of analytical products and worked on the culture across the function.

Given the distribution of analytical resources across both MoJ HQ and its public bodies and growing demands for work, effective prioritisation will continue to be required to balance the needs with the available resources.

Counter fraud

The department's policy on fraud, bribery and corruption is one of zero tolerance across the spectrum of its diverse activities and its engagement with official bodies and third parties.

The Chief Operating Officer has overall responsibility for counter fraud in the department, supported by a dedicated Head of Counter Fraud, who leads our Counter Fraud Centre of Expertise. This provides a business partner capability to MoJ public bodies to support understanding and management of their respective response to the threat from fraud, bribery and corruption, ensuring compliance with the Government Functional Standard on Counter Fraud. In 2023-24, the Centre of Expertise has focused on improving fraud management information and on financial recoveries.

The Centre of Expertise works with stakeholders across the department to embed fraud risk assessments and, where appropriate, initial fraud impact assessments in accordance with our counter fraud strategy and the mandate from the Public Sector Fraud Authority.

The Centre of Expertise works with the department's agencies and arm's length bodies to reduce the risk of fraud and error across our activities. For example, we work closely with LAA to reduce error and increase provider compliance as the department strives to meet the requirements set out in the Counter Fraud Functional Standard. The level of error is continually scrutinised and managed as part of LAA's approved stewardship arrangements. The effectiveness of this work is demonstrated through LAA's net regularity error rate, which they are maintaining within the agreed threshold.

MoJ is committed to meeting the requirements of the Counter Fraud Functional Standard and the Public Sector Fraud Authority's mandate. A current initiative with the Government Internal Audit Agency involves a review of high-level fraud risk assessments and the production of a global fraud risk assessment for the department. This will assist in the further identification of risks, the effectiveness of existing control measures and the limitations that will identify residual risk. Any fraud or error detections, losses, preventions or recoveries are reported quarterly to the Public Sector Fraud Authority.

Grants

The department's grants are overseen by a senior officer responsible for the grant and delivery of its expected outcomes. They are expected to manage grants in accordance with the Government Functional Standard on Grants, Managing Public Money and other centrally issued guidance. Roles and responsibilities are set out in a senior officer responsible appointment letter. They are supported by a Grants Centre of Expertise which provides a holistic view of MoJ's grant-giving to improve the effectiveness of grant spend and to strengthen governance and assurance.

Further governance and assurance are provided through a grants challenge panel which has oversight of all grants and ensures a strong focus on value for money by:

- scrutinising and assessing all proposed and existing grants annually and as required for new grants
- providing constructive challenge and advice to grant sponsors
- ensuring consistency across MoJ regarding grant necessity or appropriateness, benefits, risk and award level
- ensuring grants and grant proposals comply with the Government Functional Standard on Grants

Senior sponsorship of public bodies

As Principal Accounting Officer, where I don't fulfil the role personally, I have appointed senior sponsors for our public bodies. I have set out these arrangements in my Accounting Officer System Statement.

Assurance over the organisational management and performance of our non-departmental public bodies, other statutory office holders and associated offices, and compliance with their respective framework documents is provided primarily by our Public Bodies Centre of Expertise.

The programme of work to update all framework documents to meet revised HM Treasury requirements was ongoing in 2023-24 and is now expected to be completed during 2024-25.

2023-24 was the second year of a three-year programme to review several public bodies within the Cabinet Office-led Public Bodies Review Programme. During the year, reviews of CICA and IMA for the Citizens' Rights Agreements were completed and published. Reviews of Cafcass and OPG were carried out and will be published in early in 2024-25. Following a self-assessment review of HMPPS, a further assurance-focused review will take place in late 2024-25.

The arrangements for providing proportionate oversight and engagement with public bodies include:

- an annual assessment of the optimum risk-based partnership arrangements between the department and each body
- regular holding-to-account meetings between the Public Bodies Centre of Expertise assurance partners, finance business partners, policy officials and public bodies, with relevant risks escalated to the business group risk register or the departmental risk register as appropriate
- quarterly updates on governance, risk and performance to senior sponsors about the oversight of public bodies
- regular attendance by the Head of the Public Bodies Centre of Expertise at the departmental Audit and Risk Assurance Committee, to provide assurance in respect of public bodies' performance, finance and management of risk

The Public Bodies Centre of Expertise is also responsible for ensuring that diverse and high-quality public appointments are made to public bodies. The relationship between the department and its public bodies is informed by the 'Arm's length body sponsorship code of good practice', which sets out the common standards for good sponsorship arrangements between government departments and public bodies.

Review of effectiveness

As Principal Accounting Officer, I am required to conduct an annual review of the effectiveness of the department's governance structures, risk management and internal control framework. This review is informed by:

- feedback from senior management with delegated responsibility within the department about the use of resources, responses to risks, compliance with standards and the extent to which in-year budgets and other targets have been met
- information from the department's public bodies on the performance of their organisations and their relevant boards
- insight into the department's performance from internal audit, including an audit opinion on the overall adequacy and effectiveness of the organisation's framework of governance, risk and control
- the work of the National Audit Office through their financial audit of the accounts of the department and its public bodies and their value for money reports assessing the economy, efficiency and effectiveness with which public money has been spent
- the views of the Audit and Risk Assurance Committee on the design and operation of the department's governance, risk management and internal control frameworks
- the oversight and assurance provided by the Infrastructure and Projects Authority of the department's change projects that are included in the Government Major Projects Portfolio

As the Principal Accounting Officer, I am responsible for ensuring there is an effective process in place for monitoring and reporting governance issues during the year. In doing so, I rely on assurance from the agency chief executives and directors general who have delegated authority appropriate to their responsibilities. In addition to the through-year assurances provided through the assurance framework, as described in the Accounting Officer System Statement, I prepare the department's governance statement with sight of the following annual assurance process.[95]

This includes:

- completion of annual director assurance statements across MoJ HQ (which have been reviewed and countersigned by the relevant director general) to assess the level of compliance against departmental policies and guidance
- completion of a risk and control maturity assessment, to consider how effectively functional governance, risk management and compliance controls operate, and to identify opportunities for improvement
- completion of board and committee effectiveness reviews, to ensure we maintain robust and effective governance and oversight
- information on levels of compliance with relevant government functional standards, complemented by assurance statements from function leads on their assessment of compliance within the department
- an overview of material issues from executive agencies and other public bodies, assessed for materiality at MoJ level, providing an overview of compliance for their organisation

95 Ministry of Justice Accounting Officer System Statement. Available at: https://www.gov.uk/government/collections/accounting-officer-system-statements

Government Internal Audit Agency

One of the main sources of independent assurance within the department comes from the activities of the internal audit function, which provides me and the Audit and Risk Assurance Committee with a clear view on issues highlighted emerging from internal audit work.

The internal audit programme is closely aligned to the principal risks of the department, its executive agencies and other arm's length bodies. Arrangements are in place to ensure that I am routinely made aware of any significant issues that indicate that risks are not being effectively managed. I am assured that the internal audit service complies with the public sector internal audit standards.

The MoJ Group Chief Internal Auditor has provided a 'moderate' annual opinion on the department's framework of governance, risk management and control. This is defined as: 'some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control'.

The overall opinion is also informed by the annual opinions provided across the department's executive agencies and other arm's length bodies. They have all been given a 'moderate' opinion, with the exception of Cafcass, which is 'substantial'.

The Government Internal Audit Agency has highlighted that our new performance framework aligns with the department's strategic goals, providing a good overview of performance, and that our key performance indicators provide an adequate view of current performance. Their operationally focused work has enabled them to conclude that we have a strong focus on the delivery of outcomes while also delivering challenging programmes of change and managing acute demand pressures. Audit work has shown that there are some improvements in the delivery of change, but that there remain challenges to embed new systems and processes and realise the anticipated benefits.

They have reported that the department has an adequate framework in place to ensure the effectiveness of risk management and referenced our appetite to do more to embed stronger risk management. In-year we have appointed single risk owners, undertaken risk tolerance exercises and conducted risk deep dives within our governance meetings. They highlight that this has improved understanding of our overall risk position, but our principal risks continue to exceed our tolerance. Adequately addressing these risks requires material and sustained investment which the department will continue to pursue through the Spending Review process.

In-year, our internal qualitive assessments of committees have confirmed a broadly positive picture in relation to effectiveness. Where the Government Internal Audit Agency has undertaken board effectiveness reviews in arm's length bodies, their findings have also been positive. They highlight our ability to flex governance to meet challenges such as prison capacity and risks which have emerged in-year, such as Reinforced Autoclaved Aerated Concrete, but that we will need to continue to review the fitness for purpose of these structures in the more medium term.

The Government Internal Audit Agency's view on the effectiveness of our controls and compliance with required standards has remained static across recent years. They have highlighted areas of good practice but have also continued to raise issues with clarity of accountabilities, the understanding of control effectiveness and how internal assurance structures operate to provide us with confidence over the operation of control. Additionally, their work across the agencies and arm's length bodies has continued to highlight issues with the documenting of processes to enable effective compliance and ensure organisational resilience and continuity.

External audit

The National Audit Office scrutinises public spending on behalf of Parliament, auditing financial statements to hold government to account and improve public services.

The notional cost of the statutory audit for the core department was £757,250 (2022-23: £716,000), which also includes the statutory external audit of the consolidated accounts, Office of the Accountant General and the Judicial Pension Scheme.[96] The total cost of statutory external audits across the departmental group was £2,715,050, of which £592,800 was cash and £2,122,250 was notional cost (2022-23: £2,492,900 comprising £520,400 cash and £1,972,500 notional cost). The notional external audit cost includes the cost of the HMCTS Trust Statement which is not consolidated as part of these accounts.

HM Treasury Corporate Governance Code

As part of the preparation of this report, the department considers its compliance with the HM Treasury Corporate Governance Code for Central Government Departments. There were no departures from the code.

Independent oversight of assurance arrangements

The department is subject to independent oversight in several areas and implements many of the recommendations made. This oversight includes:

- National Audit Office reports (including value for money) and the audit report for the annual report and accounts
- Infrastructure and Projects Authority reviews
- feedback from the Major Projects Review Group
- Cabinet Office and HM Treasury representation on programme boards
- HM Chief Inspector of Prisons publications and annual report
- HM Chief Inspector of Probation publications and annual report
- regular Independent Monitoring Board reports
- Ofsted reports
- Public Accounts Committee

Conclusion

I have considered the evidence provided regarding the production of the governance statement and the independent advice and assurance provided by the Audit and Risk Assurance Committee. I conclude that the department has satisfactory governance and risk management systems in place with the necessary policies and procedures to support MoJ in delivering its statutory duties and to meet the aims and objectives set by ministers, while safeguarding the public funds and assets for which I am responsible.

Dame Antonia Romeo DCB

Permanent Secretary and Principal Accounting Officer

8 November 2024

96 No cash is paid, as these costs are settled through the funding process.

Remuneration and staff report

The remuneration and staff report summarises the department's policy on remuneration of ministers, executive board members, non-executive board members and staff. It also provides details of actual costs and contractual arrangements.

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

Remuneration policy

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

- the pay and pensions of MPs and their allowances
- peers' allowances
- the pay, pensions and allowances of ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975 (as amended)

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

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

The Review Body on Senior Salaries takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations.[97]

Board members and senior civil servants remuneration

The salaries of MoJ Departmental Board members (excluding the ministerial and non-executive members) are determined in line with the Cabinet Office SCS reward policy. Non-consolidated performance-related payments for senior civil servants are determined by the Executive Committee (SCS pay band 1 and 2) and the Nominations Committee (SCS pay band 3).

Service contracts

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

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme. Further information about the work of the Civil Service Commission can be found at: www.civilservicecommission.org.uk.

Remuneration and pension entitlement

The following sections provide details of the remuneration and pension interests of the ministers and most senior management (such as board members) of the department.

97 Review Body on Senior Salaries. Available at: www.gov.uk/government/organisations/review-body-on-senior-salaries

Remuneration: salary and payments in kind (audited)

Remuneration	2023-24					2022-23				
	Total amount of salary and fees	All taxable benefits (nearest £100)	Pension-related benefits[1] (nearest £1,000)	Severance payments	Total (nearest £1,000)	Total amount of salary and fees	All taxable benefits (nearest £100)	Pension-related benefits[1] (nearest £1,000)	Severance payments	Total (nearest £1,000)
Ministers[2,3]	£	£	£	£	£	£	£	£	£	£
The Rt Hon Alex Chalk KC MP, Lord Chancellor and Secretary of State for Justice (from 21 April 2023)	63,755 (FYE 67,505)	-	16,000	-	80,000	-	-	-	-	-
The Rt Hon Dominic Raab MP, Deputy Prime Minister, Lord Chancellor and Secretary of State for Justice (from 25 October 2022 to 20 April 2023)[4]	3,750 (FYE 67,505)	-	-	16,876	21,000	58,462 (FYE 67,505)	-	-	9,043	68,000
The Rt Hon Brandon Lewis MP, Lord Chancellor and Secretary of State for Justice (from 6 September to 24 October 2022)	-	-	-	-	-	9,043[5] (FYE 67,505)	-	3,000	16,876	29,000
Lord Christopher Bellamy KC, Parliamentary Under Secretary of State for Justice (from 7 June 2022)[6]	-	-	-	-	-	-	-	-	-	-
Mike Freer MP, Parliamentary Under Secretary of State for Justice (from 20 September 2022)	22,375	-	6,000	-	28,000	11,871 (FYE 22,375)	-	3,000	-	15,000

Remuneration	2023-24					2022-23				
	Total amount of salary and fees	All taxable benefits (nearest £100)	Pension-related benefits[1] (nearest £1,000)	Severance payments	Total (nearest £1,000)	Total amount of salary and fees	All taxable benefits (nearest £100)	Pension-related benefits[1] (nearest £1,000)	Severance payments	Total (nearest £1,000)
Ministers[2,3]	£	£	£	£	£	£	£	£	£	£
The Rt Hon Edward Argar MP, Minister of State for Justice (from 27 October 2022)	31,680	-	8,000	-	40,000	13,626 (FYE 31,680)	-	3,000	-	17,000
Laura Farris MP, Parliamentary Under Secretary of State for Justice (from 13 November 2023)[6]	-	-	-	-	-	-	-	-	-	-
Gareth Bacon MP, Parliamentary Under Secretary of State for Justice (from 13 November 2023)	8,577 (FYE 22,375)	-	2,000	-	11,000	-	-	-	-	-
The Rt Hon Damian Hinds MP, Minister of State for Justice (from 27 October 2022 to 12 November 2023)	19,624 (FYE 31,680)	-	5,000	-	24,000	13,626 (FYE 31,680)	-	6,000	-	20,000
Gareth Johnson MP, Parliamentary Under Secretary of State for Justice (from 20 September to 27 October 2022)	-	-	-	-	-	2,308 (FYE 22,375)	-	0[7]	5,593	8,000

Remuneration					2023-24					2022-23
	Total amount of salary and fees	All taxable benefits (nearest £100)	Pension-related benefits[1] (nearest £1,000)	Severance payments	Total (nearest £1,000)	Total amount of salary and fees	All taxable benefits (nearest £100)	Pension-related benefits[1] (nearest £1,000)	Severance payments	Total (nearest £1,000)
Ministers[2,3]	£	£	£	£	£	£	£	£	£	£
Rob Butler MP, Parliamentary Under Secretary of State for Justice (from 20 September to 26 October 2022)	-	-	-	-	-	2,248 (FYE 22,375)	-	0[7]	5,593	8,000
Tom Pursglove MP, Parliamentary Under Secretary of State for Justice (to 6 July 2022), Minister of State for Justice (from 7 July to 7 September 2022)	-	-	-	-	-	-	-	-	-	-
Simon Baynes MP, Parliamentary Under Secretary of State for Justice (from 8 July to 7 September 2022)[6]	-	-	-	-	-	-	-	-	-	-
Rachel Maclean MP, Minister of State for Justice (from 7 September to 25 October 2022)	-	-	-	-	-	4,241 (FYE 31,680)	-	1,000	0[7]	5,000
Sarah Dines MP, Parliamentary Under Secretary of State for Justice (from 8 July to 19 September 2022)	-	-	-	-	-	3,595 (FYE 17,917)	-	-	-	4,000
The Rt Hon Stuart Andrew MP, Minister of State for Justice (from 8 July to 19 September 2022)	-	-	-	-	-	4,312 (FYE 31,680)	-	3,000	-	7,000

Remuneration	2023-24					2022-23				
	Total amount of salary and fees	All taxable benefits (nearest £100)	Pension-related benefits[1] (nearest £1,000)	Severance payments	Total (nearest £1,000)	Total amount of salary and fees	All taxable benefits (nearest £100)	Pension-related benefits[1] (nearest £1,000)	Severance payments	Total (nearest £1,000)
Ministers[2,3]	£	£	£	£	£	£	£	£	£	£
James Cartlidge MP, Parliamentary Under Secretary of State for Justice (from 17 September 2021 to 7 July 2022)	-	-	-	-	-	-	-	-	-	-
The Rt Hon Kit Malthouse MP, Minister of State for Justice (from 14 February 2020 to 6 July 2022)	-	-	-	-	-	-	-	-	-	-
Victoria Atkins MP, Minister of State for Justice (from 16 September 2021 to 6 July 2022)	-	-	-	-	-	8,431 (FYE 31,680)	-	2,000	7,920	18,000
Lord David Wolfson of Tredegar KC, Parliamentary Under Secretary of State for Justice (from 22 December 2020 to 14 April 2022)	-	-	-	-	-	-	-	-	-	-

Notes to the table:

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

2 There was a change in ministerial team following the general election in July 2024.

3 Information disclosed above relates to the period in which the individuals were in post as ministers.

4 Dominic Raab MP opted out of the pension scheme.

5 A correction was made to the salary reported in the 2022-23 annual report and accounts restating from £14,668 to £9,043.

6 Laura Farris MP and Simon Baynes MP are paid by the Home Office. Lord Christopher Bellamy KC is an unpaid Parliamentary Under Secretary of State.

7 A zero value is shown where a figure has been rounded down to zero. A nil value is represented by a dash.

Remuneration: salary and payments in kind (audited)

Remuneration	2023-24					2022-23				
	Total amount of salary and fees	All taxable benefits (nearest £100)	Bonuses paid[1]	Pension-related benefits[2] (nearest £1,000)	Total	Total amount of salary and fees	All taxable benefits (nearest £100)	Bonuses paid	Pension-related benefits[3] (nearest £1,000)	Total
Senior managers	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Dame Antonia Romeo DCB, Permanent Secretary	195-200	-	10-15	91	300-305	185-190	-	-	50	235-240
Jo Farrar, Second Permanent Secretary for Ministry of Justice and Chief Executive of HMPPS (to 1 September 2022), Second Permanent Secretary (from 1 September 2022 to 31 May 2023)[5]	25-30 (165-170 FYE)	-	-	4	30-35	165-170	-	-	26	190-195
Amy Rees, Director General, Chief Executive of HMPPS (from 1 September 2022) [4, 5, 6]	160-165	33.1	15-20	23	235-240	90-95 (150-155 FYE)	13.1	15-20	22	140-145
Nick Goodwin, Chief Executive of HMCTS[4,6]	135-140	-	-	54	190-195	130 -135	-	-	109	240-245
Ross Gribbin, Director General, Policy – Prisons, Offenders and International Justice (from 16 November 2023)	50-55 (135-140 FYE)	-	0-5	27	80-85	-	-	-	-	-
James McEwen, Chief Operating Officer	150-155	-	10-15	82	250-255	140-145	-	0-5	97	240-245

Remuneration	2023-24					2022-23				
	Total amount of salary and fees	All taxable benefits (nearest £100)	Bonuses paid[1]	Pension-related benefits[2] (nearest £1,000)	Total	Total amount of salary and fees	All taxable benefits (nearest £100)	Bonuses paid	Pension-related benefits[3] (nearest £1,000)	Total
Senior managers	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Jerome Glass, Director General, Policy Group (to 28 November 2022), Director General, Policy Group – Courts and Access to Justice (from 29 November 2022)	140-145	-	0-5	61	200-205	130-135	-	5-10	44	180-185
Richard Price, Director General, Performance, Strategy and Analysis (from 9 May 2022)	140-145	-	-	53	190-195	115-120 (130-135 FYE)	-	-	55	170-175
Megan Lee-Devlin, Director General, Service Delivery Transformation (from 28 March 2024)	0-5 (170-175 FYE)	-	-	1	0-5	-	-	-	-	

Notes to the table:

1 Bonus figures include 2022-23 performance-related pay which was paid out in 2023-24.

2 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.

3 The pension benefits of any members affected by the public service pensions remedy which were reported in 2022-23 on the basis of alpha membership for the period between 1 April 2015 and 31 March 2022 are reported in 2023-24 on the basis of PCSPS membership for the same period.

4 Amy Rees is remunerated by HMPPS and Nick Goodwin is remunerated by HMCTS.

5 Amy Rees and Jo Farrar are members of the partnership pension scheme and as such did not accrue Principal Civil Service Pension Scheme (PCSPS) pension benefits in 2023-24. The employer contributions to her partnership pension account are included in the 'Pension related benefits' column of this table and the cash equivalent transfer value (CETV) table below.

6 Nick Goodwin's remuneration is also published in the 2023-24 HMCTS annual report and accounts. Amy Rees's remuneration is also published in the 2023-24 HMPPS annual report and accounts.

Remuneration: salary and payments in kind (audited)

Remuneration		2023-24			2022-23	
	Fees (excluding performance-related remuneration)	All taxable benefits (nearest £100)	Bonuses paid	Fees (excluding performance-related remuneration)	All taxable benefits (nearest £100)	Bonuses paid
Non-executive board members	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Mark Rawlinson, Lead Non-Executive Member	20-25	-	-	20-25	-	-
Paul Smith, Non-Executive Member and Chair of Audit and Risk Assurance Committee	20-25	-	-	20-25	-	-
Mark Beaton, Non-Executive Member (from 14 July 2022)	10-15	0.5	-	10-15	-	-
Jennifer Rademaker, Non-Executive Member (from 21 August 2023)	5-10	-	-	-	-	-
Jonathan Spence, Non-Executive Member (from 21 August 2023)	5-10	1.4	-	-	-	-
Andrew Robb, Non-Executive Member (from 21 August 2023)	5-10	-	-	-	-	-
Shirley Cooper OBE, Non-Executive Member (to 3 August 2022)	-	-	-	5-10	-	-
Nick Campsie, Non-Executive Member (to 3 June 2022)	-	-	-	0-5	-	-

Notes to the table

1 Information disclosed above relates to the period in which the individuals were in post as senior managers or non-executive board members. None of the non-executive board members have pension entitlements with the department. When a minister moves from one department to another, the exporting department pays their salary at the current rate of pay until the end of the month of departure, and the importing department pays in the following month at the appropriate salary plus any arrears.

Salary

- 'Salary' includes:
- gross salary
- overtime
- reserved rights to London weighting or London allowances
- recruitment and retention allowances
- private office allowances
- any other allowance to the extent that it is subject to UK taxation

This report is based on accrued payments made by the department and therefore recorded in these accounts. In respect of ministers in the House of Commons, departments bear only the cost of the additional ministerial remuneration. The salary for their services as an MP (£86,584 from 1 April 2023) and various allowances to which they are entitled are borne centrally.

Ministers in the House of Lords do not receive a salary but rather an additional remuneration, which cannot be quantified separately from their ministerial salaries. This total remuneration, as well as the allowances to which they are entitled, is paid by the department and is therefore shown in full in the figures above.

Benefits in kind

Taxable benefits include all benefits in kind and taxable cash benefits. The monetary value of benefits in kind covers any benefits provided by the department and treated by HM Revenue and Customs as a taxable emolument. Benefits recognised relate to travel and subsistence.

Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. Permanent Secretary bonuses are determined by the Permanent Secretary Remuneration Committee within Cabinet Office.

Bonuses for SCS pay band 3 are determined by the Permanent Secretary, as advised by the Nominations Committee which includes the lead non-executive board member and the Chief People Officer. The bonuses reported in 2023-24 relate to performance in 2023-24 and 2022-23. The comparative bonuses reported for 2022-23 relate to performance in 2022-23 and 2021-22.

Pension entitlements: ministerial pensions (audited)

The pension benefits of any members affected by the public service pensions remedy which were reported in 2022-23 on the basis of alpha membership for the period between 1 April 2015 and 31 March 2022 are reported in 2023-24 on the basis of the Principal Civil Service Pension Scheme (PCSPS) membership for the same period.

Taking account of inflation, the CETV funded by the employer has decreased in real terms.

Pension benefits

	Accrued pension at age 65 as at 31 March 2024	Real increase in pension at age 65	CETV at 31 March 2024	CETV at 31 March 2023[3]	Real increase/ (decrease) in CETV
Ministers	**£000**	**£000**	**£000**	**£000**	**£000**
The Rt Hon Alex Chalk KC MP, Lord Chancellor and Secretary of State for Justice (from 21 April 2023)	0-5	0-2.5	44	25	10
The Rt Hon Dominic Raab MP, Deputy Prime Minister, Lord Chancellor and Secretary of State for Justice (from 25 October 2022 to 20 April 2023)	-	-	-	-	-
The Rt Hon Brandon Lewis MP, Lord Chancellor and Secretary of State for Justice (from 6 September to 24 October 2022)	-	-	-	105	-
Lord Christopher Bellamy KC, Parliamentary Under Secretary of State for Justice (from 7 June 2022)[1]	-	-	-	-	-
Mike Freer MP, Parliamentary Under Secretary of State for Justice (from 20 September 2022)	0-5	0-2.5	53	41	6
The Rt Hon Edward Argar MP, Minister of State for Justice (from 27 October 2022)	0-5	0-2.5	48	37	5
Laura Farris MP, Parliamentary Under Secretary of State for Justice (from 13 November 2023)[1]	-	-	-	-	-
Gareth Bacon MP, Parliamentary Under Secretary of State for Justice (from 13 November 2023)	0-5	0-2.5	3	-	2

Pension benefits

Ministers	Accrued pension at age 65 as at 31 March 2024 £000	Real increase in pension at age 65 £000	CETV at 31 March 2024 £000	CETV at 31 March 2023[3] £000	Real increase/ (decrease) in CETV £000
The Rt Hon Damian Hinds MP, Minister of State for Justice (from 27 October 2022 to 12 November 2023)	5-10	0-2.5	92	83	3
Gareth Johnson MP, Parliamentary Under Secretary of State for Justice (from 20 September to 27 October 2022)	-	-	-	5	-
Rob Butler MP, Parliamentary Under Secretary of State for Justice (from 20 September to 26 October 2022)	-	-	-	0[2]	-
Tom Pursglove MP, Parliamentary Under Secretary of State for Justice (to 6 July 2022), Minister of State for Justice (from 7 July to 7 September 2022)[1]	-	-	-	-	-
Simon Baynes MP, Parliamentary Under Secretary of State for Justice (from 8 July to 7 September 2022)[1]	-	-	-	-	-
Rachel Maclean MP, Minister of State for Justice (from 7 September to 25 October 2022)	-	-	-	17	-
Sarah Dines MP, Parliamentary Under Secretary of State for Justice (from 8 July to 19 September 2022)	-	-	-	2	-
The Rt Hon Stuart Andrew MP, Minister of State for Justice (from 8 July to 19 September 2022)	-	-	-	30	-
James Cartlidge MP, Parliamentary Under Secretary of State for Justice (to 7 July 2022)[1]	-	-	-	-	-
The Rt Hon Kit Malthouse MP, Minister of State for Justice (to 6 July 2022)[1]	-	-	-	-	-
Victoria Atkins MP, Minister of State for Justice (to 6 July 2022)	-	-	-	25	-

Pension benefits

Ministers	Accrued pension at age 65 as at 31 March 2024	Real increase in pension at age 65	CETV at 31 March 2024	CETV at 31 March 2023[3]	Real increase/ (decrease) in CETV
	£000	£000	£000	£000	£000
Lord David Wolfson of Tredegar KC, Parliamentary Under Secretary of State for Justice (to 14 April 2022)[1]	-	-	-	-	-

Notes to the table:

1 These ministers were not paid by MoJ during the reporting year. Lord David Wolfson, James Cartlidge MP and Lord Christopher Bellamy KC served as unpaid ministers, and therefore they received no pension benefits from MoJ.
Laura Farris MP, Tom Pursglove MP, Simon Baynes MP and Kit Malthouse MP were paid by another government department.
Information disclosed above relates to the full year, whereas dates included above relate to the period in which the individuals were in post as ministers.

2 A zero value is shown where a figure has been rounded down to zero. A nil value is represented by a dash.

3 The 'CETV at start date' figure may differ to the figure used for the end date on the 2022-23 annex return. This is due to a change in the factors used in part of the calculation since the previous figures were run.

Ministerial pension benefits

Pension benefits for ministers are provided by the Parliamentary Contributory Pension Fund. The scheme is made under statute and the rules are set out in the Ministers' Etc. Pension Scheme 2015.[98]

Those ministers who are MPs may also accrue an MPs' pension under the Parliamentary Contributory Pension Fund (details of which are not included in this report).

Benefits for ministers are payable from state pension age under the 2015 scheme. Pensions are revalued annually in line with pensions increase legislation both before and after retirement. The contribution rate from May 2015 is 11.1% and the accrual rate is 1.775% of pensionable earnings.

The figure shown for pension value includes the total pension payable to the member under both the pre- and post-2015 ministerial pension schemes.

Cash equivalent transfer value

This 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 cash equivalent transfer value (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 pension benefits they have accrued in their former scheme.

The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total ministerial service, not just their current appointment as a minister. CETVs are calculated 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 value of the cash equivalent transfer value

This is the element of the increase in accrued pension funded by the Exchequer. It excludes increases due to inflation and contributions paid by the minister. It is worked out using common market valuation factors for the start and end of the period.

98 Rules of the Parliamentary Contributory Pension Fund (The Ministers' Etc Pension Scheme 2015). Available at: mypcpfpension.co.uk/wp-content/uploads/2019/09/ministerial-pension-scheme-rules.pdf

Civil Service pensions (audited)

Senior managers	Accrued pension and related lump sum at pension age as at 31 March 2024 £000	Real increase in pension and related lump sum at pension age £000	CETV at 31 March 2024 £000	CETV at 31 March 2023 £000	Real increase/ (decrease) in CETV £000	Employer partnership pension account at 31 March 2024 Nearest £100
Dame Antonia Romeo DCB, Permanent Secretary	55-60 plus a lump sum of 145-150	5-7.5 plus a lump sum of 0-2.5	1,214	1,045	62	-
Jo Farrar, Second Permanent Secretary for Ministry of Justice and Chief Executive of HMPPS (to 1 September 2022), Second Permanent Secretary (from 1 September 2022 to 31 May 2023)[1]	-	-	-	-	-	4,300
Amy Rees, Director General, Chief Executive of HMPPS (from 1 September 2022)[2]	-	-	-	734	-	23,300
Nick Goodwin, Chief Executive of HMCTS[3]	40-45 plus a lump sum of 110-115	2.5-5 plus a lump sum of 0-2.5	890	780	34	-
Ross Gribbin, Director General, Policy – Prisons, Offenders and International Justice (from 16 November 2022)	35-40	0-2.5	587	554	17	-
James McEwen, Chief Operating Officer	55-60	2.5-5	945	813	51	-

	Accrued pension and related lump sum at pension age as at 31 March 2024	Real increase in pension and related lump sum at pension age	CETV at 31 March 2024	CETV at 31 March 2023	Real increase/ (decrease) in CETV	Employer partnership pension account at 31 March 2024
Senior managers	**£000**	**£000**	**£000**	**£000**	**£000**	**Nearest £100**
Jerome Glass, Director General, Policy Group (to 28 November 2022), Director General, Policy Group – Courts and Access to Justice (from 29 November 2022)	45-50	2.5-5	767	666	34	-
Richard Price, Director General, Performance, Strategy and Analysis (from 9 May 2022)	55-60 plus a lump sum of 150-155	2.5-5 plus a lump sum of 0	1,336	1,188	37	-
Megan Lee-Devlin, Director General, Service Delivery Transformation (from 28 March 2024)	10-15	0-2.5	108	108	0	-

Notes to the table:

1 Dr Jo Farrar is a member of the partnership pension scheme. No PCSPS pension benefits were accrued in 2023-24 (2022-23: £0). There were no employer contributions to the Local Government Pension Scheme.

2 Amy Rees is a member of the partnership pension scheme. No PCSPS pension benefits were accrued in 2023-24 (2022-23: 55-60 plus a lump sum of 5-10). There were no employer contributions to the Local Government Pension Scheme.

3 Nick Goodwin's remuneration is also published in the 2023-24 HMCTS annual report and accounts. Amy Rees' remuneration is also published in the 2023-24 HMPPS annual report and accounts.

4 Any members affected by the public service pensions remedy were reported in the 2015 scheme for the period between 1 April 2015 and 31 March 2022 in 2022-23, but are reported in the legacy scheme for the same period in 2023-24.

Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. Before 1 April 2015, the only scheme was the PCSPS, which is divided into a few different sections. Classic, premium and classic plus provide benefits on a final salary basis, while 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, which is 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.[99] 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'.

99 How the public service pensions remedy affects your pension. Available at: 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 CETV 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 with 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 www.civilservicepensionscheme.org.uk.

Fair pay disclosure

This section has been subject to audit.

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

The banded remuneration of the highest paid director in MoJ in the financial year 2023-24 was £215,000 to £220,000 (2022-23: £185,000 to £190,000).[100] This was 6.7 times (2022-23: 6.0) the median remuneration of the workforce, which was £32,539 (2022-23: £31,265).

In 2023-24, 20 (2022-23: 10) employees, with their pay annualised, received remuneration in excess of the highest paid director. These were agency staff who worked for a part of the reporting year. In line with fair pay disclosure guidance, remuneration for agency workers has been annualised to arrive at the figures disclosed and does not reflect actual remuneration payments made to agency staff in 2023-24.

Of the 20 agency workers, nine worked less than 30 days in the year, and three received actual compensation in excess of the highest paid director. Remuneration ranged from £20,000 to £25,000, to £365,000 to £370,000 (2022-23: £15,000 to £20,000, to £415,000 to £420,000).

No permanent staff received remuneration in excess of the highest paid director.

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

100 To calculate the remuneration of the highest paid director, we include salary, performance pay and bonuses and benefit-in-kind allowances. We exclude pension figures and severance payments.

Table 1: Annual percentage change in remuneration of highest paid director and staff

	2023-24		2022-23	
	Salary	Bonus payments	Salary	Bonus payments
Staff average	10%	29%	3%	-17%
Highest paid director	-11%	-	0%	-100%

The highest paid director received a bonus in 2023-24 but did not receive a bonus in 2022-23, so a comparative percentage cannot be calculated.

The highest paid director in 2023-24 is different to the highest paid director in 2022-23. Total remuneration is higher but the salary is lower, which explains the 11% decrease.

Table 2: Ratio between the highest paid director's total remuneration and the pay and benefits of employees in the lower quartile, median and upper quartile

	Lower quartile	Median	Upper quartile
2023-24	8.1:1	6.7:1	5.5:1
2022-23	7.4:1	6:1	4.9:1

Table 3: Lower quartile, median and upper quartile remuneration for staff

	Lower quartile		Median		Upper quartile	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Salary	26,653	25,342	32,268	31,250	39,821	38,289
Total remuneration	27,000	25,342	32,539	31,265	39,821	38,530

Compensation for loss of office

This section has been subject to audit.

The Rt Hon Dominic Raab MP received compensation of £16,876.

Staff numbers and composition

This section has been subject to audit.

Staff costs

Departmental group

				2023-24	2022-23
	Permanently employed staff*	Other	Ministers**	Total	Total
	£000	£000	£000	£000	£000
Wages and salaries	3,470,597	269,554	397	3,740,548	3,314,616
Social security costs***	373,752	1,862	45	375,659	341,478
Other pension costs	791,846	30	-	791,876	888,611
Sub total	**4,636,195**	**271,446**	**442**	**4,908,083**	**4,544,705**
Early departure costs	45,052	-	-	45,052	25,268
Early departure provisions	-	-	-	-	-
Add inward secondments	12,974	12,814	-	25,788	13,960
Less recoveries in respect of outward secondments	(13,894)	-	-	(13,894)	(20,750)
Total net costs	**4,680,327**	**284,260**	**442**	**4,965,029**	**4,563,183**
Of which:					
Core department and agencies	4,453,347	247,444	442	4,701,233	4,303,449
Non-departmental public bodies	226,980	36,816	-	263,796	259,734
	4,680,327	**284,260**	**442**	**4,965,029**	**4,563,183**

* Includes staff on permanent and fixed term contracts.

** Ministers' costs include costs of Scotland Offices ministers and staff which are recovered as secondment income.

*** The apprenticeship levy, implemented across England on 6 April 2017, is an employment tax of 0.5% of the annual pay bill and these costs are included within social security costs.

During the period ended 31 March 2024, £26.5 million of staff costs (2022-23: £22.6 million) have been capitalised.

The department has disclosed information on the number of hours and associated cost to the department of employees who were relevant union officials during 2023-24 in Annex F.

Under the Ministerial and Other Salaries Act 1975, the salary and social security costs of the Lord Chancellor, included under 'Ministers' above, are paid from the Consolidated Fund. In 2023-24, the Lord Chancellor's full year equivalent salary was £67,505 (2022-23: £67,505) and the associated combined social security costs were £8,627 (2022-23: £14,123). One severance payment totalling £16,876 was made to ministers in 2023-24 (2022-23: five payments of £45,470).

Special advisers are temporary civil servants. In order to improve efficiency, the administration of staff costs for all special advisers across government was moved to the Cabinet Office in July 2019, with corresponding budget cover transfers. Therefore, special adviser costs are now reported in the Cabinet Office annual report and accounts. Special advisers remain employed by the respective departments of their appointing minister.

In line with the Constitutional Reform and Governance Act 2010 and the model contract for special advisers, a special adviser's appointment automatically ends when their appointing minister leaves office. Special advisers are not entitled to a notice period but receive contractual termination benefits to compensate for this. Termination benefits are based on length of service and capped at six months' salary.

If a special adviser returns to work for the government following the receipt of a severance payment, the payment is required to be repaid, less a deduction in lieu of wages for the period until their return. Termination costs for special advisers are reported in the Cabinet Office annual report and accounts.

The PCSPS and the Civil Servants and Other Pension Scheme (known as alpha) are unfunded multi-employer defined benefit schemes where the department is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2020. Details can be found in the accounts of the Cabinet Office: Civil Superannuation on GOV.UK.

For 2023-24, employers' contributions of £648.6 million were payable to the PCSPS (2022-23: £585.5 million) at one of four rates which ranged from 26.6% to 30.3% (2022-23: 26.6% to 30.3%) of pensionable pay, based on salary bands. The scheme actuary reviews employer contributions approximately every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2023-24 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employer pension contributions equivalent to 0.5% (2022-23: 0.5%) of pensionable pay were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of employees in the PCSPS.

Past employees of the probation trusts, and Local Government Pension Scheme probation staff who transferred to community rehabilitation companies and HMPPS' National Probation Service, are covered by the provisions of the Local Government Pension Scheme via one pension fund, Greater Manchester Pension Fund, administered by Tameside Metropolitan Borough Council. For the year to 31 March 2024, HMPPS paid employers' contributions of £181.1 million to the Greater Manchester Pension Fund, relating to current probation staff, at 26.5% (2022-23: £174.7 million at 29.6%).

Past employees of the community rehabilitation companies are also members of the Local Government Pension Scheme via the Greater Manchester Pension Fund. In 2023-24, MoJ paid employers' contributions of £0.6 million in respect of these staff (2022-23: £0.7 million).

Employees of Cafcass are members of the Local Government Pension Scheme through the West Yorkshire Pension Fund. For 2023-24 employer contributions of £17.7 million were payable at a rate of 19.4% (2022-23: £16.8 million at a rate of 19.4%).

Employees can opt to open a partnership pension account, which is a stakeholder pension with an employer contribution. Employers' contributions to partnership pension accounts were £2.0 million (2022-23: £1.9 million) and were paid to one or more of the three appointed stakeholder pension providers. Employer contributions, which are age-related, ranged from 8% to 14.75% (2022-23: 8% to 14.75%) of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay.

The NEST Defined Contribution Scheme is offered to individuals working in HMPPS who are not civil servants and therefore not eligible to join the Civil Service Pension Scheme or the Local Government Pension Scheme. For the year to 31 March 2024, employer contributions of £0.03 million were paid (2022-23: £0.03 million).

In addition, other pension costs include Greater Manchester Pension Fund pension cost recharge adjustments of £60.8 million (2022-23: £87.6 million), West Yorkshire Pension Fund pension cost recharge adjustments of £0.3 million (2022-23: £18.9 million), and other pension scheme costs of £2.8 million (2022-23: £2.5 million) for some of the department's arm's length bodies. For further details on employers' pension contributions and contribution rates for the Legal Services Commission (LSC), Cafcass and probation pension schemes, refer to Note 25.

57 employees (2022-23: 41 employees) retired early on ill health grounds. The total additional accrued pension liabilities in the year were £320,000 (2022-23: £184,000).

Judicial costs

Departmental group

				2023-24	2022-23
	Senior judicial salaries	**Other judicial salaries**	**Fee-paid judiciary**	**Total**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**
Wages and salaries	158,821	120,258	153,851	432,930	403,400
Social security costs	21,447	16,339	16,060	53,846	51,905
Other pension costs	81,320	62,916	57,747	201,983	186,919
Total net costs	**261,588**	**199,513**	**227,658**	**688,759**	**642,224**

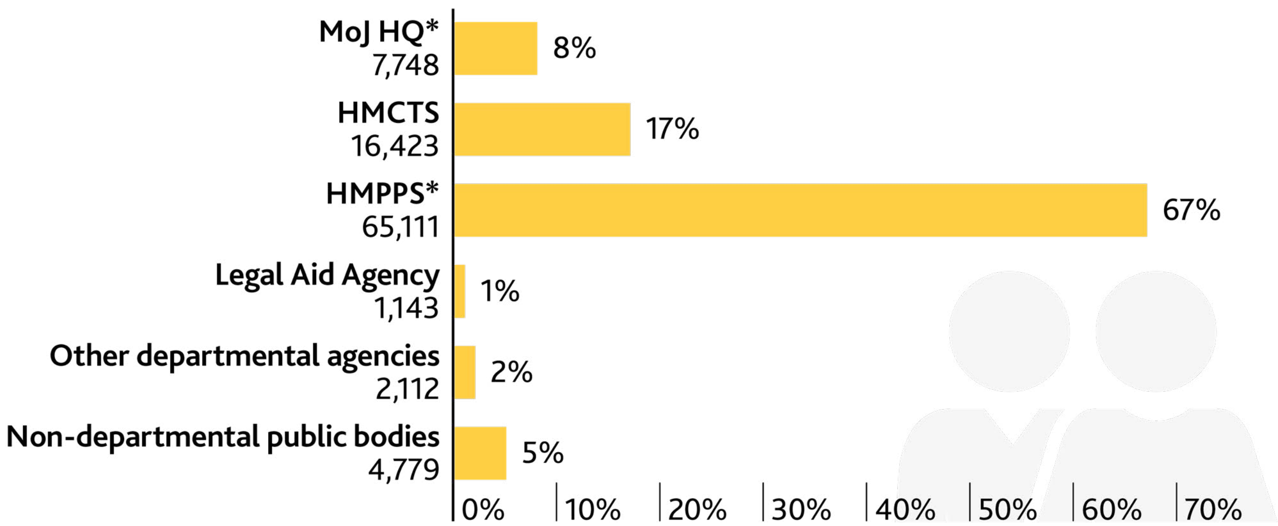
The Judicial Pension Scheme is an unfunded multi-employer defined benefit scheme which prepares its own accounts, but for which the department (through HMCTS) is unable to identify its share of the liabilities. Details of the most recent completed valuation (as at March 2020) are available in the [Judicial Pension Scheme Annual Report and Accounts 2023-24](www.gov.uk/government/publications/judicial-pensions-scheme-annual-report-and-accounts-2023-to-2024).[101]

Judicial pensions are paid out of the Consolidated Fund where the judicial office holder's salary was paid from that fund, or the Judicial Pension Scheme where the salary has been paid from the department's Supply Estimate. Contributions to the Judicial Pension Scheme have been made at a rate of 51.35%.

The benefits payable are governed by the provisions of either: the Judicial Pensions Regulations 2022 (for all judicial office holders appointed from 1 April 2022), the Judicial Pensions Regulations 2015 (for judicial office holders appointed between 1 April 2015 and 31 March 2022 and existing judicial office holders who are not in scope of the McCloud remedy), the Judicial Pensions Act 1981 or the Judicial Pensions and Retirement Act 1993 (for those remaining in these schemes due to transitional protection), and the Judicial Pensions Regulations 2017 (for eligible fee-paid judges with reckonable service from 7 April 2000 up to 31 March 2015).

The Judicial Pensions Regulations 2022 replaced the legacy schemes for judicial office holders appointed from 1 April 2022. The department makes employer contributions to the Judicial Pension Scheme in respect of this scheme as service is incurred.

Average number of full-time equivalent staff employed in the year



*Includes staff engaged in capital projects

101 Judicial Pensions Scheme Annual Report and Accounts 2023-24. Available at: www.gov.uk/government/publications/judicial-pensions-scheme-annual-report-and-accounts-2023-to-2024

Departmental group

					2023-24	2022-23
	Permanently employed staff*	Other	Ministers	Special advisers	Total	Total
MoJ HQ and associated offices						
Chief Operating Officer Group	2,988	89	0.4	0.2	3,078	2,829
Performance, Strategy and Analysis Group	984	3	-	-	987	888
Policy Group	1,648	2	2.8	1.6	1,654	1,519
Service Transformation Group	1,342	433	-	-	1,775	1,581
Agencies						
HMCTS	14,489	1,933	0.5	0.3	16,423	16,768
OPG	1,629	177	0.1	-	1,806	1,626
HMPPS	63,974	1,134	1.7	0.9	65,111	60,677
LAA	1,142	1	0.1	-	1,143	1,093
CICA	306	-	0.1	-	306	296
Non-departmental public bodies						
Non-departmental public bodies	4,233	546	-	-	4,779	4,955
Capital projects						
Staff engaged on capital projects	200	54	-	-	254	470
Total	**92,936**	**4,371**	**5.7**	**3**	**97,316**	**92,702**
Of which:						
Core department and agencies	88,703	3,825	5.7	3	92,537	87,747
Non-departmental public bodies	4,233	546	-	-	4,779	4,955
	92,936	**4,371**	**5.7**	**3**	**97,316**	**92,702**

* Includes staff on permanent and fixed-term contracts. Data for agencies is taken from agency published accounts.

The full-time equivalent analysis for ministers and special advisers reflects the proportion of time spent across the different functions within the departmental group.

Average number of full-time equivalent judiciary in post in the year

Departmental group

				2023-24	2022-23
	Senior judicial salaried	Other judicial salaried	Fee-paid judiciary	Total	Total
Core department and agencies	964	947	1,120	3,031	2,985
Total	**964**	**947**	**1,120**	**3,031**	**2,985**

The judiciary is independent. Their payroll costs disclosed within HMCTS are met either directly from the Consolidated Fund, in the case of senior judiciary, or by the department for other judiciary. All costs are included within these accounts to ensure that the full cost is disclosed.

Civil Service and other compensation schemes – exit packages

This section has been subject to audit.

	2023-24			2022-23		
	Compulsory redundancies	Other compensated departures	Total exit packages	Compulsory redundancies	Other compensated departures	Total exit packages
Exit package cost band	**Number**	**Number**	**Total number**	**Number**	**Number**	**Total number**
Less than £10,000	-	169	169	-	166	166
£10,000 - £25,000	-	126	126	1	74	75
£25,001 - £50,000	-	170	170	-	171	171
£50,001 - £100,000	-	309	309	-	229	229
£100,001 - £150,000	-	107	107	-	18	18
£150,001 - £200,000	-	8	8	-	7	7
£200,001 - £250,000	-	3	3	-	2	2
£250,001 - £300,000	-	-	-	-	-	-
£300,001 - £350,000	-	1	1	-	-	-
Total number of exit packages by type	**-**	**893**	**893**	**1**	**667**	**668**

	2023-24			2022-23		
	Compulsory redundancies	Other compensated departures	Total exit packages	Compulsory redundancies	Other compensated departures	Total exit packages
Of which:						
Core department and agencies	-	893	893	1	667	668
Non-departmental public bodies	-	-	-	-	-	-
Total cost of exit packages by type (£000)	**-**	**46,647**	**46,647**	**12**	**27,785**	**27,797**
Of which:						
Core department and agencies	-	46,647	46,647	12	27,785	27,797
Non-departmental public bodies	-	-	-	-	-	-

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in accordance with IAS 19 Employee Benefits within the financial statements. The table above discloses exit packages 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 PCSPS. Ill health retirement costs are met by the pension scheme and are not included in the table above.

In 2023-24, the figures include 272 departures of £21.4 million for HMPPS staff members leaving under a voluntary departure scheme as part of the delivery of the One HMPPS model. HMPPS is committed to savings on non-frontline staffing by redefining HQ to deliver more efficient and effective support to frontline services. Some of these exits relate to staff who are members of the Local Government Pension Scheme, a funded scheme, and therefore result in additional costs. Other departure exit costs include 576 efficiency departure exit packages at a value of £24.3 million (2022-23: 614 at a value of £24 million) within payment bands not exceeding £250,000 (2022-23: £250,000). Efficiency departures are authorised in the interests of the continued efficiency of the service and the wellbeing of the individual, under section 6.3 of the Civil Service Management Code.

Spend on consultancy and temporary staff

			2023-24			2022-23
	Core and agencies	Non-departmental public bodies	Total	Core and agencies	Non-departmental public bodies	Total
	£000	£000	£000	£000	£000	£000
Consultancy	18,329	92	18,421	7,292	225	7,517
Temporary staff	232,874	15,891	248,765	217,244	6,368	223,612
Total	**251,203**	**15,983**	**267,186**	**224,536**	**6,593**	**231,129**

Increases in consultancy spend include work on technical debt across our IT estate and the property transformation programme. The work on technical debt includes service delivery that goes beyond the provision of advice. Overall, the number of temporary staff decreased due to successful local recruitment campaigns, particularly in HMPPS, across the Probation Service, where band 2 and 3 agency staff have been replaced with permanent staff. Daily rates for employing temporary staff increased leading to an increase in agency costs of 11%.

Our staff

Recruitment

Our recruitment is managed in accordance with the Civil Service Recruitment Principles which require appointments to be made on merit and on the basis of fair and open competition: civilservicecommission.independent.gov.uk/recruitment/recruitment-principles.

Inclusion is at the centre of our recruitment practice. It is embedded in the methods we use to attract, assess, select and retain diverse talent with the right skills, capabilities and motivation at all levels of the organisation so we can reflect the communities we serve.

This year MoJ was announced as the winner of the Civil Service Commission's 2023 Mark of Excellence Award. The award was a reflection of the advancements made by the department and in particular:

- recognising the work done to provide bespoke recruitment pathways for veteran candidates and those with lived experience of the justice system
- focusing on outreach and local engagement to attract a more diverse range of candidates
- supporting a number of recruitment objectives such as Places for Growth and providing enhanced development opportunities

Over the last year vacancy managers have been supported to enhance candidate attraction, reinforce best practice throughout the recruitment process, and ensure that the recruitment principles are followed without bias. We continue to upskill vacancy managers on the Civil Service success profiles framework for assessments and anonymised applications up to the point of interview or assessment for all grades up to SCS2.

We have also acted to respond to legislative changes. This can be reflected in the work to include prison officers as a skilled worker eligible for visa sponsorship via the department. Following the changes to legislation from 4 April 2024, the department has worked to provide candidates and vacancy managers with all the information required to support future applications for visa sponsorship.

We are committed to delivering ongoing innovation to the business through modern policies and technology which support all aspects of the recruitment journey, from candidate attraction to selection and onboarding. The overall objective is to streamline our time to hire while retaining the highest levels of quality assurance in the recruitment process.

Case study: Mark of Excellence

MoJ was announced the winner of the 2023 Mark of Excellence, awarded by the Civil Service Commission, recognising the department for its innovation and commitment to recruitment best practice. The award reflected the scale of recruitment activity and innovative projects delivered by teams working across the department.

This included:

- designing a bespoke scheme for veteran candidates to fill critical roles in the prison and probation services in locations most in need while ensuring greater employment of Armed Forces veterans as set out the government's Veterans' Strategy Action Plan: 2022 to 2024
- bringing lived experience to delivery of the justice system and setting up a clear process to recruit prison leavers into MoJ roles
- establishing new satellite offices within the MoJ estate, which encouraged greater geographical diversity in the workforce at all levels and contributed to Places for Growth
- continuing outreach with college and school leavers in areas with greater social mobility challenges, and introducing a dedicated development scheme to attract a location-specific cohort in the North of England
- attracting more external expertise to the Civil Service by delivering a national HMPPS advertising campaign, hosting a large-scale careers showcase, developing tools to engage local communities, and delivering candidate webinars across business areas to engage candidates on the format of Civil Service applications

The award reinforced MoJ's responsibility for ensuring our department reflects the society we serve, and the commitment of its teams to making that ambition a reality so it has positive outcomes for our current and future workforce.

Employment of people with disabilities

During 2023-24 MoJ was re-accredited as a Disability Confident Leader, demonstrating our commitment to attracting, recruiting, developing and retaining disabled people and those with long-term conditions. The department continues to ensure its processes, policies and organisational culture promote disability inclusion with leadership from a board-level disability champion, SCS disability leads and staff networks.

The department continued to support staff transferring from the Department for Work and Pension's Access to Work Scheme to MoJ's internal workplace adjustment arrangements via the Workplace Adjustment Service. In addition, for technology-based adjustments, the MoJ assistive technology team provides advice, access to assistive technology equipment, installation and training to staff.

Disabled staff continue to have access to targeted career development through the Civil Service Future Leaders Scheme and the Disability Empowers Leadership Talent (DELTA) mentorship.

All staff have access to resources relating to disability inclusion, mental health and wellbeing. MoJ promotes an evidence-led, person-centred approach to wellbeing that recognises each employee as an individual, with their own unique set of needs who can access specific support on particular issues as required.

Diversity, inclusion and wellbeing

MoJ is committed to delivering the government's vision as set out in the Civil Service Diversity and Inclusion Strategy. The strategy forms the basis of the ambition of achieving 'a culture rooted in our values' in the MoJ People Strategy.

MoJ is also delivering cross-government social mobility initiatives including the Catapult mentoring and sponsorship scheme (around 16,000 participants) and the Schools Programme (350 events delivered in 2023-24), supported by over 3,200 volunteer ambassadors across government.

We monitor the impact of our employee policies and procedures via the effective use of equalities data. Staff diversity information is published in the departmental core diversity statistics section of this report on page 129, and MoJ staff diversity data can be found in the Civil Service statistics tables.[102]

We publish gender pay gap information annually, including our action plan to close the gap. We publish our equalities objectives as part of our Outcome Delivery Plan.

We continue to make progress against our diversity targets. At the end of March 2024, women make up 51% of the department's SCS, and female representation across all grades is 58%. Reporting rates (previously referred to as declaration rates) have risen in the department over the last year. Between March 2023 and March 2024, reporting rates have risen for ethnicity (from 84% to 85%), disability (from 79% to 80%), religion (from 75% to 77%) and sexual orientation (from 76% to 78%). At the end of March 2024, of those staff who have reported their ethnicity, 17% of staff (16% at March 2023) and 9% of SCS (10% at March 2023) are from ethnic minorities. Of those staff who have reported their disability status, 17% of staff (17% at March 2023) and 13% of SCS (12% at March 2023) have indicated that they have a disability.

Headline departmental People Survey scores (which includes some questions on wellbeing) can be found in the: Civil Service People Surveys.[103]

Modern slavery

The MoJ Modern Slavery Leadership Group brings together leaders from the organisation's functions to provide leadership of this agenda at a corporate level.

MoJ contributes to the cross-government modern slavery statement.[104]

102 Civil Service statistics. Available at: www.gov.uk/government/collections/civil-service-statistics

103 Civil Service People Surveys. Available at: www.gov.uk/government/collections/civil-service-people-surveys

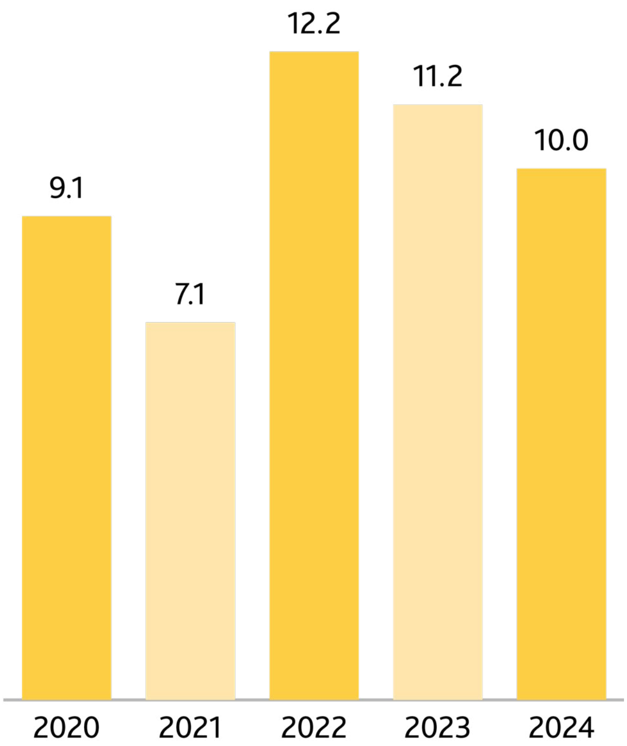
104 UK government modern slavery statement 2021-22. Available at: www.gov.uk/government/publications/uk-government-modern-slavery-statement-2021-to-2022

Sickness absence data

Across the department (including its executive agencies), the number of average working days lost in the last 12 months was 10 at the end of March 2024, compared to 11.2 at the end of March 2023. This reflects the range of operational and non-operational functions across the organisation. Mental health and muscular-skeletal issues remain the main absence drivers.

Our proactive approach to wellbeing provides a range of support for staff, as well as encouraging a preventative culture to reduce sickness absence in line with the approach across the Civil Service. Managers can access specialist casework support in managing sickness absence cases and a variety of support is available to staff through occupational health and the employee assistance programme.

Number of average working days lost at 31 March each year



Employment and occupation trade union relationships

MoJ (excluding HMPPS) recognises four trade unions – PCS (Public and Commercial Services Union), FDA (formerly the First Division Association), Prospect and GMB (formerly the General, Municipal and Boilermakers' Union). GMB is recognised for the LAA only.

This year we have continued to engage on pay strategy, developing progressive people policies and supporting our people through organisational change.

HMPPS recognises ten trade unions. For prisons, the Youth Custody Service and HQ, these are the POA, PGA and NTUS (comprising PCS, UNITE, FDA, PROSPECT and GMB). For probation, these are NAPO, GMB SCOOP and Unison. The prime focus of engagement during 2023-24 has been on managing the operational pressures of the prison capacity situation and on the strategic measures to relieve this, including resetting probation work to facilitate a move to a more community-based sentencing model. It remains critical that these trade union relationships and levels of engagement continue to be constructive to support operational delivery and reform. HMPPS has strong engagement frameworks in place to ensure this remains the case.

Health and safety at work

All MoJ members of staff are afforded the necessary protection outlined within the Health and Safety at Work etc. Act 1974.[105] Accordingly, all work processes are subject to the required risk assessment process in order to identify and mitigate potential hazards.

To strengthen the protection of MoJ's employees, the roles within the corporate fire, health and safety team have been revitalised. This strategic move ensures a heightened focus on safety protocols and enhances our capacity to address emerging risks.

105 Health and Safety at Work etc. Act 1974. Available at: www.legislation.gov.uk/ukpga/1974/37/contents

Additionally, the team has revisited, reviewed and renewed all governance and assurance routes as necessary to ensure alignment with the latest safety standards and best practices.

Staff engagement

The 2023 Civil Service People Survey was completed by 47,141 (48%) employees, our highest number of responses to date, but a decrease of 1 percentage point on 2022 (from 49% to 48%). The Prison Service and Youth Custody Service response rate remains low (27%) meaning results may not be representative of the overall population. HMCTS also saw a decrease in response rate, down 5 percentage points to 55%.

The Employee Engagement Index score increased 1 percentage point, rising to 61%, and we maintained or increased our scores in all nine core themes at department level. Analysis of the learning and development theme shows an increase of 3 percentage points to 55%. The pay and benefits score also increased 3 percentage points to 28%, with analysis of the free text comments made by survey respondents, suggesting that employees are becoming more concerned about work-life balance than pay.

We are committed to taking action on the survey results. Colleagues who thought effective action had been taken on the previous survey increased by 3 percentage points to 32%, and belief that action will be taken on this year's survey was up 1 percentage point to 42%.

Staff turnover

The department has put in place a number of responses to address staff turnover.

In HMPPS, the retention oversight process continues and has been expanded across the estate following a sustained decrease in leavers across the original eight sites which previously accounted for 18.6% of all band 3-5 resignations. They now account for 12.7%. The now business-as-usual process involves monthly reviews of attrition rates and insights from exit interviews.

Deep dives are commissioned to tackle individual issues and have shown that career progression, ways of working, and health and wellbeing continue to be the top reasons for leaving. To address this, a HMPPS career progression toolkit was published, a level transfer scheme was launched and a HMPPS wellbeing review was commenced, with designated regional wellbeing leads to be in place by April 2024.

Across MoJ HQ, each business group has unique challenges in terms of retention and each area is encouraged to have a clear retention oversight process as recommended by a recent internal audit on retention and we are continuing to strengthen the exit survey process whilst piloting stay surveys and interviews. Transfers to other government departments are the main reason for leaving and, whilst this presents some operational challenges, there are huge benefits in the transfer of skills, expertise and expanding networks across the Civil Service. We are currently reviewing options to improve developmental loans and secondments so employees can gain added skills and experience and bring them back into MoJ.

CICA saw an increase in turnover of staff in 2023-24 with promotion opportunities and better pay often cited as a factor for leaving. However, the majority of leavers progress their careers within the Civil Service. While the attrition of experienced staff presents an ongoing challenge for CICA, they remain an attractive employer both in the external marketplace and within the Civil Service, attracting a high number of good quality applicants for generalist and specialist posts.

Staff turnover

	2023-24		2022-23	
	Turnover	Departmental turnover	Turnover	Departmental turnover
MoJ HQ	5.8%	12.1%	8.3%	15.4%
HMPPS	10.9%	12.1%	11.6%	12.7%
HMCTS	11.4%	14.5%	12.7%	15.9%
OPG	6.4%	10.2%	6.4%	9.8%
LAA	6.3%	8.6%	6.3%	8.3%
CICA	7.3%	12.8%	3.1%	8.8%

Note: Transfers of staff within the Civil Service are included in 'Departmental turnover' and excluded from 'Turnover'.

Workforce composition[106]

The number of staff split between male and female in the five years to 31 March 2024 is as follows.

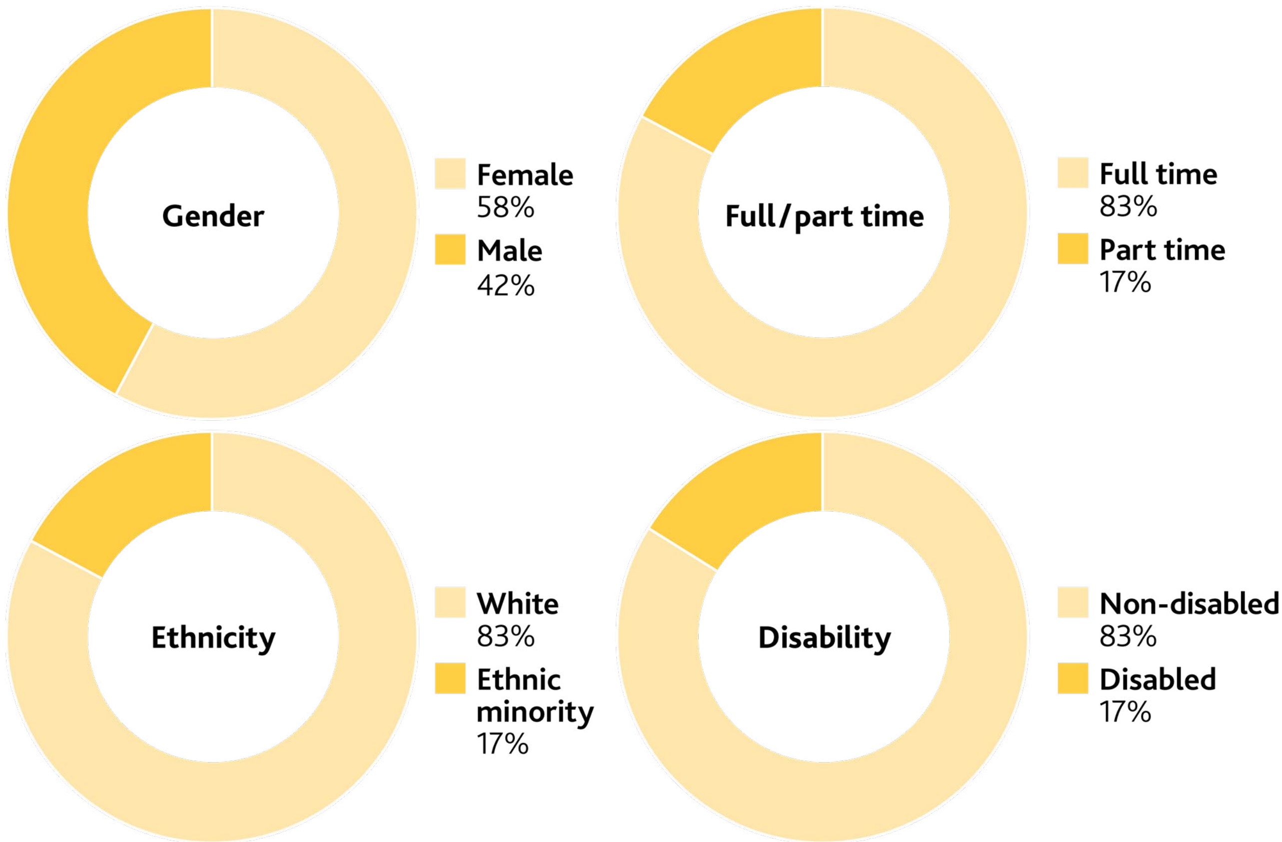
	2019-20		2020-21		2021-22		2022-23		2023-24	
	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Board	17	20	26	23	34	31	28	30	24	26
SCS staff only[107]	150	173	157	174	165	168	164	179	152	161
Non SCS staff	34,776	41,350	35,468	43,547	37,315	49,776	38,679	53,239	40,538	55,337

In August 2023, the equivalent Civil Service grade for HMPPS band 12s was recategorised from SCS to G6 for reporting purposes leading to a decrease in overall SCS figures.

106 The data represents the department and executive agencies (HMPPS, HMCTS, LAA, OPG and CICA). Disability and ethnicity percentages are calculated based on all staff who have provided information on their ethnicity or disability status.

107 Headcount for the department and its executive agencies (excluding non-departmental public bodies), at 31 March 2024. The number of staff reported on page 118 represent the average number of full-time equivalent staff over the year.

Departmental core diversity statistics: payroll staff in post on 31 March 2024



These statistics provide a snapshot of the department's workforce. Further detail on MoJ workforce diversity can be found within the Civil Service statistics for 2024.[108]

108 Civil Service statistics. Available at: www.gov.uk/government/collections/civil-service-statistics

SCS equivalent staff – headcount by band

	SCS or equivalent within band as at 31 March 2024		SCS or equivalent within band as at 31 March 2023	
Salary band	**Number**	**Percentage**	**Number**	**Percentage**
£60,000-£69,999	0	0%	0	0%
£70,000-£79,999	17	5%	114	33%
£80,000-£89,999	143	46%	74	22%
£90,000-£99,999	46	15%	59	17%
£100,000-£109,999	54	17%	59	17%
£110,000-£119,999	20	6%	17	5%
£120,000-£129,999	13	4%	7	2%
£130,000-£139,999	8	3%	6	2%
£140,000-£149,999	3	1%	3	1%
£150,000-£159,999	3	1%	2	1%
£160,000-£169,999	3	1%	1	0%
£170,000-£179,999	2	1%	0	0%
£180,000-£189,999	0	0%	1	0%
£190,000-£199,999	1	0%	0	0%
£200,000-£209,999	0	0%	0	0%
Total	**313**	**100%**	**343**	**100%**

Off-payroll engagements

During the financial year 2023-24, MoJ has reviewed off-payroll engagements where we are required to consider intermediaries (IR35) legislation using HM Revenue and Customs' guidance and online status indicator. We have advised our contracting body of the outcome of the status determinations so that, where appropriate, tax deductions are made at source from payments made in respect of the engagement with MoJ.

Further details of off-payroll engagements for the core department, executive agencies and arm's length bodies are shown in the off-payroll tables in Annex D and form part of the accountability reports.

Parliamentary accountability

This section has been subject to audit.

Statement of Outturn against Parliamentary Supply

In addition to the primary statements prepared under International Financial Reporting Standards (IFRS), the Government Financial Reporting Manual requires the department to prepare a Statement of Outturn against Parliamentary Supply (SOPS) and supporting notes.

The SOPS and related notes are subject to audit, as detailed in the Certificate of the Comptroller and Auditor General to the House of Commons.

The SOPS shows an entity's spend against its Supply Estimate. Supply is the monetary provision (for resource and capital purposes) and cash (drawn primarily from the Consolidated Fund) that Parliament gives statutory authority for entities to use. The estimate details supply and is voted on by Parliament at the start of the financial year.

Should an entity exceed the limits set by its Supply Estimate, called control limits, their accounts will receive a qualified opinion.

The format of the SOPS mirrors the Supply Estimates, published on GOV.UK, to enable comparability between what Parliament approves and the final outturn.

The SOPS contains a summary table, detailing performance against the control limits that Parliament has voted on, cash spent (budgets are compiled on an accruals basis and so outturn will not match exactly to cash spent) and administration.

The supporting notes detail:

- outturn by estimate line, providing a more detailed breakdown (Note 1)
- a reconciliation of outturn to net operating expenditure in the Consolidated Statement of Comprehensive Net Expenditure (CSoCNE), to tie the SOPS to the financial statements (Note 2)
- a reconciliation of outturn to net cash requirement (Note 3)
- an analysis of income payable to the Consolidated Fund (Note 4)

Summary of resource and capital outturn 2023-24

									2023-24	2022-23
				Outturn			Estimate	Outturn vs estimate, saving/(excess)		Outturn
		Voted	Non-voted	Total	Voted	Non-voted	Total	Voted	Total	Total
	Note	£000	£000	£000	£000	£000	£000	£000	£000	£000
Departmental expenditure limit										
Resource	SOPS 1.1	11,165,495	164,623	11,330,118	11,244,352	155,510	11,399,862	78,857	69,744	10,100,200
Capital	SOPS 1.2	1,458,412	-	1,458,412	1,518,494	-	1,518,494	60,082	60,082	1,359,837
Annually managed expenditure										
Resource	SOPS 1.1	505,264	-	505,264	697,300	-	697,300	192,036	192,036	101,910
Capital	SOPS 1.2	7,471	-	7,471	23,304	-	23,304	15,833	15,833	5,608
Total budget		**13,136,642**	**164,623**	**13,301,265**	**13,483,450**	**155,510**	**13,638,960**	**346,808**	**337,695**	**11,567,555**
Non-budget										
Resource	SOPS 1.1	-	-	-	-	-	-	-	-	-
Total		**13,136,642**	**164,623**	**13,301,265**	**13,483,450**	**155,510**	**13,638,960**	**346,808**	**337,695**	**11,567,555**
Total resource		11,670,759	164,623	11,835,382	11,941,652	155,510	12,097,162	270,893	261,780	10,202,110
Total capital		1,465,883		1,465,883	1,541,798	-	1,541,798	75,915	75,915	1,365,445
Total		**13,136,642**	**164,623**	**13,301,265**	**13,483,450**	**155,510**	**13,638,960**	**346,808**	**337,695**	**11,567,555**

Net cash requirement 2023-24

		2023-24			2022-23
		Outturn	Estimate	Outturn vs estimate, saving/ (excess)	Outturn total
Item	Note	£000	£000	£000	£000
Net cash requirement	Annex A, SOPS 3	**11,835,073**	**12,325,774**	**490,701**	**10,616,135**

Administration costs 2023-24

		2023-24			2022-23
		Outturn	Estimate	Outturn vs estimate, saving/ (excess)	Outturn total
Type of spend	SOPS Note	£000	£000	£000	£000
Administration costs	1.1	**517,106**	**546,582**	**29,476**	**481,220**

Figures in the areas outlined in bold are voted totals subject to parliamentary control. In addition, although not a separate voted limit, any breach of the administration budget will result in an excess vote. Due to their size, the variances in estimate to outturn of resource departmental expenditure limit (RDEL) and annually managed expenditure (AME) have been explained below.

In 2023-24, the RDEL budget for day-to-day spending was £11,400 million (2022-23: £10,246 million) and the final outturn was £11,330 million (2022-23: £10,100 million). The main factors behind the year-on-year increase were an 8.8% increase in staff costs, driven principally by additional staff in HMPPS and the annual pay award, depreciation and impairments of property, plant and equipment, and higher expenditure under the legal aid schemes.

AME spend is by its nature inherently volatile. The department has a relatively small AME budget and therefore large variances are not unusual. In 2023-24, the department budgeted for £721 million (2022-23: £657 million) of AME and the final outturn was £513 million (2022-23: £108 million). The main reason for this underspend was that the budgeted figure included prudent assumptions about the value of year-end pension liabilities and the utilisation of provisions, including those for legal aid costs. These areas are always highly uncertain and the actual requirement was significantly lower.

SOPS Notes 3 and 4 in Annex A form part of the SOPS. These notes are subject to audit.

Notes to the Statement of Outturn against Parliamentary Supply 2023-24

SOPS 1. Outturn detail, by estimate line

SOPS 1.1 Analysis of resource outturn by estimate line

	Resource outturn							Estimate				Outturn
	Administration			Programme								
	Gross	Income	Net	Gross	Income	Net	Total	Total	Virements	Total including virements	Outturn vs estimate saving/ (excess)	2022-23 outturn total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Spending in DEL voted expenditure												
A Policy, corporate services and associated offices	474,077	(35,802)	438,275	1,702,784	(1,208,450)	494,334	932,609	1,056,136	(99,017)	957,119	24,510	810,027
B HM Prison and Probation Service	21,773	(11)	21,762	5,565,250	(281,360)	5,283,890	5,305,652	5,273,002	34,982	5,307,984	2,332	4,642,263
C HM Courts and Tribunals Service	22,183	(222)	21,961	2,334,973	(62,708)	2,272,265	2,294,226	2,233,967	61,318	2,295,285	1,059	2,117,191
D Legal Aid Agency	15,098	-	15,098	2,177,883	(38,326)	2,139,557	2,154,655	2,200,566	(10,632)	2,189,934	35,279	1,912,249
E Criminal Injuries Compensation Authority	1,361	(1,807)	(446)	180,475	(18,903)	161,572	161,126	153,548	7,578	161,126	-	167,391
F Office of the Public Guardian	81	-	81	96,220	(115,046)	(18,826)	(18,745)	(10,996)	47	(10,949)	7,796	(8,338)
G Children and Family Court Advisory and Support Service (net)	5,820	-	5,820	148,268	-	148,268	154,088	152,599	1,489	154,088	-	143,070

	Resource outturn							Estimate				Outturn
	Administration			Programme								
	Gross	Income	Net	Gross	Income	Net	Total	Total	Virements	Total including virements	Outturn vs estimate saving/ (excess)	2022-23 outturn total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
H Criminal Cases Review Commission (net)	946	-	946	7,555	-	7,555	8,501	8,609	225	8,834	333	7,361
I Judicial Appointments Commission (net)	652	-	652	8,674	-	8,674	9,326	9,384	54	9,438	112	8,777
J Legal Services Board (net)	-	-	-	4,550	-	4,550	4,550	4,729	-	4,729	179	4,255
K Office for Legal Complaints (net)	-	-	-	16,484	-	16,484	16,484	16,783	-	16,783	299	15,056
L Parole Board (net)	2,994	-	2,994	25,245	-	25,245	28,239	29,171	-	29,171	932	23,139
M Youth Justice Board (net)	2,985	-	2,985	102,258	-	102,258	105,243	105,756	-	105,756	513	100,884
N Gov Facility Services Limited (net)	-	-	-	485	-	485	485	1	484	485	-	(162)
O Independent Monitoring Authority (net)	3,544	-	3,544	2,078	-	2,078	5,622	5,847	38	5,885	263	4,826
P Oasis Restore Trust	3,434	-	3,434	-	-	-	3,434	5,250	3,434	8,684	5,250	-
Total voted expenditure in DEL	**554,948**	**(37,842)**	**517,106**	**12,373,182**	**(1,724,793)**	**10,648,389**	**11,165,495**	**11,244,352**	**-**	**11,244,352**	**78,857**	**9,947,989**
Non-voted expenditure												

	Resource outturn							Estimate				Outturn
	Administration			Programme								
	Gross	Income	Net	Gross	Income	Net	Total	Total	Virements	Total including virements	Outturn vs estimate saving/ (excess)	2022-23 outturn total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Q Higher judiciary judicial salaries	99	-	99	185,625	-	185,625	185,724	177,022	-	177,022	(8,702)	171,601
R Levy income – Legal Services Board and Office for Legal Complaints	-	-	-	-	(21,101)	(21,101)	(21,101)	(21,512)	-	(21,512)	(411)	(19,390)
Total non-voted expenditure in DEL	**99**	**-**	**99**	**185,625**	**(21,101)**	**164,524**	**164,623**	**155,510**	**-**	**155,510**	**(9,113)**	**152,211**
Total resource DEL spending	**555,047**	**(37,842)**	**517,205**	**12,558,807**	**(1,745,894)**	**10,812,913**	**11,330,118**	**11,399,862**	**-**	**11,399,862**	**69,744**	**10,100,200**
Spending in AME voted expenditure												
S Policy, corporate services and associated offices	-	-	-	345,854	-	345,854	345,854	404,282	(50,286)	353,996	8,142	33,780
T HM Prison and Probation Service	-	-	-	(31,522)	-	(31,522)	(31,522)	87,000	-	87,000	118,522	13,654
U HM Courts and Tribunals Service	-	-	-	7,349	-	7,349	7,349	44,100	-	44,100	36,751	(97,907)
V Legal Aid Agency	-	-	-	102,673	-	102,673	102,673	103,919	-	103,919	1,246	122,684
Y Criminal Injuries Compensation Authority	-	-	-	81,150	-	81,150	81,150	32,000	49,150	81,150	-	4,506

	Resource outturn							Estimate				Outturn
	Administration			Programme								
	Gross	Income	Net	Gross	Income	Net	Total	Total	Virements	Total including virements	Outturn vs estimate saving/ (excess)	2022-23 outturn total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
X Office of the Public Guardian	-	-	-	(733)	-	(733)	(733)	200	-	200	933	(838)
Y Children and Family Court Advisory and Support Service (net)	-	-	-	(409)	-	(409)	(409)	25,374	-	25,374	25,783	25,375
Z Criminal Cases Review Commission (net)	-	-	-	1,006	-	1,006	1,006	266	740	1,006	-	304
AA Judicial Appointments Commission (net)	-	-	-	(6)	-	(6)	(6)	1	-	1	7	(4)
AB Legal Services Board (net)	-	-	-	-	-	-	-	1	-	1	1	-
AC Office for Legal Complaints (net)	-	-	-	67	-	67	67	1	66	67	-	72
AD Parole Board (net)	-	-	-	383	-	383	383	53	330	383	-	167
AE Youth Justice Board (net)	-	-	-	(63)	-	(63)	(63)	100	-	100	163	(45)
AF Gov Facility Services Limited (net)	-	-	-	(485)	-	(485)	(485)	1	-	1	486	162
AG Independent Monitoring Authority (net)	-	-	-	-	-	-	-	1	-	1	1	-

	Resource outturn							Estimate				Outturn
	Administration			Programme								
	Gross	Income	Net	Gross	Income	Net	Total	Total	Virements	Total including virements	Outturn vs estimate saving/ (excess)	2022-23 outturn total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
AHOasis Restore Trust	-	-	-	-	-	-	-	1	-	1	1	-
Total resource AME spending	**-**	**-**	**-**	**505,264**	**-**	**505,264**	**505,264**	**697,300**	**-**	**697,300**	**192,036**	**101,910**
Total resource	**555,047**	**(37,842)**	**517,205**	**13,064,071**	**(1,745,894)**	**11,318,177**	**11,835,382**	**12,097,162**	**-**	**12,097,162**	**261,780**	**10,202,110**

SOPS 1.2 Analysis of capital outturn by estimate line

		Outturn			Estimate				Outturn
		Gross	Income	Net total	Total	Virements	Total including virements	Outturn vs estimate saving/ (excess)	2022-23 outturn total
		£000	£000	£000	£000	£000	£000	£000	£000
Spending in DEL voted expenditure									
A	Policy, corporate services and associated offices	258,585	(5,877)	252,708	245,051	7,657	252,708	-	350,777
B	HM Prison and Probation Service	972,154	(22,209)	949,945	1,039,428	(31,085)	1,008,343	58,398	784,489
C	HM Courts and Tribunals Service	230,218	(1,949)	228,269	224,734	3,535	228,269	-	210,191
D	Legal Aid Agency	189	(479)	(290)	148	-	148	438	3,443
E	Criminal Injuries Compensation Authority	5,290	-	5,290	4,100	1,190	5,290	-	57
F	Office of the Public Guardian	1,138	-	1,138	1,100	38	1,138	-	926
G	Children and Family Court Advisory and Support Service (net)	2,041	-	2,041	2,579	-	2,579	538	8,664
H	Criminal Cases Review Commission (net)	165	-	165	215	-	215	50	35
I	Judicial Appointments Commission (net)	-	-	-	1	-	1	1	-
J	Legal Services Board (net)	148	-	148	146	2	148	-	12
K	Office for Legal Complaints (net)	244	-	244	250	-	250	6	299
L	Parole Board (net)	42	-	42	140	-	140	98	246
M	Youth Justice Board (net)	109	-	109	600	-	600	491	637
N	Gov Facility Services Limited (net)	1,071	-	1,071	1	1,070	1,071	-	-
O	Independent Monitoring Authority (net)	(61)	-	(61)	1	-	1	62	61

	Outturn			Estimate				Outturn
	Gross	Income	Net total	Total	Virements	Total including virements	Outturn vs estimate saving/ (excess)	2022-23 outturn total
	£000	£000	£000	£000	£000	£000	£000	£000
P Oasis Restore Trust	17,593	-	17,593	-	17,593	17,593	-	-
Total voted expenditure in DEL	**1,488,926**	**(30,514)**	**1,458,412**	**1,518,494**	**-**	**1,518,494**	**60,082**	**1,359,837**
Non-voted expenditure								
Q Higher judiciary judicial salaries	-	-	-	-	-	-	-	-
R Levy income – Legal Services Board and Office for Legal Complaints	-	-	-	-	-	-	-	-
Total non-voted expenditure in DEL	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total capital DEL spending	**1,488,926**	**(30,514)**	**1,458,412**	**1,518,494**		**1,518,494**	**60,082**	**1,359,837**
Spending in AME voted expenditure								
S Policy, corporate services and associated offices	4,675	-	4,675	21,881	(3,581)	18,300	13,625	4,896
T HM Prison and Probation Service	-	-	-	1	-	1	1	-
U HM Courts and Tribunals Service	(601)	-	(601)	1,500	-	1,500	2,101	(270)
V Legal Aid Agency	96	-	96	200	-	200	104	251
W Criminal Injuries Compensation Authority	1,310	-	1,310	(600)	1,910	1,310	-	395
X Office of the Public Guardian	1,013	-	1,013	1	1,012	1,013	-	336
Y Children and Family Court Advisory and Support Service (net)	784	-	784	319	465	784	-	-
Z Criminal Cases Review Commission (net)	-	-	-	1	-	1	1	-

		Outturn			Estimate				Outturn
		Gross	Income	Net total	Total	Virements	Total including virements	Outturn vs estimate saving/ (excess)	2022-23 outturn total
		£000	£000	£000	£000	£000	£000	£000	£000
AA	Judicial Appointments Commission (net)	-	-	-	-	-	-	-	-
AB	Legal Services Board (net)	-	-	-	-	-	-	-	-
AC	Office for Legal Complaints (net)	194	-	194	-	194	194	-	-
AD	Parole Board (net)	-	-	-	-	-	-	-	-
AE	Youth Justice Board (net)	-	-	-	-	-	-	-	-
AF	Gov Facility Services Limited (net)	-	-	-	-	-	-	-	-
AG	Independent Monitoring Authority for the Citizens' Rights Agreements (net)	-	-	-	-	-	-	-	-
AH	Oasis Restore Trust	-	-	-	1	-	1	1	-
Total capital AME spending		**7,471**	**-**	**7,471**	**23,304**	**-**	**23,304**	**15,833**	**5,608**
Total capital		**1,496,397**	**(30,514)**	**1,465,883**	**1,541,798**	**-**	**1,541,798**	**75,915**	**1,365,445**

The total estimate columns include virements. Virements are the reallocation of provision in the estimates that do not require parliamentary authority (because Parliament does not vote to that level of detail and delegates to HM Treasury). Further information on virements is provided in the Supply Estimates Manual, which is available on GOV.UK.

The outturn vs estimate column is based on the total including virements. The estimate total before virements have been made is included so that users can compare the value to the estimates laid before Parliament.

SOPS 2. Reconciliation of outturn to net operating expenditure

	Note	2023-24 Outturn total £000	2022-23 Outturn total £000
Total resource outturn in SOPS			
Voted DEL	SOPS 1.1	11,165,495	9,947,989
Non-voted DEL	SOPS 1.1	164,623	152,211
Total DEL		11,330,118	10,100,200
Total AME	SOPS 1.1	505,264	101,910
		11,835,382	**10,202,110**
Add:			
Capital grants (net of EU contributions)		(1,903)	13,506
Other			
Research costs classified as capital under ESA 10		6,284	6,946
Other costs and income transferred to capital		-	-
		4,381	**20,452**
Less:			
Income payable to the Consolidated Fund (excluding non-voted levy income)		(975)	(1,552)
Other		-	-
RDEL Private Finance Initiative adjustments		15,498	2,150
Other adjustments		1,880	-
		16,403	**598**
Net operating expenditure in CSoCNE		**11,856,166**	**10,223,160**

Outturn and the estimates are compiled against the budgeting framework, which is similar to, but different from, IFRS. This reconciliation therefore bridges the resource outturn to net operating expenditure, linking the SOPS to the financial statements.

Capital grants and research costs are budgeted for as capital DEL but accounted for as spend on the face of the CSoCNE, and therefore function as a reconciling item between resource and net operating expenditure. The depreciation on certain Private Finance Initiative contract assets is accounted for as spend in the CSoCNE, but is non-budget spend and therefore does not appear in the SOPS.

Regularity of expenditure

This section has been subject to audit.

Losses and special payments[109]

Losses statement

	31 March 2024		31 March 2023 restated	
Values	**Core department and agencies**	**Departmental group**	**Core department and agencies**	**Departmental group**
	£000	**£000**	**£000**	**£000**
Cash losses	475	480	204	204
Claims abandoned	205	212	198	198
Administrative write offs	16,128	16,427	10,896	10,920
Fruitless payments	3	1,735	3	3
Store losses	3,143	3,143	2,222	2,222
Constructive losses	11,893	11,893	3,702	3,704
Total value of losses	**31,847**	**33,890**	**17,225**	**17,251**

	31 March 2024		31 March 2023 restated	
Numbers	**Core department and agencies**	**Departmental group**	**Core department and agencies**	**Departmental group**
Cash losses	617	622	633	633
Claims abandoned	29	44	13	13
Administrative write offs	16,482	16,484	8,898	8,900
Fruitless payments	14	15	6	6
Store losses	20,584	20,584	15,736	15,736
Constructive losses	4	4	3	4
Total number of losses	**37,730**	**37,753**	**25,289**	**25,292**

4,550 write offs, with a total value of £546,000, were reported under cash losses in 2022-23 but have been re-stated above as administrative write offs.

109 Descriptions of the types of losses and special payments are covered in the glossary on page 282.

In 2023-24, there were six losses (2022-23: seven) over £300,000 as follows.

A company that supplied modular cells to HMCTS and HMPPS ceased trading. In both cases bringing the supplied cells into use did not offer value for money leading to constructive losses of £1.2 million and £5.1 million respectively.

HMCTS took a decision to retain an existing digital case management system used in Crown Courts rather than replace it by enhancing the functionality within the common platform. As a result, related development work on the common platform was stopped, leading to a constructive loss of £5.6 million.

In December 2023, Gov Facility Services Limited discovered an error in the configuration of its payroll, which meant that tax relief on employee pension contributions had been overclaimed since 2018. The error was corrected with effect from January 2024, and the overclaimed tax relief was repaid to HM Revenue and Customs in March 2024 via a voluntary disclosure. A fruitless payment has been recognised for £1,732,000, comprising tax of £1,597,000 and interest of £135,000. There was no penalty. Recovery of the excess tax relief from the individual employees was not a fair or viable option.

In MoJ HQ, £356,000 has been written off in relation to partial retirement overpayments made to 30 judges in the First-Tier Tribunal.

£2.5 million of PAYE and national insurance recoveries are due from HM Revenue and Customs across the MoJ Group. These are reported within administrative write offs. There is no net loss to the taxpayer.

Special payments

	31 March 2024		31 March 2023	
Values	**Core department and agencies**	**Departmental group**	**Core department and agencies**	**Departmental group**
	£000	**£000**	**£000**	**£000**
Compensation payments	31,184	31,841	28,733	29,078
Ex gratia	4,644	4,768	2,397	2,463
Extra-contractual payments	4	184	6	6
Total value of special payments	**35,832**	**36,793**	**31,136**	**31,547**

	31 March 2024		31 March 2023	
Numbers	**Core department and agencies**	**Departmental group**	**Core department and agencies**	**Departmental group**
Compensation payments	6,430	6,619	7,117	7,251
Ex gratia	8,262	8,274	10,489	10,506
Extra-contractual payments	91	92	116	116
Total number of special payments	**14,783**	**14,985**	**17,722**	**17,873**

In 2023-24 there were 10 (2022-23: 13) special payments over £300,000.

In 2023-24, HMPPS made eight special payments over £300,000 (2022-23: 11). Six compensation payments were made to operational members of HMPPS staff: £1,300,000 (in addition to £1,499,712 paid in previous financial years), £850,000, £665,457, £650,464, £595,477, £396,200, one to a prisoner: £1,895,000 (in addition to £949,219 paid in previous financial years), and one to a contractor to settle a commercial dispute: £4,200,000.

In MoJ HQ, compensation payments were made to five fee-paid judges of the Special Educational Needs and Disability Chamber of the First-Tier Tribunal in relation to the underpayment of pay and pension when preparing cases and writing up judgements between 2008 and 2023 (payments include interest). One compensation payment was over £300,000: £341,365.

An ex gratia payment of £2.2 million was made in refunding fees paid following the reversal of a judicial decision. An initial application was made to the court in respect of 2,000 cases as one ‘omnibus’ claim, but the High Court directed the claimants to make individual applications, which meant in excess of £2 million in court fees being paid, rather than a single £10,000 fee. On appeal, this decision was overturned with the court ruling the case should have been an omnibus case and the additional court fees should be refunded by HMCTS.

Charitable donations

HMCTS made charitable donations totalling £25,000 in 2023-24 (2022-23: £25,000). These donations were made to organisations to support activities related to HMCTS’s operations.

Publicity and advertising

The department spent £12,609,151 on publicity and advertising in 2023-24 (£3,120,675 in 2022-23).

The increase in publicity and advertising spend resulted primarily from MoJ’s launch of a national TV and radio campaign, in September 2023, to recruit prison officers and probation officers. The HMPPS ‘Extraordinary Jobs’ brand campaign was launched in September 2023, including TV, social and digital audio and display media, to reach a larger audience of prospective candidates. It aimed to drive awareness and interest in frontline roles, to increase applications and build pride and confidence among existing staff. It led to a 21% increase in the volume of prison officer and Operational Support Grade applications compared to the pre-campaign levels.

Gifts and hospitality

Details of the department’s ministers, directors general, Permanent Secretary and special advisers’ gifts, hospitality, travel and meetings can be found at: www.gov.uk/government/collections/moj-gifts-hospitality-travel-and-meetings.

Fees and charges

This section has been subject to audit.

MoJ is required, in accordance with HM Treasury's Managing Public Money, to disclose results for the areas of its activities where fees and charges are levied. The analysis provided below is for fees and charges purposes and is not intended to meet the requirements of IFRS 8 Operating Segments.

					2023-24	2022-23
	Gross income net of remissions	**Full cost**	**Surplus/ (deficit)**	**Fee recovery actual**	**Fee recovery target**	**Fee recovery actual**
	£000	**£000**	**£000**	**%**	**%**	**%**
Office of the Accountant General	4,129	4,885	(756)	85%	100%	100%
Official Solicitor and Public Trustee						
Litigation	1,265	8,860	(7,595)	14%	N/A	18%
Trust and estates	849	329	520	258%	N/A	90%
HM Courts and Tribunals Service						
Family	201,863	306,868	(105,005)	66%	100%	66%
Civil	534,171	619,671	(85,500)	86%	100%	93%
Asylum and immigration	5,399	106,844	(101,445)	5%	N/A	4%
Other	1,430	20,978	(19,548)	7%	N/A	9%
Office of the Public Guardian	114,887	107,773	7,114	107%	100%	98%
Legal Services Board	4,659	4,659	-	100%	100%	100%
Office for Legal Complaints	16,551	16,551	-	100%	100%	100%
Family fee refunds – new burden settlement	(23)	-	(23)	-	-	-
HMCTS – employment tribunal refunds	(99)	-	(99)	-	-	-
HMCTS – council tax liability orders fee refunds and interest paid	(242)		(242)	-	-	-
HMCTS – other fee refunds	(316)	-	(316)	-	-	-
HMCTS – movement in fee refunds provision	2,845	-	2,845	-	-	-
Total	**887,368**	**1,197,418**	**(310,050)**			

Fee charging segments

Operating segment	Details
Office of the Accountant General (OAG)	OAG invests money on behalf of its clients in the court funds investment account, which earns interest at the Bank of England base rate, or in the equity index tracker fund for long-term investments. Clients do not pay fees for investment services, but the operational costs of OAG are paid out of the surplus interest earned on their funds. OAG is therefore intended to run at nil net cost to the department's vote and in terms of the principles of cost recovery should be 100% self-funding.
Official Solicitor and the Public Trustee (OSPT)	The Official Solicitor's civil, family and court of protection litigation services continue to be largely publicly funded due to the nature of the cases dealt with, but where appropriate, alternative funding arrangements (such as conditional fee agreements) are also entered into. In some classes of court of protection case, where appropriate to do so, the Official Solicitor charges clients at full cost for services provided. OSPT charges for their work in administering trusts and estates. The fee income associated with Public Trustee trusts and estates cases is governed by a fees order and the Official Solicitor's trusts and estates work is charged for on an hourly rate basis. The Public Trustee also processes 'title on death' applications under the Law of Property Act. The budget allocation to OSPT also covers the cost of the Lord Chancellor's Reciprocal Enforcement of Maintenance Orders Unit and the International Child Abduction and Contact Unit. This service is publicly funded in full.
HM Courts and Tribunals Service (HMCTS)	HMCTS collects and reports on fee charges that have been set by MoJ policy and which appear in statutory instrument fees orders. Section 180 of the Anti-social Behaviour, Crime and Policing Act 2014 gives the Lord Chancellor, with the consent of HM Treasury, the statutory power to set certain court and tribunal fees above cost recovery levels. The income generated must be reinvested back into HMCTS. Government introduced enhanced fee charging for money claims on 9 March 2015, and further enhanced fees including divorce, civil and some tribunals in March, April and July 2016. The system of 'Help with fees' (fee remissions) exists to ensure that individuals are not denied access to the courts if they genuinely cannot afford the fee. Only the civil and tribunal businesses have systems for charging fees. HMCTS reports on both the civil and tribunal fee-charging business segments. Civil business contains two business streams: family (including probate and court of protection) and civil (including civil business in the county court, higher courts and magistrates' courts). Tribunal business contains two business streams: immigration and asylum, and other fee charging special tribunals (including lands, residential property, gambling and gender recognition). Further detail on current fees orders can be found within the HMCTS annual report and accounts.

Operating segment	Details
Office of the Public Guardian (OPG)	The Mental Capacity Act 2005 provides for fees to be charged for proceedings brought in relation to the functions carried out by the Public Guardian. The levels of charges are contained in two statutory instruments as well as the Lasting Powers of Attorney, Enduring Powers of Attorney, Public Guardian Regulations 2007 and the Public Guardian (Fees etc.) Regulations 2007.
Legal Services Board (LSB) and Office for Legal Complaints (OLC)	LSB and OLC income relates to levies receipted from approved regulators. This income is surrendered to the Consolidated Fund in line with the Legal Services Act 2007. In return, LSB and OLC receive grant-in-aid funding from the department equal to the income surrendered.

Remote contingent liabilities

This section has been subject to audit.

As required by Managing Public Money, in addition to contingent liabilities disclosed in accordance with IAS 37 in Note 26 to the accounts, HMPPS discloses, for parliamentary reporting and accountability purposes, certain statutory and non-statutory contingent liabilities where the likelihood of transfer of economic benefit is remote.

Heathrow Airport Holdings Limited indemnity: Assurance has been given to Heathrow Airport Holdings Limited and other third parties (such as airlines) which may be affected by the operations of HMPPS. The likelihood of a liability arising from these contingencies is considered to be remote.

The assurance covers the following amounts:

- up to £50 million for damage or injury per incident to third parties caused airside in the event of negligence of HMPPS
- up to £250 million for damage or injury to third parties per incident in the event of negligence by HMPPS while on board an aeroplane
- personal accident and/or sickness for HMPPS staff while on escorting duties

Privately managed prisons: HMPPS would be liable as underwriter of last resort to meet certain losses incurred by the privately managed prisons.

CICA: On occasions, 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.

Dame Antonia Romeo DCB
Principal Accounting Officer

8 November 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 Ministry of Justice and of its departmental group for the year ended 31 March 2024 under the Government Resources and Accounts Act 2000. The department comprises the core department and its agencies. The departmental group consists of the department and the bodies designated for inclusion under the Government Resources and Accounts Act 2000 (Estimates and Accounts) Order 2023. The financial statements comprise: the department's and the departmental group'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 group 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 department and the departmental group's affairs as at 31 March 2024 and their net operating cost 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 Statement of Outturn against Parliamentary Supply properly presents the outturn against voted parliamentary control totals for the year ended 31 March 2024 and shows that those totals have not been exceeded; and
- 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 department and its group 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.

The framework of authorities described in the table below has been considered in the context of my opinion on regularity.

Framework of authorities	
Authorising legislation	Government Resources and Accounts Act 2000
Parliamentary authorities	Supply and Appropriations Act 2022
HM Treasury and related authorities	Managing Public Money

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the department and its group'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 department or its group's ability to continue as a going concern for a period of at least 12 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 department and its group 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.

Overview of my audit approach

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditor, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team.

These matters were addressed in the context of the audit of the financial statements as a whole, and in forming my opinion thereon. I do not provide a separate opinion on these matters.

This is not a complete list of all risks identified through the course of my audit but only those areas that had the greatest effect on my overall audit strategy, allocation of resources and direction of effort. I have not, for example, included information relating to the work I have performed around the presumed risks around management override of controls and fraud in revenue recognition where my work has not identified any matters to report.

The key audit matters were discussed with the Audit and Risk Assurance Committee.

In this year's report I have a key audit matter in relation to assets under construction which was not in my prior year report.

Valuation of property

Description of risk

The group owns significant property valued at £12.7 billion (2022-23: £12.4 billion); which includes the prison and probation estate £9.1 billion (2022-23: £8.7 billion) and courts estate £3.6 billion (2022-23: £3.7 billion). The majority of the group's estate is considered specialised and is valued on a depreciated replacement cost basis.

The valuation of this property requires significant judgement and estimation by management and its external valuers, the Valuation Office Agency. Inaccuracies in inputs or unreasonable bases used in these judgements (namely in respect of determining the modern equivalent asset; the level of obsolescence and applying the correct gross internal area) could result in a material misstatement of the Statement of Financial Position.

How the scope of my audit responded to the risk

In response to the risk over the valuation of property, I:

- Assessed the design and implementation of the group's processes and controls around the valuation of properties.
- Evaluated the competence of the group's external valuers, the Valuation Office Agency (VOA), which included consideration of its qualifications and expertise.
- Engaged valuation experts who reviewed and challenged the valuation approach and assumptions for a sample of properties. My experts have reviewed the key inputs adopted by the VOA in its valuation calculations and confirmed that the valuation methodology used is consistent with the RICS Valuation Standards and the Government Financial Reporting Manual.
- For this same sample of properties, I tested source documentation provided by the group to VOA. This included validating relevant floor land area data to relevant sources of evidence including a sample of site visits.
- Assessed the adequacy of the disclosures of estimates and valuation assumptions in Note 1.7 that were made in accordance with IFRS 13 – Fair Value Measurement.

Key observations

I have obtained sufficient assurance over this risk through my substantive testing. This work identified that due to a calculation error, the property valuations were understated by £52m. This has been corrected in the financial statements.

Assets under construction

Description of risk

Assets under construction are highly material to departmental group. Across the group during the year, there were additions of £1.2 billion (2022-23: £1 billion); transfers to live assets of £983 million (2022-23: £468 million) and a year-end balance of unfinished projects valued at £2 billion (2022-23: £1.8 billion).

There is a risk that spending for these projects has not been correctly recognised or does not meet the recognition criteria of the accounting standards.

There is also a risk that projects classified in under construction at year-end have gone live, and therefore require valuation at depreciated replacement cost rather than at cost, which might lead to differences in carrying value. This was an area where we found errors in the prior year testing.

How the scope of my audit responded to the risk

In response to the risk over assets under construction, I:

- Assessed the design and implementation of the group's processes and controls over assets under construction;
- Tested a sample of in year capital additions, to ensure that they met the requirements for capitalisation under International Financial Reporting Standards;
- Reviewed a sample of assets reclassified from assets under construction to live, to ensure that assets were operational. I also considered the value of these assets to ensure that they were properly reflected in the financial statements; and
- Tested a sample of ongoing assets under construction projects to confirm that these projects remained live and to determine whether any needed to be impaired.

Key observations

I have obtained sufficient assurance over this risk through my substantive testing. This identified £104 million of assets which should have gone live in 2022-23. This testing identified a significantly lower level of error in the closing balance.

Legal Aid Agency: Valuation of net receivables

Description of risk

The Legal Aid Agency (LAA) recognises receivables for contributions towards legal aid costs and overpayments to legal aid providers, with gross fund receivables of £420 million (2022-23: £422 million). LAA does not expect to recover all of these and has recognised an impairment of £247 million (2022-23: £248 million) to reflect this. There are two categories of these receivables:

- Receivables held at amortised cost are debts owed to LAA by providers and funded clients and recovery of costs and damages. Impairment for these amounted to £210 million (2022-23: £207 million against gross debt of £265 million (2022-23: £265 million). A number of assumptions are made within the models used to calculate the value of impairment and there is significant estimation uncertainty in the recoverability of these debts;
- Receivables held at fair value through profit and loss are debts owed to LAA by funded clients on civil schemes that are secured by a charge against a property. The calculation of the fair value of these receivables is based on unobservable inputs, which results in significant estimation uncertainty.

How the scope of my audit responded to the risk

In response to this risk, I:

- Assessed the design and implementation of controls that management has in place over each of the models used to calculate recoverability of debt.
- Reviewed the key assumptions applied to each of the models, and assessed whether these are reasonable and complete.
- Assessed the appropriateness of the methodology used.
- Understood management's assessment of macroeconomic factors on the expected credit losses for the assets held at amortised cost and on the fair value of other assets. I assessed whether this is reasonable particularly in light of outcomes against prior year estimates.
- Tested the completeness and accuracy of the historic caseload data inputs entered drawing upon IT audit specialists to review the extraction of data.
- Tested the logical integrity of the model, through reperformance of the calculation and the key sensitivity analysis.
- Reviewed the adequacy of the disclosures including the sensitivity analysis in Note 24 of the financial statements.

Key observations

I have obtained sufficient assurance over this risk through my testing of the impairment models, data inputs and assumptions. I did not identify significant misstatements as a result of the work I have performed.

Legal Aid Agency: Work in progress provision

Description of risk

The provisions for the value of unbilled work completed by legal aid providers is highly material to the financial statements £936 million (2022-23: £830 million). This liability is calculated based on different models for each legal aid stream. The underlying models and methodology used for these provisions is complex and are based on assumptions about the operation of the legal aid market and courts. As part of my risk assessment, I determined that these provisions for work in progress have a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than my materiality for the financial statements.

The financial statements (Note 20) disclose the sensitivity estimated by the group.

How the scope of my audit responded to the risk

In respect of the Legal Aid work in progress provisions, I:

- Assessed the design and implementation of the group's processes and controls over the work in progress provision;
- Reviewed the key assumptions which are applied within each of the underlying models and assessed whether these are reasonable and complete;
- Understood the changes in assumptions from the prior year and assessed whether these are reasonable and complete, in light of outcomes against prior year estimates. I paid particular attention to how management modelled changes in court and provider behaviour;
- Tested the completeness and accuracy of the data inputs, drawing upon the work of IT audit specialists;
- Reviewed the results of post-date analysis for the prior year model;
- Using modelling experts, tested the logical integrity of the models including independently recalculating the output; and
- Reviewed the adequacy of the disclosures including the sensitivity analysis in Note 20 of the financial statements.

Key observations

I have obtained sufficient assurance over this risk through my testing of the models, data inputs and significant assumptions. I did not identify significant misstatements in the valuation of net receivables as a result of the work I have performed.

Other provisions

Description of risk

In addition to the work in progress provision discussed above, there are a further £1.1 billion (2022-23: £0.8 billion) of provisions, which in aggregate have a material level of estimation uncertainty. The three aspects of this balance that I have focused my work on are the criminal injuries compensation provision (£250 million); a provision for the benefits associated with injuries incurred by employees at HMPPS (£105 million) and the department's legal provisions (£427 million).

For the criminal injuries provision and the injury benefits provision I considered the risk to be around the valuation of these liabilities. For the legal provision, the risk is around the valuation and the probability of whether the department will lose the individual cases accounted for.

How the scope of my audit responded to the risk

In response to this risk, I have assessed the design and implementation of the group's processes and controls over the relevant provisions. I have also:

- **Criminal injuries compensation provision:**
  - Used my internal modelling experts to validate the methodology to calculate the provision to be reasonable and appropriate.
  - Tested the data and assumptions used in the model and identified no issues.
  - Considered the historic accuracy of the model; management's own analysis identified a trend for cases to become more expensive whilst being considered by CICA. This has resulted in a change to the modelling approach and an increase to the provision by £61 million. I have audited the adjustment and have concluded that it is supported by the underlying evidence.
- **MoJ legal claims:**
  - Considered the MoJ's legal advice regarding the probability of the outflow of economic benefits in relation to relevant proceedings. Where relevant I used my own legal experts to validate these judgements.
  - One material legal provision is valued based on a model; to validate this model I tested the significant assumptions; confirmed the data has been extracted properly from systems I had tested elsewhere and reviewed the calculation of the liability.
- **HMPPS injury benefit:**
  - Used actuarial support to validate the annuity factors which determine the estimated length of payments to injured individuals. This is the key source of estimation uncertainty in this balance.

Key observations

I have obtained sufficient assurance over this risk through my substantive testing. I did not identify significant misstatements in these provision balances as a result of the work I have performed.

Valuation of lease liabilities

Description of risk

The group holds £1.66 billion (2022-23: £1.78 billion) of lease liabilities across a broad portfolio of assets, mostly in the court estate alongside related right of use assets of £1.33 billion (2022-23: £1.41 billion). The lease liabilities are subject to valuation risk because they are dependent on a number of assumptions, for example whether management may exercise a break clause or how management has estimated the term of leases where the contract has expired. These assumptions change depending on the group's strategy for its property and require reassessment each year. Given that changes in these assumptions can have a material impact on the accounts, I have identified the value of lease liabilities as a significant risk.

The group are currently using an offline solution to manage its lease portfolio before a digital system is implemented in 2024-25, which increases the risk of error.

How the scope of my audit responded to the risk

In response to this risk, I have:

- Assessed the design and implementation of relevant controls over the leasing model;
- Reviewed a sample of new and modified leases in year, including the completeness of new leases;
- Tested the lease model and confirmed that it calculates the lease liability appropriately;
- Reviewed the key assumptions applied in the model and assessed whether these were reasonable and complete;
- Evaluated how management has addressed estimation uncertainty in relation to the values and its consideration of alternative assumptions and inputs in its estimate; and
- Assessed the adequacy of disclosures (note 1.11), including the sufficiency of disclosures in relation to estimation uncertainty.

Key observations

I have obtained sufficient assurance over this risk through my substantive testing. I did not identify significant misstatements in the valuation of lease liabilities as a result of the work I have performed.

Valuation of defined benefit pension net asset/liability

Description of risk

The departmental group has material defined benefit pension liabilities including HMPPS's share of the net liability of the Greater Manchester Pension Fund (GMPF) valued at £529m (2022-23: £199m (net asset)); and Cafcass's share of the net asset of the West Yorkshire Pension Fund (WYPF) valued at £2 million (2022-23: £12.1m (net liability)). These net asset balances are derived from highly material asset and liability balances as set out in Note 25.

Significant estimates are made in determining the key assumptions used in valuing the group's gross defined benefit pension scheme obligations. When making these assumptions management take independent actuarial advice relating to their appropriateness.

A small change in assumptions and estimates can have a material financial impact on the group's gross defined benefit pension obligations.

The most significant assumptions are discount rate, inflation rate and mortality/life expectancy. As part of my risk assessment, I determined that the gross defined benefit pension scheme obligations have a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than my materiality for the financial statements, which is the reason why I considered it a key matter for my audit.

The assets in these funds have low valuation risk as the majority are quoted investments; but given the size of this balance and the risk in the portion of harder to value assets, we consider there to be a risk of material misstatement in these balances.

How the scope of my audit responded to the risk

For these pension schemes, I:

- Assessed the design and implementation of the group's processes and controls over the schemes.
- Challenged, with the support of actuarial specialists, the key assumptions applied, being the discount rate, inflation rate and mortality/life expectancy against externally derived data in the context of market practice and the macroeconomic uncertainties.
- Engaged actuarial specialists to review the roll-forward methodology used to value the pensions liability based on the previous triennial valuation, considering the implications over the accounting estimate and demographic assumptions. Specifically, I considered whether it was appropriate to recognise the surplus calculated by the actuaries of the two funds. The judgments supporting this conclusion are noted on pages 245 to 251.
- Considered the adequacy of the group's disclosures in respect of the sensitivity of the deficit to these assumptions (note 25).
- Reviewed assurances about the procedures performed by the auditors of the two funds related to the valuation and existence of fund assets. I also considered the work performed over benefits paid; contributions received and membership data which feed into the calculation of the pension liability.

Key observations

I have obtained sufficient assurance over this risk through my substantive testing and based upon the work of the scheme auditors. I did not identify significant misstatements in the valuation of defined benefit pension net asset as a result of the work I have performed.

Application of materiality

Materiality

I applied the concept of materiality in both planning and performing my audit, and in evaluating the effect of misstatements on my audit and on the financial statements. This approach recognises that financial statements are rarely absolutely correct, and that an audit is designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement or irregularity.

A matter is material if its omission or misstatement would, in the judgement of the auditor, reasonably influence the decisions of users of the financial statements.

Based on my professional judgement, I determined overall materiality for the Department and its group's financial statements as a whole as follows:

	Departmental group	Additional group threshold	Parent (core department and agencies)	Additional parent threshold
Materiality	£170 million	£135 million	£165 million	£130m
Basis for determining materiality	1% of non-current assets of £17 billion	1% of group gross expenditure excluding depreciation and impairment but including capital additions.	1% of non-current assets of £17 billion	1% of group gross expenditure excluding depreciation and impairment but including capital additions.
Rationale for the benchmark applied	Non-current assets are the largest item in the departmental group Statement of Financial Position. Significant public benefit is derived from the prison and courts estate, driving user interest in the extent and condition of those assets.	This threshold is set to reflect the sensitivity of financial statement users to transactions and balances reflecting taxpayer-backed financial activity. Capital additions are included since these form part of Total Managed Expenditure voted by Parliament, and depreciation is excluded to avoid double-counting.	As the core department and agencies account for over 95% of the department group, the same rationale for materiality thresholds applies to the parent as well as the group.	

This is the first year I have adopted a percentage of non-current assets as the overall group materiality base. There is significant public interest in the department's financial information both in respect of its stewardship of nationally important infrastructure, and in respect of its application of taxpayer money to its objectives. In previous years, an overall materiality based on the balances and transactions most closely related to these perspectives would not have resulted in significantly different materiality figures, and I based my materiality on gross expenditure. However, following the implementation of IFRS 16 and increases in the value of the departmental group's assets, non-current assets are a significantly higher base for materiality, and I have elected to use this balance as the basis for my overall materiality. This ensures a focus on the asset base which uses a level of relative precision like that used in the past, while also ensuring - through an additional threshold – an appropriate level of attention on transactions and balances reflecting taxpayer-backed financial activity given the continuing user interest from that perspective.

Performance materiality

I set performance materiality at a level lower than materiality to reduce the probability that, in aggregate, uncorrected and undetected misstatements exceed the materiality of the financial statements as a whole. Group performance materiality was set at 70% of group materiality for the 2023-24 audit (2022-23: 75%). In determining performance materiality, we have also considered the uncorrected misstatements identified in the previous period.

Other materiality considerations

Apart from matters that are material by value (quantitative materiality), there are certain matters that are material by their very nature and would influence the decisions of users if not corrected. Such an example is any errors reported in the related parties note in the financial statements. Assessment of such matters needs to have regard to the nature of the misstatement and the applicable legal and reporting framework, as well as the size of the misstatement.

I applied the same concept of materiality to my audit of regularity. In planning and performing my audit work to support my opinion on regularity and in evaluating the impact of any irregular transactions, I considered both quantitative and qualitative aspects that would reasonably influence the decisions of users of the financial statements.

Error reporting threshold

I agreed with the Audit and Risk Assurance Committee that I would report to it all uncorrected misstatements identified through my audit in excess of £300,000, as well as differences below this threshold that in my view warranted reporting on qualitative grounds. I also report to the Audit and Risk Assurance Committee on disclosure matters that I identified when assessing the overall presentation of the financial statements.

Total unadjusted audit differences reported to the Audit and Risk Assurance Committee have increased net assets by £38.2 million.

Audit scope

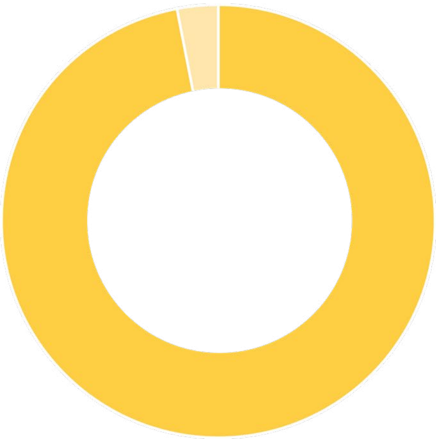
The scope of my group audit was determined by obtaining an understanding of the department, Its group and its environment, including group-wide controls, and assessing the risks of material misstatement at the group level.

The departmental group incurred operating expenditure of £13.6 billion (2022-23: £11.9 billion) and gross assets of £18.2 billion (2022-23: £18.1 billion). The group's largest components are HM Prison and Probation Service; HM Courts and Tribunals Service (HMCTS); the Legal Aid Agency and the core department.

I have audited the full financial information of the core department, as well as the group consolidation. The audits of the above significant components, which are overseen by the same engagement director, were complete at the time of my completion of the group audit.

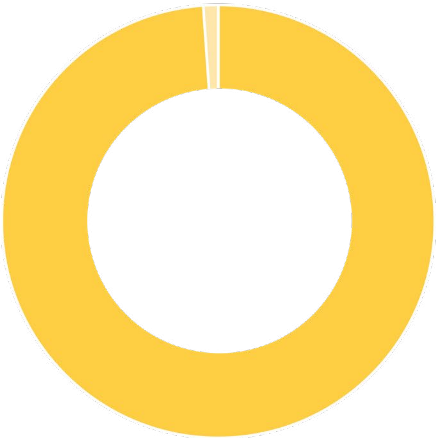
In addition, specific work was performed on the Criminal Injuries Compensation Authority tariff scheme provision; the recoveries collected by the HMCTS Trust Statement and accounted for as income within the group account; and the pension net assets of Children and Family Courts Advisory Service.

As group auditor, I have gained assurance from the auditors of the significant and material components and engaged regularly on the group significant risks. I covered 97% of the group's gross expenditure and 99% of the group's gross assets through audit work on significant components, with the remainder covered by analytical procedures performed on non-significant components. For most of these non-significant components, the audit of the financial information was either completed or sufficiently well progressed to give me the evidence I needed for my opinion on the group financial statements as a whole.



Gross expenditure of components of the Ministry of Justice Group (for the year to 31 March 2024)

- Significant components by size or risk (HMPPS, HMCTS, Legal Aid Agency, Core department, Cafcass and CICA): **97%**
- Non-significant components: **3%**



Gross assets of components of the Ministry of Justice Group (as at 31 March 2024)

- Significant components by size or risk (HMPPS, HMCTS, Legal Aid Agency, Core department, Cafcass and CICA): **99%**
- Non-significant components: **1%**

Other Information

The other information comprises the 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 department and its group and their environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Report.

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

- Adequate accounting records have not been kept by the department and its group 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 Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the Comptroller and Auditor General (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 department and its group 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 department and its group'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 department and its group 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 department and its group's accounting policies, and its parliamentary control totals.
- inquired of management, the Department's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the department and its group'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 department and its group's controls relating to the department's compliance with the Government Resources and Accounts Act 2000, Managing Public Money and the Supply and Appropriation (Main Estimates) Act 2022
- inquired of management, the department'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, including significant component audit teams, and the relevant external specialists, including actuaries and property valuation experts, 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 department and its group 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 department and group's framework of authority and other legal and regulatory frameworks in which the department and group 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 department and its group. The key laws and regulations considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2022, employment law, tax legislation and legislation setting out fees, charges and compensation in relation to legal aid, courts and tribunals and criminal injuries compensation.

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 Assurance Committee and in-house legal counsel 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 significant component audit teams and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities.

This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain appropriate evidence sufficient to give reasonable assurance that the Statement of Outturn against Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted parliamentary control totals are departmental expenditure limits (resource and capital), annually managed expenditure (resource and capital), non-budget (resource) and net cash requirement.

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

12 November 2024

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

Financial statements

Financial statements

Consolidated Statement of Comprehensive Net Expenditure

for the year ended 31 March 2024

		2023-24		2022-23	
		Core department and agencies	Departmental group	Core department and agencies	Departmental group
	Note	£000	£000	£000	£000
Revenue from contracts with customers	3	(1,707,852)	(1,727,914)	(1,627,932)	(1,646,704)
Other operating income	4	(59,585)	(60,133)	(64,091)	(64,332)
Total operating income		**(1,767,437)**	**(1,788,047)**	**(1,692,023)**	**(1,711,036)**
Staff costs	5	4,701,233	4,965,029	4,303,449	4,563,183
Judiciary costs	5	688,759	688,759	642,224	642,224
Purchase of goods and services	6	2,742,351	2,621,004	2,612,076	2,498,230
Depreciation, amortisation and impairment	7	1,048,506	1,056,221	795,474	801,826
Legal aid funded provisions	8	2,142,419	2,142,419	1,924,930	1,924,930
Other provision expenses	8	568,261	569,696	85,751	86,495
Net (gain)/loss on disposal of assets	9	2,050	2,098	(12,750)	(12,719)
Revaluation of non-current and financial assets	10	13,993	13,993	(14,826)	(14,829)
Other operating expenditure	11	1,688,801	1,546,867	1,493,014	1,362,591
Total operating expenditure		**13,596,373**	**13,606,086**	**11,829,342**	**11,851,931**
Net operating expenditure before financing		**11,828,936**	**11,818,039**	**10,137,319**	**10,140,895**

		2023-24		2022-23	
		Core department and agencies	Departmental group	Core department and agencies	Departmental group
	Note	£000	£000	£000	£000
Finance income		(14)	(14)	(3)	(3)
Finance expense	12	32,447	32,934	77,122	83,461
Borrowing cost on provisions		5,061	5,061	(1,238)	(1,238)
Net operating expenditure before tax		**11,866,430**	**11,856,020**	**10,213,200**	**10,223,115**
Taxation		-	146	-	45
Net expenditure for the year		**11,866,430**	**11,856,166**	**10,213,200**	**10,223,160**
Other comprehensive net expenditure					
Items that will not be reclassified to operating expenditure:					
Net (gain)/loss on revaluation of:					
Property, plant and equipment		(10,973)	(10,980)	(806,167)	(806,195)
Right of use assets		(1,969)	(1,969)	(19,728)	(19,728)
Intangible assets		(2,447)	(2,484)	(9,292)	(9,427)
Assets for sale		164	164	509	509
Remeasurement of pension schemes:					
Cafcass pension scheme		-	(14,104)	-	(249,322)
LSC pension scheme		22,049	22,049	48,529	48,529
By-analogy pension schemes		(49)	(430)	(41)	(1,443)
Probation pension schemes		788,534	788,534	(1,969,664)	(1,969,664)
Total comprehensive net expenditure for the year		**12,661,739**	**12,636,946**	**7,457,346**	**7,216,419**

The notes on pages 177 to 259 form part of these accounts.

Consolidated Statement of Financial Position

as at 31 March 2024

		31 March 2024		31 March 2023	
		Core department and agencies	Departmental group	Core department and agencies	Departmental group
	Note	£000	£000	£000	£000
Non-current assets					
Property, plant and equipment	13	15,139,256	15,145,414	14,608,419	14,611,560
Right of use assets	14	1,314,151	1,326,892	1,391,228	1,405,091
Intangible assets	15	683,439	688,275	715,025	721,987
Investments		239	239	382	382
Pension assets	25	46,898	48,943	265,403	265,403
Trade and other receivables	17	121,967	121,968	122,254	122,258
Total non-current assets		**17,305,950**	**17,331,731**	**17,102,711**	**17,126,681**
Current assets					
Assets held for sale	16	2,715	2,715	9,115	9,115
Inventories		63,622	64,823	65,174	66,663
Trade and other receivables	17	456,565	461,614	499,173	501,605
Cash and cash equivalents	18	336,463	378,584	302,793	359,382
Total current assets		**859,365**	**907,736**	**876,255**	**936,765**
Total assets		**18,165,315**	**18,239,467**	**17,978,966**	**18,063,446**
Current liabilities					
Trade and other payables	19	(1,738,661)	(1,725,219)	(1,780,290)	(1,778,719)
Financial liabilities	19	(172,491)	(174,951)	(167,460)	(169,803)
Provisions	20	(1,204,194)	(1,209,135)	(1,076,090)	(1,079,836)
Total current liabilities		**(3,115,346)**	**(3,109,305)**	**(3,023,840)**	**(3,028,358)**
Total assets less current liabilities		**15,049,969**	**15,130,162**	**14,955,126**	**15,035,088**

		31 March 2024		31 March 2023	
		Core department and agencies	Departmental group	Core department and agencies	Departmental group
	Note	£000	£000	£000	£000
Non-current liabilities					
Trade and other payables	19	(30,947)	(31,783)	(37,356)	(38,314)
Other financial liabilities	19	(1,476,329)	(1,487,110)	(1,595,529)	(1,607,470)
Provisions	20	(822,063)	(824,026)	(504,570)	(505,877)
Pension liabilities	25	(530,551)	(535,300)	(1,208)	(18,559)
Total non-current liabilities		**(2,859,890)**	**(2,878,219)**	**(2,138,663)**	**(2,170,220)**
Assets less liabilities		**12,190,079**	**12,251,943**	**12,816,463**	**12,864,868**
Taxpayers' equity					
General fund		7,419,289	7,480,670	7,857,199	7,904,979
Revaluation reserve		4,770,790	4,771,273	4,959,264	4,959,889
Total taxpayers' equity		**12,190,079**	**12,251,943**	**12,816,463**	**12,864,868**

The notes on pages 177 to 259 form part of these accounts.

Dame Antonia Romeo DCB
Principal Accounting Officer

8 November 2024

Consolidated Statement of Cash Flows

for the year ended 31 March 2024

		2023-24		2022-23	
		Core department and agencies	Departmental group	Core department and agencies	Departmental group
	Note	£000	£000	£000	£000
Cash flows from operating activities					
Net expenditure	CSoCNE	(11,866,430)	(11,856,166)	(10,213,200)	(10,223,160)
Adjustments for non-cash transactions		3,812,963	3,807,245	2,840,748	2,858,221
Finance expense	12	46,153	46,272	34,860	34,941
Movements in pensions		(49,594)	(50,124)	90,187	108,854
(Increase)/decrease in trade and other receivables	17	42,895	40,281	42,696	43,929
Less: movements in receivables not passing through the CSoCNE and receivable impairments		(15,762)	(15,783)	(74,643)	(74,647)
(Increase) in inventories		1,552	1,840	(10,085)	(10,243)
Increase/(decrease) in trade and other payables	19	(48,038)	(60,031)	157,041	133,265
Less: movements in payables relating to items not passing through the CSoCNE		6,130	6,143	(131,109)	(113,710)
Increase/(decrease) in other financial liabilities	19	(114,169)	(115,212)	(142,195)	(137,317)
Less: movements in other financial liabilities relating to items not passing through the CSoCNE		114,169	115,212	142,195	137,317
Utilisation of provisions	20	(2,273,805)	(2,274,367)	(2,047,896)	(2,048,096)
Intra-departmental adjustment through SoCiTE (between MoJ core and agencies)		90	20	(1,996)	(2,617)
Other		-	-	-	-
Net cash outflow from operating activities		**(10,343,846)**	**(10,354,670)**	**(9,313,397)**	**(9,293,263)**

		2023-24		2022-23	
		Core department and agencies	Departmental group	Core department and agencies	Departmental group
	Note	£000	£000	£000	£000
Cash flows from investing activities					
Purchase of property, plant and equipment	13	(1,276,353)	(1,280,376)	(1,137,498)	(1,139,170)
Purchase of intangible assets	15	(119,974)	(121,046)	(106,323)	(107,290)
Adjust for increase/(decrease) in capital payables		(39,455)	(39,468)	11,436	11,411
Proceeds on disposal of property, plant and equipment		(5,535)	(5,535)	6,371	6,371
Proceeds on disposal of intangible assets		-	-	-	2
Proceeds on disposal of right of use assets		-	-	-	-
Proceeds on disposal of assets held for sale		16,690	16,690	2,613	2,613
Net cash outflow from investing activities		**(1,424,627)**	**(1,429,735)**	**(1,223,401)**	**(1,226,063)**
Cash flows from financing activities					
From the Consolidated Fund (Supply)		11,867,000	11,867,000	10,720,000	10,720,000
Grants from bodies external to the department		-	5,000	-	-
From the Consolidated Fund (non-Supply)		185,724	185,724	171,583	171,583
Capital element of finance leases and on-balance sheet Private Finance Initiative (PFI) contracts		(183,750)	(187,167)	(175,785)	(177,796)
Repayment of local authority loans		(345)	(345)	(1,529)	(1,529)
Interest paid		(46,153)	(46,272)	(34,860)	(34,941)
Net cash inflow from financing activities		**11,822,476**	**11,823,940**	**10,679,409**	**10,677,317**

		2023-24			2022-23
		Core department and agencies	Departmental group	Core department and agencies	Departmental group
	Note	£000	£000	£000	£000
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		**54,003**	**39,535**	**142,611**	**157,991**
Payments of amounts due to the Consolidated Fund		(20,333)	(20,333)	(21,503)	(21,503)
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		**33,670**	**19,202**	**121,108**	**136,488**
Cash and cash equivalents at the beginning of the period	**18**	**302,793**	**359,382**	**181,685**	**222,894**
Cash and cash equivalents at the end of the period	**18**	**336,463**	**378,584**	**302,793**	**359,382**

The notes on pages 177 to 259 form part of these accounts.

Consolidated Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2024

		Core department and agencies			Departmental group		
		General fund	Revaluation reserve	Total reserves	General fund	Revaluation reserve	Total reserves
	Note	£000	£000	£000	£000	£000	£000
Balance at 31 March 2023		**7,857,199**	**4,959,264**	**12,816,463**	**7,904,979**	**4,959,889**	**12,864,868**
Changes in accounting policies		-	-	-	-	-	-
Restated balance at 1 April 2023		**7,857,199**	**4,959,264**	**12,816,463**	**7,904,979**	**4,959,889**	**12,864,868**
Net parliamentary funding – drawn down		11,867,000	-	11,867,000	11,867,000	-	11,867,000
Net parliamentary funding – deemed		283,368	-	283,368	283,368	-	283,368
Grant from bodies external to the department		-	-	-	5,000	-	5,000
Unspent Supply drawn down repayable to the Consolidated Fund		(315,295)	-	(315,295)	(315,295)	-	(315,295)
Consolidated Fund Standing Services							
- Judicial salaries		179,400	-	179,400	179,400	-	179,400
- Lord Chancellor's salary		99	-	99	99	-	99
- Utilisation of Judicial Service Award		6,225	-	6,225	6,225	-	6,225
CFERs payable to the Consolidated Fund		(22,076)	-	(22,076)	(22,076)	-	(22,076)
Net expenditure for the year	CSoCNE	(11,866,430)	-	(11,866,430)	(11,856,166)	-	(11,856,166)
Net gain/(loss) on revaluation of							
- Property, plant and equipment		-	10,973	10,973	-	10,980	10,980
- Right of use assets		-	1,969	1,969	-	1,969	1,969
- Intangible assets		-	2,447	2,447	-	2,484	2,484
- Assets held for sale		-	(164)	(164)	-	(164)	(164)

		Core department and agencies			Departmental group		
		General fund	Revaluation reserve	Total reserves	General fund	Revaluation reserve	Total reserves
	Note	£000	£000	£000	£000	£000	£000
Remeasurement of pension schemes							
- Cafcass pension scheme	25	-	-	-	14,104	-	14,104
- LSC pension scheme	25	(22,049)	-	(22,049)	(22,049)	-	(22,049)
- By-analogy pension schemes		49	-	49	430	-	430
- Probation pension schemes	25	(788,534)	-	(788,534)	(788,534)	-	(788,534)
Non-cash adjustment							
- Auditor's remuneration	6	2,122	-	2,122	2,122	-	2,122
- Corporate overhead recharges	11	(4,315)	-	(4,315)	-	-	-
Movements in reserves							
- Transfers from revaluation reserve		203,699	(203,699)	-	203,885	(203,885)	-
- Absorption accounting transfers between reserves		-	-	-	-	-	-
Other movements							
Adjustment in respect of prior periods		19,163	-	19,163	19,156	-	19,156
Prior year OLC and LSB CFER		19,578	-	19,578	227	-	227
Other		86	-	86	(1,205)	-	(1,205)
Balance at 31 March 2024		**7,419,289**	**4,770,790**	**12,190,079**	**7,480,670**	**4,771,273**	**12,251,943**

Consolidated Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2023

		Core department and agencies			Departmental group		
		General fund	Revaluation reserve	Total reserves	General fund	Revaluation reserve	Total reserves
	Note	£000	£000	£000	£000	£000	£000
Balance at 1 April 2022		**5,241,581**	**4,287,049**	**9,528,630**	**5,026,974**	**4,288,002**	**9,314,976**
Net parliamentary funding – drawn down		10,720,000	-	10,720,000	10,720,000	-	10,720,000
Net parliamentary funding – deemed		179,503	-	179,503	179,503	-	179,503
Unspent Supply drawn down repayable to the Consolidated Fund		(283,368)	-	(283,368)	(283,368)	-	(283,368)
Consolidated Fund Standing Services							
- Judicial salaries		165,062	-	165,062	165,062	-	165,062
- Lord Chancellor's salary		91	-	91	91	-	91
- Utilisation of Judicial Service Award		6,430	-	6,430	6,430	-	6,430
CFERs payable to the Consolidated Fund		(20,942)	-	(20,942)	(20,942)	-	(20,942)
Net expenditure for the year	CSoCNE	(10,213,200)	-	(10,213,200)	(10,223,160)	-	(10,223,160)
Net gain/(loss) on revaluation of							
- Property, plant and equipment		-	806,167	806,167	-	806,195	806,195
- Right of use assets		-	19,728	19,728	-	19,728	19,728
- Intangible assets		-	9,292	9,292	-	9,427	9,427
- Assets held for sale		-	(509)	(509)	-	(509)	(509)
Remeasurement of pension schemes							
- Cafcass pension scheme	25	-	-	-	249,322	-	249,322
- LSC pension scheme	25	(48,529)	-	(48,529)	(48,529)	-	(48,529)

		Core department and agencies			Departmental group		
		General fund	Revaluation reserve	Total reserves	General fund	Revaluation reserve	Total reserves
	Note	£000	£000	£000	£000	£000	£000
- By-analogy pension schemes		41	-	41	1,443	-	1,443
- Probation pension schemes	25	1,969,664	-	1,969,664	1,969,664	-	1,969,664
Non-cash adjustment							
- Auditor's remuneration	6	1,973	-	1,973	1,973	-	1,973
- Corporate overhead recharges	11	(3,722)	-	(3,722)	-	-	-
Movements in reserves							
- Transfers from revaluation reserve		162,414	(162,414)	-	162,758	(162,758)	-
- Absorption accounting transfers between reserves		-	-	-	147	(147)	-
Other movements							
Adjustment in respect of prior periods		-	-	-	(58)	-	(58)
Prior year OLC and LSB CFER		(17,804)	-	(17,804)	227	-	227
Other		(1,995)	(49)	(2,044)	(2,558)	(49)	(2,607)
Balance at 31 March 2023		**7,857,199**	**4,959,264**	**12,816,463**	**7,904,979**	**4,959,889**	**12,864,868**

The notes on pages 177 to 259 form part of these accounts.

Notes to the accounts for the year ended 31 March 2024

1a) Statement of accounting policies

1.1 Basis of preparation

These accounts have been prepared in accordance with the ***Government Financial Reporting Manual (FReM) 2023-24*** 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.

Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to our particular circumstances for the purpose of giving a true and fair view has been selected. The particular policies we adopt are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

The preparation of the accounts in conformity with IFRS requires the use of certain critical accounting estimates (see Note 1b).

In addition to the primary statements prepared under IFRS, the FReM requires the department to prepare a SOPS and supporting notes showing the outturn against estimates in terms of the net resource requirement and the net cash requirement. These are included within the parliamentary accountability section in this document.

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

1.2 Going concern

The FReM states that going concern for the public sector is interpreted as the anticipated continued provision of the entity's services in the future, as evidenced by inclusion of financial provision for that service in published documents. In common with other government departments, the group's liabilities are expected to be met by future grants of supply and the application of future income, both to be approved annually by Parliament. The department considers there is no reason to believe that future approvals will not be forthcoming. Hence, it is considered appropriate to adopt a going concern basis for the preparation of these financial statements.

1.3 Accounting convention

These accounts have been prepared on an accruals basis under the historical cost convention, modified to account for the revaluation of non-current assets, inventories, financial assets and liabilities and assets held for sale, where material.

1.4 Basis of consolidation

These accounts consolidate the core department, executive agencies and non-departmental public bodies (NDPBs) which fall within the departmental boundary as defined in the FReM and make up the departmental group. A list of entities included within the departmental boundary is given at Note 29.

Where two columns are included, the first contains amounts for the core department and its agencies and the second contains amounts for the departmental group as a whole. Accounting policies are harmonised across the group and all significant intra-departmental balances and transactions between entities within the departmental boundary are eliminated.

All consolidated entities have accounting reference dates that align with the core department.

1.5 Machinery of government changes and restatement of comparatives

There have been no machinery of government changes in 2023-24 (none in 2022-23).

1.6 Changes in accounting policy and disclosures

a) From 1 April 2023 Public Private Partnership liabilities, which include Private Finance Initiative (PFI) loans, are to be measured in accordance with IFRS 16 measurement principles. The change in accounting policy is applied using a modified retrospective approach with the cumulative impact on the liability taken to the General Fund reserve on 1 April 2023. Previous years are not restated. The measurement per IFRS 16 involves a cumulative remeasurement as at 1 April 2023 for the changes to payments for the capital element due to indexation since the Public Private Partnership arrangement commenced. This remeasurement is recognised as an adjustment to the opening balance of retained earnings and prior year comparative information is not remeasured.

There have been no other changes in accounting policies or new or amended standards adopted in 2023-24.

b) New standards, amendments and interpretations issued but not effective for the financial year beginning 1 April 2022 and not early adopted

IFRS 17 Insurance Contracts requires a discounted cash flow approach to accounting for insurance contracts. IFRS 17 is to be applied by entities for accounting periods beginning on or after 1 January 2023. MoJ will implement the new standard when it is required to do so by the FReM. The earliest implementation date in central government is 1 April 2025. To assess the impact of the standard, we are reviewing contracts which meet the definition of insurance contracts.

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

1.7 Property, plant and equipment

Initial recognition and capitalisation threshold

Property, plant and equipment is initially recognised at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management. Such expenditure is capitalised where:

- the asset is held for use in delivering services or for administrative purposes
- it is probable that future economic benefits will flow, or service potential be provided, to us
- it is expected that the asset will be used for more than one financial year
- the cost of the asset can be measured reliably

The core department's capitalisation threshold for individual assets is £10,000. The thresholds across the departmental group range from £500 to £10,000.

Where significant purchases of individual assets which are separately below the capitalisation threshold arise in connection with a single project, they are treated as a grouped asset. The core department's capitalisation threshold for grouped assets is £1 million. The thresholds across the departmental group range from £500 to £1 million. All thresholds include irrecoverable VAT.

Subsequent valuation method

Land and buildings (including dwellings) are recorded at fair value, as interpreted by the FReM, on the basis of professional valuations, which are conducted for each property at least once every five years. These are primarily undertaken by the Valuation Office Agency using the Royal Institution of Chartered Surveyors (RICS) appraisal and valuation manual, known as the 'Red Book'.

In between professional valuations, carrying values are adjusted by the application of indices or through desktop valuations for which different indices are applied depending on the assets. This ensures that carrying values are not materially different from those that would be determined at the end of the reporting period. For buildings, the index applied is the Building Cost Information Service All-In Tender Price Index that reflects price changes in the construction sector and is a good indicator of price pressure in building contracts in the UK.

Criminal courts, prisons and some parts of the probation estate are mostly classified as specialised buildings which cannot be sold on the open market. For specialised assets, current value in existing use is interpreted as the present value of the asset's remaining service potential, which is assumed to be at least equal to the cost of replacing that service potential. Specialised assets are therefore valued at their depreciated replacement cost on a modern equivalent asset basis in accordance with the FReM and RICS guidance, taking into account the functional obsolescence of the property and other assumptions. A modern equivalent asset basis assumes that the asset will be replaced with a modern asset of equivalent capacity and location requirements of the services being provided.

Non-specialised properties are valued based on existing use or market value where there is an open market valuation for such properties.

Assets which are held for their service potential and are in use (i.e. operational assets used to deliver either frontline services or back-office functions) are measured at their current value in existing use.

Assets that were most recently held for their service potential, but are surplus with no plan to bring them back into use, are valued at current value in existing use where there are restrictions which would prevent access to the market at the reporting date. If we can access the market, then the surplus asset is valued at fair value in accordance with IFRS 13 Fair Value Measurement.

Where there is a clear plan to bring an unused asset back into future use as an operational asset, the asset is not considered as surplus and is maintained at current value in existing use.

Assets are revalued and depreciation commences when the assets are brought into use. IT equipment, transport equipment, furniture and fittings, and plant and machinery that are held for operational use are valued at depreciated historic cost where these assets have short useful lives or low values or both, as this is not considered to be materially different from current value in existing use.

Fair value hierarchy and inputs

The valuation technique applied to all fair value figures of surplus properties is the market approach in accordance with IFRS 13. It uses prices and other relevant information generated by market transactions involving identical or comparable (i.e. similar) assets.

The inputs to this technique constitute level 2 inputs in each instance. Level 2 inputs are inputs that are observable for the asset, either directly or indirectly. The inputs used take the form of analysed and weighted market evidence such as sales, rentals and yields in respect of comparable properties in the same or similar locations at or around the valuation date.

For other property assets in continuing use, fair value is interpreted as market value or 'value in use'. In the Red Book this is defined as 'market value' on the assumption that property is sold as part of the continuing enterprise in occupation. The 'value in use' of a non-cash-generating asset is the present value of the asset's remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential.

Depreciated historical cost is used as a proxy for fair value for those assets with short useful lives or low values, as allowed by the FReM.

Revaluation

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

A revaluation decrease, reversal or revaluation increase (other than as a result of a permanent diminution) is reversed against any existing amount held in the revaluation reserve in respect of that same asset, with any residual decrease taken to net operating expenditure in the CSoCNE.

When an asset's carrying value decreases as a result of a permanent diminution in the value of the asset due to a clear consumption of economic benefit or service potential, the decrease is charged directly to operating expenditure in the CSoCNE, with any remaining revaluation reserve balance released to the General Fund.

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

Depreciation

Items of property, plant and equipment are depreciated over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

Depreciation is charged on a straight-line basis at rates calculated to write off the value of assets, less estimated residual value, evenly over their estimated useful lives. The useful lives of buildings are reviewed annually. Where a change in asset life is determined, the asset is depreciated on a straight-line basis over its remaining assessed life. Depreciation commences in the month following the acquisition of a non-current asset for land, buildings and dwellings and in-month for all other non-current assets.

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

Estimated useful asset lives are within the following ranges:

Freehold land	Not depreciated
Leasehold land	Remaining lease period
Freehold buildings (including dwellings)	Shorter of remaining life or 60 years
Leasehold buildings (including dwellings)	Shortest of remaining life, remaining lease period or 60 years
Information technology	Shorter of remaining life or 3 to 15 years
Plant and equipment	Shorter of remaining life or 3 to 15 years
Furniture, fixtures and fittings	Shorter of remaining life or 3 to 20 years

Assets under construction

Assets under construction are valued at historical cost within property, plant and equipment and intangible assets, and are not depreciated or amortised until completed. On completion, the asset's carrying value is transferred to the respective asset category.

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

1.8 Intangible assets

Intangible assets comprise internally developed software for internal use (including such assets under construction), software developed by third parties, and purchased software licences. As at 31 March 2024, we did not identify any software as a service, or any other cloud-based, right of use assets.

Software developed internally or by third parties

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by MoJ are capitalised when they meet the criteria specified in the FReM, which has been adapted from ***IAS 38 Intangible Assets***. Other expenditure that does not meet these criteria is recognised as an expense as incurred.

The useful lives of internally developed software range from 1 to 15 years. In accordance with ***IAS 38 Intangible Assets*** MoJ reviews the useful economic lives of its intangible assets each financial year.

MoJ utilises an agile development approach. For each module of information technology (IT), amortisation begins when it is ready for its intended use, regardless of whether the IT will be placed into service in planned stages that may extend beyond a reporting period. If the functionality of a module is entirely dependent on the completion of other modules, amortisation begins when both that module and the other modules upon which it is functionally dependent are ready for their intended use.

Purchased software licences

Purchased software licences are recognised when it is probable that future service potential will flow to MoJ and the cost of the licence can be measured reliably. Such licences are initially measured at cost. Purchased software licences are amortised over the licence period.

The capitalisation thresholds across the departmental group range from £500 to £250,000 (including irrecoverable VAT).

Subsequent to initial recognition, intangible assets are measured at fair value. As no active market exists for MoJ's intangible assets, fair value is assessed as replacement cost less any accumulated amortisation and impairment losses (i.e. depreciated replacement cost).

Intangible assets in service are remeasured at the end of each reporting period using the producer price index issued by the Office for National Statistics.

1.9 Impairment

Impairments are recognised in accordance with IAS 36 Impairment of Assets as adapted by the FReM.

An impairment reflects a diminution in the value of an asset as a result of a clear consumption of economic benefits or service potential. At each reporting date, MoJ assesses all assets for indications of impairment. If any such indications exist, the assets in question are tested for impairment by comparing the carrying value of those assets with their recoverable amounts.

If the recoverable amount of an asset is less than its carrying value, the carrying value of the asset is reduced to its recoverable amount. The recoverable amount of an asset is the higher of its 'fair value less costs to sell' and 'value in use' (as defined above).

When an asset's carrying value decreases as a result of a permanent diminution in the value of the asset due to a clear consumption of economic benefit or service potential, the decrease is charged directly to net operating costs in the CSoCNE. If the asset has previously been revalued, any remaining revaluation reserve balance (up to the level of the impairment loss) is released to the General Fund.

At each reporting date we review impairment losses recognised in previous years. Any reversal of an impairment loss is recognised in the CSoCNE to the extent that the original charge, adjusted for subsequent depreciation, was previously recognised, with any remaining amount recognised in the revaluation reserve.

1.10 Non-current assets held for sale

Assets held for sale are stated at the lower of their carrying amount immediately prior to classification as 'held for sale' or their fair value less the costs of selling the asset. Any subsequent impairment or reversal of impairment is recognised in the CSoCNE. Assets classified as held for sale are not depreciated.

1.11 Leases

IFRS 16 requires a lessee to recognise assets and liabilities for all leases (apart from the exemptions listed below).

Scope and exclusions – the departmental group 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.

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

MoJ defines the lease term as the non-cancellable period for which a lessee has the right to use an underlying asset, together with both:

- periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option
- periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option

When making the above assessments, MoJ excludes two types of leases:

- 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
- contracts whose term is less than 12 months

At inception or on reassessment of a contract that contains a lease component, MoJ assesses whether it is reasonably certain to exercise break options or extension options at the lease commencement date. MoJ reassesses this if there are significant events or changes in circumstances that were not anticipated. In the event that a lease contract has expired, but MoJ remains in occupation pending negotiations for a renewed term, the lease term has been measured as the estimated time until the new contract will be agreed.

Initial recognition – the departmental group as lessee

At the commencement of a lease, the department recognises a right of use asset and a lease liability. Under HM Treasury's IFRS 16 Application Guidance, 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. If the VAT element cannot be clearly identified from lease invoices, the lease liability and right of use asset are measured using the gross value of invoices for remaining lease payments.

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, the department's incremental rate of borrowing. This rate is advised annually by HM Treasury: 3.51% for leases that commenced, transitioned or were remeasured in the calendar year 2023 (2022: 3.51%).

Where a lease includes variable lease payments tied to an inflation index, this is included in the measurement by inflating using HM Treasury Consumer Price Index (CPI) inflation rates as published in the Public Expenditure System Papers for the relevant year. This is the approach set out in the FReM IFRS 16 Application Guidance.

Right of use asset

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
- any costs of removing the asset and restoring the site at the end of the lease

However, in accordance with the FReM, where the lease requires nil or nominal consideration (usually referred to as a 'peppercorn' lease) the asset will instead be measured at its existing use value, using market prices or rentals for equivalent land and properties, with the difference between the carrying amount of the right of use asset and lease liability treated as notional income.

Enhancements to leased assets, such as alterations to a leased building, are not classified within right of use assets but are classified as property, plant and equipment in accordance with the FReM.

Subsequent measurement – the departmental group as lessee

After initial recognition, the right of use asset will be measured using the fair value model. The departmental group 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 also 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 option, while modifications are changes to the lease contract. Reassessments and modifications are accounted for by either by:

- recalculating the lease term under any new contract terms, taking account of the reasonable certainty or otherwise of exercising an option
- applying a new discount rate where applicable

Expenditure charged to the CSoCNE for each financial year includes interest on the lease liability and a straight-line depreciation charge on the right of use asset over the life of the lease, together with any 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. Lease payments are debited against the liability. Rental payments in respect of leases of low value items, or with a term under 12 months, are also expensed.

Estimates and judgements

In assessing the lease MoJ needs to make estimates and judgements.

- Where a lease is embedded in a contract for services, the amount to be recognised as the right of use asset and lease liability should be the stand-alone price of the lease component only. Where this is not readily observable, a determination will be made by reference for other observable data, such as the fair value of similar assets or price of contracts for similar non-lease components.
- MoJ has determined the lease term by assessing the level of certainty as to whether termination or extension options will be exercised. In making these judgements, reliance has been placed on the professional judgement of estates staff, supported by information on corporate asset management plans, other business strategies, investment already made in the underlying asset, ongoing business needs and market conditions.
- MoJ has determined that the cost model is a reasonable proxy for fair value in most cases because the rents payable are aligned to open market rates. In the case of longer leases, where there are not regular rent reviews, there is a greater chance of divergence between cost and fair value, hence a professional revaluation is appropriate.
- MoJ also leases various non-property assets such as vehicles and IT equipment. It has determined that, at the present time, all non-property leases which are not individually low value, are immaterial. Consequently, no non-property leases have been recognised in these accounts.

1.12 Service concession arrangements

Service concession arrangements (SCAs), including PFI arrangements, are where private sector operators are contractually obliged to provide services to the public in relation to certain infrastructure assets.

MoJ recognises the infrastructure asset at fair value (or the present value of the future minimum infrastructure payments, if lower) as a non-current asset in the Consolidated Statement of Financial Position (CSoFP) with a corresponding liability for future payments under the agreement, following the principles contained within IFRS 16. As per the FReM, this approach means the liability is remeasured whenever there is a change in future lease payments resulting from a change in an index/rate used to determine those payments.

For budgeting purposes, SCAs are evaluated according to the balance of risks and reward of ownership as defined by European System of Accounts (ESA) 10. This means that some SCAs recognised in the accounts are treated differently for budgetary purposes against HM Treasury budgeting controls.

1.13 Employee benefits

Short term benefits such as salaries and wages or post-employment benefits resulting from employment and long term benefits such as long service awards, including termination benefits (for example early departure costs) and pension benefits are recognised at the cost of providing the benefit in the period in which it is earned by the employee, rather than when it is paid or becomes payable.

IAS 19 Employee Benefits requires MoJ to recognise the expected cost of the annual leave entitlement of its employees that is accrued at the end of each financial year.

Defined benefit pension schemes

Principal Civil Service Pension Scheme and Judicial Pension Scheme

The provisions of the Principal Civil Service Pension Scheme (PCSPS) cover most past and present employees. Salaried and fee-paid judicial office holders are covered by the Judicial Pension Scheme (JPS). Both the PCSPS and the JPS are unfunded defined benefit schemes although, in accordance with the FReM paragraph 8.2 adaptation of IAS 19, the department accounts for these as defined contribution schemes and recognises contributions it pays as an expense in the year in which they are incurred. The legal or constructive obligation is limited to the amount that it agrees to contribute to the fund.

The department is responsible for the administration of the JPS that provides for the pension entitlements of salaried and fee-paid judicial office holders of six other participating bodies.

Pension entitlements are provided to salaried judges under the JPS. In September 2005, a retired fee-paid judicial office holder brought a claim in the employment tribunal seeking retrospective parity of treatment with salaried judicial office holders by claiming pension entitlements under the Part Time Workers Regulations.

A UK Supreme Court hearing on 6 February 2013 ruled that a retired fee-paid judicial office holder is entitled to a pension on terms equivalent to those of a salaried judicial office holder. This lead case set the precedent for other stayed cases. Consistent with the accounting for salaried judicial office holders, and in accordance with FReM 8.2, we account for employer contributions payable to the JPS for eligible fee-paid judicial office holders as they are incurred but do not recognise a liability in respect of back payments or the pension liability arising pursuant to the claim. Accordingly, provision for the fee-paid pension entitlement is recognised in the JPS accounts.

Provisions have been recognised in the department's accounts for both the liability to fee-paid judicial office holders in respect of the Judicial Service Award, and the separate element of the pension liability relating to fee-paid judges, as neither of these is a liability covered by the JPS and its governing acts.

The JPS is not consolidated within these accounts and further information can be found in the JPS accounts at www.gov.uk/government/publications/judicial-pensions-scheme-annual-report-and-accounts-2023-to-2024.

Further information about these provisions is set out in Note 20.

Funded pension schemes

Unlike the schemes described above, funded pension schemes are accounted for through the department's CSoFP, applying ***IAS 19 Employee Benefits*** in full. These accounts contain the Local Government Pension Scheme (LGPS) for HMPPS probation staff and past employees of the probation trusts (including those who transferred to community rehabilitation companies (CRCs) and/or community rehabilitation services (CRSs), the Cafcass and the Legal Services Commission Pension Scheme (LSCPS). The cost of providing benefits is determined using the projected unit credit method, with formal actuarial valuations being carried out at the end of every third reporting period (the most recent valuations being as at 31 March 2022). The results of the valuations as at 31 March 2022, including the roll forward for the year 2023-24, were shown in actuarial reports as at 31 March 2024 and are reflected in the 2023-24 accounts.

Past employees of the Probation Trusts, and LGPS probation staff who transferred to CRCs and HMPPS National Probation Service (NPS) are covered by the provisions of LGPS via one pension fund administered by the Greater Manchester Pension Fund (GMPF). The Secretary of State for Justice has provided a guarantee to GMPF in respect of the CRSs' participation in the GMPF for pension liabilities that transferred to the CRSs.

The liability or asset recognised in the CSoFP is the present value of the defined benefit obligation less the fair value of plan assets at the reporting date. The present value of the obligation is determined by discounting estimated future cash outflows using rates as advised by the scheme actuary. In between formal actuarial valuations, the obligation is approximated by adjusting the most recent full valuation using latest available membership data.

Remeasurements (comprising actuarial gains and losses), the effect of the asset ceiling (including irrecoverable surplus adjustments), and the return on plan assets (excluding interest) are recognised within other comprehensive expenditure in full in the period in which they arise. Service costs are recognised in the CSoCNE and are spread systematically over the working lives of the employees. The net interest charge in the CSoCNE reflects the unwinding of the discount applied to the net liabilities of the scheme.

IAS 19 requires that the discount rate is determined by reference to market yields at the end of the reporting period, on high quality AA corporate bonds of a currency and duration consistent with the currency and duration of the benefit obligations.

Under the requirements of ***IFRIC 14 The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction***, the value of any net pension surplus which was determined under IAS 19 is limited in the financial statements to reflect that the full economic benefit of a surplus is not realisable. This restriction is known as the asset ceiling.

In the case of the LSCPS, MoJ is able to recognise a pension asset as it has an unconditional right to a refund from the LSC during the life of the plan. MoJ can elect to withdraw money out of the fund, to the extent that the funding level doesn't drop below 105%. Therefore, in the event of a surplus no asset ceiling is applied.

Further detail on the application of IFRIC 14 is included in Note 25 Pensions.

Other defined benefit pension schemes

The department has separate schemes that are 'by-analogy' or similar to the PCSPS. However, they are funded by provisions from the department's vote and pension payments are administered by the department and made via the payroll system.

Early departure and injury benefit costs

The department is required to pay the additional cost of benefits beyond the normal PCSPS and LGPS benefits in respect of employees who retire early. The total cost is provided in full when the early departure programme has been announced and is binding on the department.

The Civil Service Injury Benefits Scheme requires the department to pay benefits to any individual who is injured in connection with their employment. Benefits are paid only in respect of loss of earning capacity, and a provision is made for expected future costs.

The early departure and injury benefit provisions are discounted using the rate disclosed in Note 1.18.

1.14 Income

Income is generated directly from the operating activities of the departmental group and includes both budgetary and non-budgetary income. Non-budgetary income is outside the ambit of the departmental group and is surrendered to the Consolidated Fund as CFERs (refer to Annex A, SOPS 4).

Income is stated net of VAT and comprises mainly fees and charges for services which are set on a full cost recovery basis.

MoJ recognises revenue from a number of different sources, primarily from: fees collected by HMCTS in relation to court fees for services rendered to civil court, family court and tribunal users, LAA civil representation and criminal case recoveries, OPG fees (largely power of attorney fees), HMPPS income (largely prison related), as well as recoveries for other government departments.

Fee income

HMCTS fee income

The majority of fees paid to HMCTS are for an application to commence the administration of a process or, to a lesser extent, for a court process or for a particular stage of the administration of the court process. The payment of a fee does not convey the right to a decision, or a particular outcome from the court, nor does it set out the timescale or process which will be followed by the court or tribunal, which is at the discretion of the judge. It is a fundamental principle of an independent judiciary that judges do not hold performance obligations to individuals or organisations in relation to court and tribunal activities.

The power to charge fees is conferred by section 92 of the Courts Acts 2003, and the power to charge enhanced fees is conferred by section 180 of the Anti-Social Behaviour Crime and Policing Act 2014. This is the legislation against which HMCTS assesses its performance obligations. This legislation also provides for statutory instruments to set out a price list for the fees to be charged. These statutory instruments, determined in the FReM adaption as contracts under IFRS 15, are interpreted as the performance obligations on HMCTS in respect of the individual fees charged. This does not place a performance obligation on the judiciary.

HMCTS has therefore adopted an income policy which recognises that in the administration of the courts system, HMCTS, whose role is to support the judiciary in their administration of justice, bears a responsibility to applicants to ensure their application is progressed upon receipt of the correct fee.

In recognition of this obligation, HMCTS defers most of its revenue until the issue of an application is completed, or any other obligations are completed that are required as part of the relevant statutory instrument.

Civil fees make up the majority of HMCTS income and can be disaggregated into broad jurisdictional categories. Within each category, there are three significant common performance recognition points: issue, hearing and enforcement.

OPG fee income

For OPG fees and charges, revenue from contracts with customers comprises fees for services which are set based on an OPG full cost recovery basis. Fee income consists of amounts for services rendered from power of attorney applications, supervision of court appointed deputies, and copies of power of attorney certificates.

Fines and penalties

MoJ also collects fines, criminal court charges and fixed penalties imposed by the judiciary or police, and is permitted to retain part of the value of fines and penalties collected. The HMCTS Trust Statement accounts for fines and penalties imposed by the criminal justice system as revenue ultimately payable to the Consolidated Fund, on a gross basis. It also accounts for the cash and balances payable to the Consolidated Fund and third parties in relation to the collection of the fines and penalties amounts.

As there are no specific performance obligations associated with receiving revenue from fines and penalties, the revenue is considered to be a non-exchange transaction and therefore outside the scope of IFRS 15. They are measured at the fair value of amounts received, or receivable, net of judicial cancellations and remissions. Revenue is recognised at the full value of the imposition when a fine or penalty is validly imposed and an obligation to pay arises. Where a penalty is cancelled due to attendance at a training course, as a result of an appeal or for other legal reasons or as a result of settlement by other valid means including imprisonment, revenue is derecognised and the derecognition of revenue is recorded as a reduction against revenue.

The victim surcharge

An additional surcharge is added to fines that are imposed. HMCTS is responsible for collecting the victim surcharge and passing the receipts to MoJ justice reform directorate to fund victims' services. Revenue is recognised on the same basis as fines.

Recoveries from other government departments and income from the NHS and other healthcare providers

Recoveries from other government departments relate to the recharge of expenditure to other government departments. HMPPS receives income from the NHS in relation to healthcare funding and from the Home Office in relation to immigration removal centres. HMCTS receives funding from the Department for Work and Pensions and HM Revenue and Customs in respect of the operations of the First Tier Tribunal (Social Security and Child Support). The performance obligation is met, and the revenue recognised, at the time that the services are rendered or goods delivered.

Retail sales

Retail income is generated within HMPPS from retail sales in prison shops. Revenue is recognised at the point the goods are received by the prisoner.

Levy income of the Office of Legal Complaints (OLC) and Legal Services Board (LSB)

The Legal Services Act 2007 (the Act) makes provision for the costs of OLC and LSB to be recovered through the imposition of a levy on the legal profession's approved regulators. In accounting for levy income, section 175 of the Act requires all levy income collected by OLC and LSB to be surrendered to the Consolidated Fund. In return, OLC and LSB receive grant-in-aid funding from the core department equal to the income surrendered. Accordingly, a notional transfer to the Consolidated Fund has been shown in the Statement of Changes in Taxpayers' Equity and an equal amount is shown as a notional grant-in-aid receipt from MoJ as the sponsoring department.

LSB and OLC, in conjunction with the department and HM Treasury, are seeking to identify a suitable legislative vehicle to make an amendment to section 175 of the 2007 Act to enable them to retain the levy income and not surrender it in return for an equal grant.

Other income

European Social Fund and other European funding

Through HMPPS, the department receives a financial allocation for delivery of resettlement services to offenders. The funding is used to support offenders considered hard to reach, in both custody and community settings, to increase employability and provide opportunities to access mainstream services. Funding is matched to eligible expenditure on an accruals basis. The performance obligation is met and income recognised when expenditure is incurred that meets the funding payment criteria.

1.15 Grants payable and paid

Grant-in-aid financing to the department's NDPBs is reported on a cash basis in the period in which payments are made. Co-funding grants from other government departments are paid to NDPBs via the core department and are included as part of the grant-in-aid funding for the year. All grant-in-aid and supply funding made by the core department to its agencies and NDPBs is fully eliminated within the departmental group.

The department also makes a small number of grants to a variety of public sector, private sector and voluntary bodies. These grants are recognised at the point at which an authorised request is received from the recipient body, in accordance with the terms of the relevant financial memoranda.

1.16 Costs borne by the Consolidated Fund

The salary and social security costs of senior judges are included in these accounts as a cost and are funded from the Consolidated Fund. Senior judges also receive service award payments under an agreement with the department which are paid from the Consolidated Fund.

1.17 Notional costs

Notional costs comprise statutory auditors' remuneration, which represents the National Audit Office's cost for the audit of the department and executive agencies' accounts. Such notional costs are credited directly to the General Fund.

Costs for corporate overheads are also notionally recharged to business areas. The majority of the notional recharge costs relate to IT services, estates costs, and shared services processing charges that are centrally managed on behalf of the group, and are eliminated on consolidation.

1.18 Provisions

Provisions are recognised in accordance with ***IAS 37 Provisions, Contingent Liabilities and Contingent Assets.***

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. Where the effect of discounting is material, provisions are measured at their present value using the current discount rates set by HM Treasury based on the underlying cash flows: 4.26%, 4.03% and 4.72% for short-term, medium-term and long-term cash flows respectively.

Early departure and injury benefit provisions are discounted using the HM Treasury post-employment benefits real discount rate of 2.45% (2022-23: 1.70%).

1.19 Contingent assets and liabilities

A contingent liability is disclosed when the likelihood of a payment is less than probable, but more than remote, or the obligation cannot be measured reliably. Where the time value of money is material, contingent liabilities required to be disclosed under IAS 37 Provisions, Contingent Liabilities and Contingent Assets are stated at discounted amounts.

A contingent asset is a potential asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of MoJ. A contingent asset is disclosed where an inflow of economic benefits is probable.

1.20 Value Added Tax

Most of MoJ's activities are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable, except as allowed by HM Treasury's Contracting Out Direction. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase costs of non-current assets, except leases (which are discussed in Note 1.11). Where output tax is charged or input tax is recoverable, the amounts are stated net of VAT.

1.21 Third party assets

MoJ holds, as custodian or trustee, certain assets belonging to third parties. In line with FReM requirements, these assets are not recognised in the CSoFP and are disclosed within Note 28 since neither the department nor the government has a direct beneficial interest in them.

1.22 Financial instruments

Recognition

Financial assets and financial liabilities which arise from contracts for the purchase and sale of non-financial items (such as goods or services), which are entered into in accordance with MoJ's normal purchase, sale or usage requirements, are recognised when, and to the extent to which, performance occurs. All other financial assets and liabilities are recognised when MoJ becomes party to the contractual provisions to receive or make cash payments.

De-recognition

Financial assets are de-recognised when the contractual rights to receive future cash flows have expired or MoJ has transferred substantially all the risks and rewards of ownership to another entity. Financial liabilities are de-recognised when the obligation is discharged, cancelled or expires.

Classification and measurement of financial assets

In addition to cash and cash equivalents, MoJ has two categories of financial assets:

Financial assets at fair value through profit and loss

Fair value is equal to the market value at the reporting date, and the movement in the value of the assets is recognised immediately in the CSoCNE, as income or as an expense.

Receivables relating to LAA's statutory charge are measured at fair value in line with the requirements of ***IFRS 13 Fair Value Measurement*** as they are not solely payments of principal and interest, and therefore do not meet the tests set out in IFRS 9. The practical application of IFRS 13 with regard to LAA's assets applies the consideration of the three hierarchies set under the standard for determining fair value.

This is explained in further detail in LAA's Annual Report and Accounts 2023-24, including detail regarding key assumptions which support the most significant fair value estimates.

MoJ, through HMPPS, holds share investments of £0.2 million (2022-23: £0.4 million) in milk companies due to the milk producing prison farms run by HMPPS at HMP Usk. They are held as financial assets at fair value through profit and loss. Fair value is equal to market value at the reporting date, and the movement in the value of assets is recognised immediately in the CSoCNE, as income or as an expense.

Financial assets at amortised cost

Cash and trade and other receivables are held at amortised cost. For assets at amortised cost, the amortised cost balance was reduced where appropriate by an allowance for amounts which were considered to be impaired or uncollectable.

MoJ recognises a provision for expected credit losses on financial assets measured at amortised cost. Any interest receivable or loss arising on impairment is recognised in the CSoCNE.

Trade receivables are generally due for settlement within 30 days and are therefore classed as current. A proportion of MoJ's receivables relate to other government departments and other public bodies. These bodies are funded by Parliament and there is historical evidence to show that this debt is collected. MoJ is therefore not exposed to significant credit risk on these balances.

Receivables that are not due from other public bodies are grouped together for the purpose of working out the expected credit loss. For trade receivables with no significant financing components, IFRS 9 Financial Instruments allows an entity to use a simplified method for calculating expected losses using historical default rates over the expected life of the trade receivables and adjusting for forward-looking estimates. Receivables are shown net of expected credit loss using this approach.

Impairment of financial assets

At the end of each reporting period, MoJ assesses whether there is objective evidence that a financial asset or a group of financial assets is impaired. If there is objective evidence that an impairment loss on such an asset has been incurred, MoJ recognises this in the CSoCNE as the difference between the asset's carrying amount and the present value of estimated future cash flows.

Classification and measurement – financial liabilities

MoJ has financial liabilities, comprising finance lease liabilities, trade payables, other payables and accruals. All financial liabilities are recognised initially at fair value, net of any transaction costs incurred, and then measured at amortised cost using the effective interest rate method. Where the effect is material, the estimated cash flows of financial liabilities are discounted.

1.23 Cash and cash equivalents

Cash and cash equivalents recorded in the CSoFP and Consolidated Statement of Cash Flows include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less at inception and bank overdrafts.

1b) Critical accounting estimates and judgements

MoJ makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The preparation of the financial statements requires the use of judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of income and expenditure during the reporting period. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Revaluation and impairment of non-current assets

Subsequent to initial recognition land and buildings (including dwellings) are recorded at current existing use value, as interpreted by the FReM, based on professional valuations which are conducted for each property at least once every five years by the Valuation Office Agency, who are independent of MoJ, in accordance with the Royal Institute of Chartered Surveyors Appraisal and Valuation Manual. The value of land and buildings fluctuates with changes in construction costs and the current market conditions.

The majority of operational buildings are specialised and are therefore valued at depreciated replacement cost to a modern equivalent basis. This modern equivalent is assumed to be in the same location with the same internal area as the existing property. All other buildings are measured at fair value determined from market-based evidence.

All assets other than land and buildings and assets under construction are revalued at each reporting date using the Producer Price Index prepared by the Office for National Statistics.

Intangible assets include internally generated software and software licences. Internally generated software is initially recognised as assets under construction in the financial statements based on the cost (for example capitalised staff and consultancy costs) of creating that software, which could be a bespoke IT system or a modified existing system. When the system becomes available for use the asset is transferred to intangible IT and an impairment review is carried out. Subsequently, these assets are revalued using indices as an estimate of the current value of these assets and amortised over the useful life of the asset as estimated by the asset owners.

The carrying amounts of these assets are shown in Notes 13, 15 and 16.

Right of use assets

The cost model has been determined as a reasonable proxy for fair value in most cases, because the rents payable are aligned to open market rates. In the case of longer leases where there are not regular rent reviews, there is a greater chance of divergence between cost and fair value, hence a professional revaluation is appropriate.

In the event that a lease contract has expired, but MoJ remains in occupation pending negotiations for a renewed term, the lease term has been measured as the estimated time until the new contract will be agreed.

Net pension assets and liabilities

The present value of the net pension liability detailed in Note 25 depends on a number of actuarially derived assumptions about inflation, salary and pension trends, discount factors and mortality rates. The estimated net liability or asset is subject to fluctuation and uncertainty due to changes in these assumptions over time and differences between assumptions and actual events. Sensitivity analysis in relation to the assumptions used in the calculation of the gross pension liability is provided in Note 25.

The pension liabilities for 2023-24 reflect the appropriate assumptions. The discount rate at 31 March 2024 reflects the yield on high-quality corporate bonds. All assumptions are reviewed on an ongoing basis, and at least annually.

Provisions for liabilities and charges

The recognition and measurement of provisions rely on the application of professional judgement, historical experience and other factors expected to influence future events. Where the likelihood of a liability crystallising is deemed probable and can be measured with reasonable certainty, a provision is recognised. Provision balances which contain regular, homogeneous transactions are often derived from complex financial models. Estimates and assumptions applied in these models are continually evaluated and reviewed. Further information is set out in Note 20.

LAA financial assets

LAA recognises an impairment for expected credit losses on financial assets measured at amortised cost under ***IFRS 9 Financial Instruments***. This includes receivables from legal aid providers and clients who are not subject to the statutory charge. Subsequent to initial recognition, at fair value, these assets are carried at amortised cost using the effective interest rate method, less any impairment. Any interest receivable or loss arising on impairment is recognised in the CSoCNE.

LAA derecognises a financial asset only when the contractual rights to the cash flows for the asset expire, or it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

For assets held at amortised cost, IFRS 9 requires LAA to recognise at amortised cost and to then recognise expected credit losses based on historic experience and adjusted for reasonable and supportable forward-looking information such as management's assessment of likely recoveries. This assessment may be of individual assets (individual impairment) or of a portfolio of assets (collective impairment). An assessment of collective impairment is made of financial assets with similar risk characteristics. For these assets, LAA's previous experience of losses in each portfolio is used to estimate the degree of impairment on that asset class.

Where such an estimate is made, impairment provisions are made to reduce the carrying value of financial assets accordingly. LAA apply the 'simplified model' and recognise lifetime expected credit losses.

The measurement of expected credit loss involves complexity and judgement. Further detail on the valuation model used to generate this estimate and the actual impairments against LAA's receivables is included in Note 24 to these financial statements.

Default is determined by reference to one or more missed contractual payments but also includes arrangements in place to pay less than contractual payments, fraud and bankruptcy or other indicators. The areas in which management make estimations and assumptions are trade and other receivables (Note 17 and Note 24) and provisions for liabilities and charges (Note 20).

Critical judgements in applying accounting policies

LAA financial assets

The estimates and associated assumptions included within the financial statements are based on data held by LAA, historical experience and various other factors. These are believed to provide a reasonable basis on which the carrying values of assets and liabilities that are not readily apparent from other sources can be estimated.

The areas in which management make estimations and assumptions are trade and other receivables (Note 17 and Note 24) and provisions for liabilities and charges (Note 20).

SCAs

The classification of arrangements as SCAs requires MoJ to determine, based on an evaluation of the terms and conditions of the arrangements, whether it controls the infrastructure. Where MoJ is judged to control the infrastructure, the contract assets are reflected in the CSoFP.

2. Operating expenditure by operating segment

Under IFRS 8, operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker, that is, categorised according to business group.

The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Executive Committee. The segmental analysis presents the financial information based on the structure reported to the Executive Committee.

The segments are:

- centrally held – centrally managed budgets and the departmental unallocated provision
- policy and corporate services – departmental headquarters functions and the department's NDPBs
- HMCTS
- HMPPS
- other delivery agencies – LAA, OPG and CICA

The Executive Committee does not receive a CSoFP analysed by operating segment and therefore such an analysis is not presented here.

2. Operating expenditure by operating segment (continued)

						2023-24
	Centrally held	Policy and corporate services	HMCTS	HMPPS	Other delivery agencies	Gross total (pre-eliminations)
	£000	£000	£000	£000	£000	£000
Income						
Income from external customers	(1,160)	(117,997)	(62,640)	(242,482)	(59,036)	(483,315)
Internal MoJ income	-	(160,706)	(25)	-	(156)	(160,887)
Interest	-	(586)	(14)	-	-	(600)
EU grants	-	-	-	(40,818)	-	(40,818)
CFERs	(908)	(21,168)	-	-	-	(22,076)
Fee income	(355,296)	(29,999)	(745,028)	-	(114,890)	(1,245,213)
Total income	**(357,364)**	**(330,456)**	**(807,707)**	**(283,300)**	**(174,082)**	**(1,952,909)**
Expenditure						
Staff costs	2,155	829,495	700,908	3,294,506	137,983	4,965,047
Judiciary costs	101	10,484	678,174	-	-	688,759
Accommodation, maintenance and utilities	-	37,170	306,605	689,168	6,278	1,039,221
Offender related costs	-	-	-	746,433	-	746,433
Service concession charges	-	-	34,312	720,410	-	754,722
IT services and telecommunications (non-service concession arrangements)	696	207,299	232,323	34,148	288	474,754
Contracted probation services (CRCs)	-	-	-	96,388	-	96,388
Payments of grant-in-aid to MoJ NDPBs (eliminated on consolidation)	-	308,842	-	-	-	308,842

						2023-24
	Centrally held	Policy and corporate services	HMCTS	HMPPS	Other delivery agencies	Gross total (pre-eliminations)
	£000	£000	£000	£000	£000	£000
Cost of legal services and disbursements (civil)	-	-	-	-	7,592	7,592
Cost of legal services and disbursements (crime)	-	-	-	-	5,462	5,462
Provisions provided for in year	302,446	2,554	(10,397)	26,727	248,366	569,696
Legal aid funded provisions	-	-	-	-	2,142,419	2,142,419
Rentals under operating leases	-	93	14,678	1,945	241	16,957
Finance charges on leases and service concession arrangements	-	6,003	22,761	16,787	160	45,711
Current grants	-	303,631	25	4,892	-	308,548
Corporation tax	-	146	-	-	-	146
Corporate recharges	-	(644,245)	104,666	492,512	47,067	-
Depreciation	-	54,322	256,204	461,695	6,588	778,809
Amortisation	-	16,780	118,460	13,288	8,204	156,732
CSoCNE impairments	-	71	9,918	100,504	-	110,493
Individually immaterial items of expenditure	(1,005)	385,780	178,949	246,825	90,637	901,186
Total expenditure	**304,393**	**1,518,425**	**2,647,586**	**6,946,228**	**2,701,285**	**14,117,917**

						2022-23
	Centrally held	Policy and corporate services	HMCTS	HMPPS	Other delivery agencies	Gross total (pre-eliminations)
	£000	£000	£000	£000	£000	£000
Income						
Income from external customers	(858)	(131,906)	(57,557)	(218,920)	(57,580)	(466,821)
Internal MoJ income	-	(149,581)	-	-	-	(149,581)
Interest	-	(236)	-	-	-	(236)
EU grants	-	-	-	(32,821)	-	(32,821)
CFERs	-	(20,942)	-	-	-	(20,942)
Fee income	(353,238)	(30,001)	(725,128)	-	(85,100)	(1,193,467)
Total income	**(354,096)**	**(332,666)**	**(782,685)**	**(251,741)**	**(142,680)**	**(1,863,868)**
Expenditure						
Staff costs	4,824	729,521	656,936	3,054,332	117,605	4,563,218
Judiciary costs	21	10,458	631,745	-	-	642,224
Accommodation, maintenance and utilities	2	41,496	308,312	605,206	5,280	960,296
Offender related costs	-	-	-	619,766	-	619,766
Service concession charges	-	-	33,495	670,020	-	703,515
IT services and telecommunications (non-service concession arrangements)	5	228,101	226,790	32,934	582	488,412
Contracted probation services (CRCs)	-	-	-	69,876	-	69,876
Payments of grant-in-aid to MoJ NDPBs (eliminated on consolidation)	-	288,031	-	-	-	288,031
Cost of legal services and disbursements (civil)	-	-	-	-	6,420	6,420
Cost of legal services and disbursements (crime)	-	-	-	-	4,462	4,462

2022-23

	Centrally held	Policy and corporate services	HMCTS	HMPPS	Other delivery agencies	Gross total (pre-eliminations)
	£000	£000	£000	£000	£000	£000
Provisions provided for in year	(5,324)	3,253	(79,396)	(29,168)	197,130	86,495
Legal aid funded provisions	-	-	-	-	1,924,930	1,924,930
Rentals under operating leases	-	7,018	11,832	2,075	475	21,400
Finance charges on leases and service concession arrangements	-	7,018	14,734	12,268	194	34,214
Current grants	-	286,689	25	4,434	-	291,148
Corporation tax	-	45	-	-	-	45
Corporate recharges	-	(586,137)	84,568	452,265	49,304	-
Depreciation	-	49,026	238,747	395,186	4,657	687,616
Amortisation	-	14,997	75,639	9,717	6,947	107,300
CSoCNE impairments	-	-	262	(4,455)	1,014	(3,179)
Individually immaterial items of expenditure	11,908	400,834	120,600	274,852	70,676	878,870
Total expenditure	**11,436**	**1,480,350**	**2,324,289**	**6,169,308**	**2,389,676**	**12,375,059**

3. Revenue from contracts with customers

	2023-24		2022-23	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Fines receipts	385,295	385,295	383,239	383,239
Fee income	867,299	867,299	843,642	843,642
Victim surcharge	65,527	65,527	41,351	41,351
Legal aid - civil representation recoveries	14,535	14,535	14,141	14,141
Legal aid - criminal cases recoveries	23,791	23,791	21,989	21,989
Remand income	33,284	33,284	29,962	29,962
Income from NHS and other healthcare providers	66,400	66,400	59,779	59,779
Recoveries from other government departments	99,775	98,791	90,506	89,896
CICA income from the Scottish Government	19,345	19,345	19,143	19,143
External sales of prison industries	15,677	15,677	15,423	15,423
Retail prison shop income	81,464	81,464	72,187	72,187
In-cell TV income	1,831	1,831	1,560	1,560
Training	6,436	6,556	9,511	9,511
Compensation	5,678	5,320	4,629	4,629
Internal customers	2,549	2,549	1,736	1,736
Miscellaneous income	17,991	18,174	17,582	17,574
Revenue within MoJ's ambit	**1,706,877**	**1,705,838**	**1,626,380**	**1,625,762**
CFER receipts	975	22,076	1,552	20,942
Total	**1,707,852**	**1,727,914**	**1,627,932**	**1,646,704**

4. Other operating income

	2023-24		2022-23	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Rental income	18,767	18,634	31,270	31,270
European Social Fund and other European funding	40,818	40,818	32,821	32,821
Miscellaneous income	-	681	-	241
Total	**59,585**	**60,133**	**64,091**	**64,332**

5. Staff and judiciary costs

Staff costs

				2023-24	2022-23
	Permanently employed staff	**Other**	**Ministers**	**Total**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**
Wages and salaries	3,470,597	269,554	397	3,740,548	3,314,616
Social security costs	373,752	1,862	45	375,659	341,478
Other pension costs	791,846	30	-	791,876	888,611
Sub total	**4,636,195**	**271,446**	**442**	**4,908,083**	**4,544,705**
Early departure costs	45,052	-	-	45,052	25,268
Add inward secondments	12,974	12,814	-	25,788	13,960
Less recoveries in respect of outward secondments	(13,894)	-	-	(13,894)	(20,750)
Total net costs	**4,680,327**	**284,260**	**442**	**4,965,029**	**4,563,183**
Of which:					
Core department and agencies	4,453,347	247,444	442	4,701,233	4,303,449
NDPBs	226,980	36,816	-	263,796	259,734
Total	**4,680,327**	**284,260**	**442**	**4,965,029**	**4,563,183**

Judiciary costs

				2023-24	2022-23
	Senior judicial salaries	**Other judicial salaries**	**Fee-paid judiciary**	**Total**	**Total**
	£000	**£000**	**£000**	**£000**	**£000**
Wages and salaries	158,821	120,258	153,851	432,930	403,400
Social security costs	21,447	16,339	16,060	53,846	51,905
Other pension costs	81,320	62,916	57,747	201,983	186,919
Total	**261,588**	**199,513**	**227,658**	**688,759**	**642,224**

All judiciary costs are within the core department and agencies.

Staff and judiciary numbers and further details of related costs, including exit packages, are reported in the remuneration and staff report within the accountability section.

6. Purchase of goods and services

	2023-24		2022-23	
	Core department and agencies	Departmental group	Core department and agencies (reclassified)	Departmental group (reclassified)
	£000	£000	£000	£000
Lease/service concession charges:				
PFI service charges	598,179	598,179	566,928	566,928
Other service concession charges	156,543	156,543	136,587	136,587
Rentals under operating leases	16,563	16,604	21,378	21,400
Other services:				
Accommodation, maintenance and utilities	1,033,984	878,367	955,170	810,548
Communications, office supplies and services	65,524	67,304	57,791	59,264
Travel, subsistence and hospitality	69,368	73,679	57,568	61,098
Training and other staff related costs	70,144	74,689	99,024	103,516
IT services and telecommunications (non-service concession arrangements)	465,345	474,018	480,061	488,244
Professional services	101,819	105,743	83,182	87,816
Other contracted out services	162,760	173,165	152,414	160,274
Auditor's remuneration and expenses	-	584	-	521
Other legal aid service costs	-	7	-	61
Non-cash services:				
Auditor's remuneration and expenses	2,122	2,122	1,973	1,973
Total	**2,742,351**	**2,621,004**	**2,612,076**	**2,498,230**

Non-cash external auditors' remuneration and expenses represents the statutory audit fees of the core department and agencies. Refer to page 95 in the governance statement for details of total statutory audit fees for the group.

7. Depreciation, amortisation and impairment

	2023-24		2022-23	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Depreciation	774,242	778,809	684,114	687,616
Amortisation	153,674	156,732	104,463	107,300
Impairment of:				
Property, plant and equipment	105,838	105,838	(4,984)	(4,984)
Intangible assets	4,626	4,626	1,518	1,518
Right of use assets	(42)	29	287	287
Increase in receivables impairment	10,168	10,187	10,076	10,089
Total	**1,048,506**	**1,056,221**	**795,474**	**801,826**

8. Provision expense

	2023-24		2022-23	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Provisions provided in year net of release	568,261	569,696	85,751	86,495
Civil legal help and representation – solicitors' charges, counsel fees and disbursements	969,987	969,987	1,011,854	1,011,854
Criminal cases – solicitors' charges, counsel fees and disbursements	1,172,432	1,172,432	913,076	913,076
Total	**2,710,680**	**2,712,115**	**2,010,681**	**2,011,425**

Not included in the provisions expense note are employment tribunal refunds, which are charged against income, and dilapidations provisions which have been capitalised and added to right of use assets.

9. Net (gain)/loss on disposal of assets

	2023-24		2022-23	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Net (gain)/loss on disposal of:				
Property, plant and equipment	9,009	9,054	(11,356)	(11,349)
Intangible assets	2,969	2,972	-	24
Right of use assets	126	126	(93)	(93)
Assets held for sale	(10,054)	(10,054)	(1,301)	(1,301)
Total	**2,050**	**2,098**	**(12,750)**	**(12,719)**

10. Revaluation of non-current and financial assets charged to CSoCNE

	2023-24		2022-23	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
(Increase)/decrease in the valuation of:				
Property, plant and equipment	13,826	13,826	(14,406)	(14,406)
Intangible assets	(1)	(1)	(412)	(415)
Assets held for sale	25	25	(7)	(7)
Investments	143	143	(1)	(1)
Total	**13,993**	**13,993**	**(14,826)**	**(14,829)**

11. Other operating expenditure

	2023-24		2022-23	
	Core department and agencies	Departmental group	Core department and agencies (reclassified)	Departmental group (reclassified)
	£000	£000	£000	£000
Grants:				
Current	216,153	308,548	202,605	291,148
Capital	568	568	15,961	15,961
Criminal justice costs:				
Offender related costs	746,433	746,433	619,766	619,766
Youth offender costs	54,095	54,095	45,739	45,739
Contracted probation services	96,388	96,388	69,876	69,876
Judicial and juror costs	66,163	66,163	57,239	57,239
Cost of legal services and disbursements (civil)	7,592	7,592	6,420	6,420
Cost of legal services and disbursements (crime)	5,462	5,462	4,462	4,462
Cost from Central Funds	17,517	17,517	13,967	13,967
Compensation payments	39,042	39,042	31,116	31,116
Other administrative expenditure	18,544	19,118	13,424	13,601
Other programme costs	89,008	179,731	103,743	188,496
Grant-in-aid to NDPBs	329,943	-	307,609	-
Non-cash operating expense:				
Corporate notional overhead charge	(4,315)		(3,722)	-
Other pension costs	614	614	541	541
Other non-cash	5,594	5,596	4,268	4,259
Total	**1,688,801**	**1,546,867**	**1,493,014**	**1,362,591**

12. Finance expense

	2023-24		2022-23	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Finance charges on leases and service concession arrangements	45,592	45,711	34,133	34,214
Local authority loan interest	561	561	727	727
Non-cash finance expense:				
Net interest on pension schemes	(13,706)	(13,338)	42,262	48,520
Total	**32,447**	**32,934**	**77,122**	**83,461**

Finance charges under PFI and leased asset costs have arisen due to certain PFI loans now being measured under IFRS 16 principles.

13. Property, plant and equipment

Departmental group 2023-24

	Land	Buildings	Dwellings	Information technology	Plant and equipment	Furniture, fixtures and fittings	Payments on account and assets under construction	Total
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Cost or valuation								
At 1 April 2023	**1,800,061**	**10,593,560**	**45,632**	**711,062**	**577,597**	**45,119**	**1,771,703**	**15,544,734**
Additions	1,942	20,025	-	47,209	15,483	1,705	1,194,012	1,280,376
Disposals	-	(670)	-	(219,713)	(16,007)	(1,229)	(1,664)	(239,283)
Reclassifications	337	924,421	209	44,475	10,912	999	(983,357)	(2,004)
Restatements	-	-	-	-	-	-	-	-
Revaluations	(53,106)	(467,146)	(101)	7,404	13,922	1,206	-	(497,821)
Transfers	-	(207)	-	-	42	(42)	-	(207)
Impairments	532	(105,289)	(38)	-	-	-	(1,279)	(106,074)
At 31 March 2024	**1,749,766**	**10,964,694**	**45,702**	**590,437**	**601,949**	**47,758**	**1,979,415**	**15,979,721**
Depreciation								
At 1 April 2023	**-**	**(3,406)**	**(2)**	**(510,993)**	**(384,866)**	**(33,907)**	**-**	**(933,174)**
Charged in year	(640)	(502,800)	(863)	(75,981)	(44,331)	(1,942)	-	(626,557)
Disposals	-	263	2	219,672	15,073	754	-	235,764
Reclassifications	-	407	-	-	(2)	2	-	407
Restatements	-	-	-	-	-	-	-	-
Revaluations	629	503,327	857	(4,816)	(10,142)	(838)	-	489,017
Impairments	11	225	-	-	-	-	-	236
At 31 March 2024	**-**	**(1,984)**	**(6)**	**(372,118)**	**(424,268)**	**(35,931)**	**-**	**(834,307)**
Carrying amount at 31 March 2024	**1,749,766**	**10,962,710**	**45,696**	**218,319**	**177,681**	**11,827**	**1,979,415**	**15,145,414**
Carrying amount at 1 April 2023	**1,800,061**	**10,590,154**	**45,630**	**200,069**	**192,731**	**11,212**	**1,771,703**	**14,611,560**

	Land	Buildings	Dwellings	Information technology	Plant and equipment	Furniture, fixtures and fittings	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Asset financing								
Owned	1,585,216	9,036,063	45,696	218,319	131,410	11,827	1,979,415	13,007,946
Finance leased	-	-	-	-	46,271	-	-	46,271
On-balance sheet PFI and other SCAs	164,550	1,926,647	-	-	-	-	-	2,091,197
Carrying amount at 31 March 2024	**1,749,766**	**10,962,710**	**45,696**	**218,319**	**177,681**	**11,827**	**1,979,415**	**15,145,414**
Of the total								
Core department and agencies	1,749,766	10,960,498	45,696	216,593	177,675	10,446	1,978,582	15,139,256
NDPBs	-	2,212	-	1,726	6	1,381	833	6,158
Carrying amount at 31 March 2024	**1,749,766**	**10,962,710**	**45,696**	**218,319**	**177,681**	**11,827**	**1,979,415**	**15,145,414**

Seven prisons are run by private sector operators under manage and maintain contracts. Assets covered by these contracts are reported as 'on-balance sheet PFI and other SCAs' in accordance with IFRIC 12 Service Concession Arrangements. Further details relating to these SCAs are disclosed in Note 21.

Per Note 1b, Critical accounting estimates and judgements, the split of property value at 31 March 2024 by valuation basis is shown in the table below.

Property values at 31 March 2024	**£000**
Property values at depreciated replacement cost	11,648,567
Property values at existing use value	813,759
Properties at market value	127,192
Leasehold improvements (not professionally valued)	73,228
Land attached to buildings within assets under construction	59,800
Surplus assets (not professionally valued)	5,323
Other assets (not professionally valued)	30,303
Total	**12,758,172**
Costs included within property, plant and equipment note	
Land excluding dwellings	1,749,766
Buildings excluding dwellings	10,962,710
Dwellings	45,696
Total	**12,758,172**

Assets under construction will not be valued until ready to be made live and are therefore excluded from the analysis by valuation type.

Departmental group 2022-23

	Land	Buildings	Dwellings	Information technology	Plant and equipment	Furniture, fixtures and fittings	Payments on account assets under construction	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cost or valuation								
At 1 April 2022	**1,782,971**	**9,835,001**	**53,533**	**615,062**	**500,931**	**39,523**	**1,212,460**	**14,039,481**
Additions	1,200	40,443	-	47,268	14,725	(112)	1,035,646	1,139,170
Disposals	(5,250)	(11,582)	-	(9,382)	(15,005)	(452)	13	(41,658)
Reclassifications	(5,198)	381,173	(301)	38,864	18,138	2,094	(468,025)	(33,255)
Restatements	-	(18)	-	-	(13)	-	-	(31)
Revaluations	26,625	335,746	(7,600)	19,030	58,992	4,066	-	436,859
Transfers	-	-	-	54	-	-	(870)	(816)
Impairments	(287)	12,797	-	166	(171)	-	(7,521)	4,984
At 31 March 2023	**1,800,061**	**10,593,560**	**45,632**	**711,062**	**577,597**	**45,119**	**1,771,703**	**15,544,734**
Depreciation								
At 1 April 2022	**-**	**(1,955)**	**(12)**	**(448,000)**	**(317,221)**	**(29,548)**	**-**	**(796,736)**
Charged in year	(528)	(444,010)	(825)	(57,980)	(37,821)	(1,752)	-	(542,916)
Disposals	-	919	-	9,068	13,361	438	-	23,786
Reclassifications	-	(737)	5	(335)	(25)	25	-	1,067
Restatements	-	9	-	2	7	(1)	-	17
Revaluations	528	442,368	830	(13,748)	(43,167)	(3,069)	-	383,742
At 31 March 2023	**-**	**(3,406)**	**(2)**	**(510,993)**	**(384,866)**	**(33,907)**	**-**	**(933,174)**
Carrying amount at 31 March 2023	**1,800,061**	**10,590,154**	**45,630**	**200,069**	**192,731**	**11,212**	**1,771,703**	**14,611,560**
Carrying amount at 1 April 2022	**1,782,971**	**9,833,046**	**53,521**	**167,062**	**183,710**	**9,975**	**1,212,460**	**13,242,745**

	Land	Buildings	Dwellings	Information technology	Plant and equipment	Furniture, fixtures and fittings	Payments on account assets under construction	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Asset financing								
Owned	1,635,508	8,660,578	45,630	200,069	146,460	11,212	1,771,703	12,471,160
Finance leased	-	-	-	-	46,271	-	-	46,271
On-balance sheet PFI and other SCAs	164,553	1,929,576	-	-	-	-	-	2,094,129
Carrying amount at 31 March 2023	**1,800,061**	**10,590,154**	**45,630**	**200,069**	**192,731**	**11,212**	**1,771,703**	**14,611,560**
Of the total								
Core department and agencies	1,800,061	10,589,414	45,630	198,984	192,724	11,073	1,770,533	14,608,419
NDPBs	-	740	-	1,085	7	139	1,170	3,141
Carrying amount at 31 March 2023	**1,800,061**	**10,590,154**	**45,630**	**200,069**	**192,731**	**11,212**	**1,771,703**	**14,611,560**

Property values at 31 March 2023	**£000**
Property values at depreciated replacement cost	11,287,143
Property values at existing use value	854,631
Properties at market value	29,353
Total	**12,171,126**

The above does not include leasehold improvements as these are not professionally valued by the Valuation Office Agency. Also reported here are land assets associated with buildings that are not ready for use. The building elements are reported within assets under construction. Assets under construction will not be valued until ready to be made live and are therefore excluded from the analysis by valuation type.

14. Right of use leased assets

Departmental group 2023-24

	Land	Buildings	Dwellings	Information technology	Total
	£000	£000	£000	£000	£000
Cost or valuation					
At 1 April 2023	**1,246,280**	**413,955**	**-**	**-**	**1,660,235**
Additions	33,361	29,868	3,943	4,749	71,921
Disposals	(4,557)	(3,227)	-	-	(7,784)
Reclassifications	-	(340)	-	-	(340)
Remeasurements	-	(15)	-	-	(15)
Revaluations	(10,584)	6,724			(3,860)
Transfers	(2,317)	205	-	-	(2,112)
Impairments	-	(29)	-	-	(29)
At 31 March 2024	**1,262,183**	**447,141**	**3,943**	**4,749**	**1,718,016**
Depreciation					
At 1 April 2023	**(160,268)**	**(94,876)**	**-**	**-**	**(255,144)**
Charged in year	(90,777)	(60,653)	(246)	(402)	(152,078)
Disposals	4,557	3,135	-	-	7,692
Reclassifications	-	245			245
Remeasurements	-	15	-	-	15
Revaluations	4,482	1,347	-	-	5,829
Transfers	2,317	-	-	-	2,317
At 31 March 2024	**(239,689)**	**(150,787)**	**(246)**	**(402)**	**(391,124)**
Carrying amount at 31 March 2024	**1,022,494**	**296,354**	**3,697**	**4,347**	**1,326,892**
Carrying amount at 1 April 2023	**1,086,012**	**319,079**	**-**	**-**	**1,405,091**
Of the total					
Core department and agencies	1,022,494	283,613	3,697	4,347	1,314,151
NDPBs	-	12,741	-	-	12,741
Carrying amount at 31 March 2024	**1,022,494**	**296,354**	**3,697**	**4,347**	**1,326,892**

The group's lease contracts comprise leases of operational land and buildings. A maturity analysis of lease liabilities is given within Note 19, Trade payables.

Departmental group 2022-23

	Land	Buildings	Total
	£000	£000	£000
Cost or valuation			
At 1 April 2022	**1,207,527**	**347,280**	**1,554,807**
Additions	34,016	90,108	124,124
Disposals	(925)	(6,421)	(7,346)
Reclassifications	(2,960)	(16,709)	(19,669)
Remeasurements	-	37	37
Revaluations	8,622	(53)	8,569
Impairments	-	(287)	(287)
At 31 March 2023	**1,246,280**	**413,955**	**1,660,235**
Depreciation			
At 1 April 2022	**(79,374)**	**(42,927)**	**(122,301)**
Charged in year	(88,348)	(56,352)	(144,700)
Disposals	781	195	976
Reclassifications	-	(263)	(263)
Remeasurements	-	(15)	(15)
Revaluations	6,673	4,486	11,159
At 31 March 2023	**(160,268)**	**(94,876)**	**(255,144)**
Carrying amount at 31 March 2023	**1,086,012**	**319,079**	**1,405,091**
Carrying amount at 1 April 2022	**1,128,153**	**304,353**	**1,432,506**
Of the total			
Core department and agencies	1,086,012	305,216	1,391,228
NDPBs	-	13,863	13,863
Carrying amount at 31 March 2023	**1,086,012**	**319,079**	**1,405,091**

On 30 September 2022, MoJ transferred the headlease of its main headquarters building, 102 Petty France, to the Government Property Agency, along with subleasing arrangements that MoJ had previously with other organisations, leasing back a smaller portion of the building from the Government Property Agency.

Amounts recognised in the Consolidated Statement of Comprehensive Net Expenditure

	2023-24		2022-23	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Sub-leasing income	-	-	-	-
Depreciation	122,240	125,511	92,320	94,458
Interest expense	17,485	17,621	11,636	11,742
Low value and short term leases	1,187	3,064	6,138	6,201
Non-recoverable VAT	33,308	33,308	11,965	11,965
Total	**174,220**	**179,504**	**122,059**	**124,366**

Amounts recognised in the Statement of Cash Flows

	2023-24		2022-23	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Right of use assets	1,295	1,996	1,758	1,780
Interest expense	17,485	17,602	11,636	11,742
Repayment of principal on leases	112,911	114,397	85,851	87,444
Total	**131,691**	**133,995**	**99,245**	**100,966**

15. Intangible assets

Departmental group 2023-24

	Software licences	Information technology	Internally generated software	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000
Cost or valuation					
At 1 April 2023	**60,302**	**459,518**	**942,121**	**156,475**	**1,618,416**
Additions	(3)	9,705	96	111,248	121,046
Disposals	(1,315)	(164,492)	(12,987)	(28)	(178,822)
Reclassifications	1,796	25,574	87,481	(113,584)	1,267
Revaluations	688	3,562	15,029	-	19,279
Transfers	-	-	-	(2)	(2)
Impairments	-	-	-	(4,626)	(4,626)
At 31 March 2024	**61,468**	**333,867**	**1,031,740**	**149,483**	**1,576,558**
Amortisation					
At 1 April 2023	**(46,555)**	**(405,186)**	**(444,688)**	**-**	**(896,429)**
Charged in year	(5,851)	(18,355)	(132,700)	-	(156,906)
Disposals	1,312	161,560	12,978	-	175,850
Reclassifications	-	1,976	(1,976)	-	-
Revaluations	(576)	(2,954)	(7,268)	-	(10,798)
At 31 March 2024	**(51,670)**	**(262,959)**	**(573,654)**	**-**	**(888,283)**
Carrying amount at 31 March 2024	**9,798**	**70,908**	**458,086**	**149,483**	**688,275**
Carrying amount at 1 April 2023	**13,747**	**54,332**	**497,433**	**156,475**	**721,987**
Asset financing					
Owned	9,798	70,908	458,086	149,483	688,275
Carrying amount at 31 March 2024	**9,798**	**70,908**	**458,086**	**149,483**	**688,275**
Of the total					
Core department and agencies	9,538	69,015	455,271	149,615	683,439
NDPBs	260	1,893	2,815	(132)	4,836
Carrying amount at 31 March 2024	**9,798**	**70,908**	**458,086**	**149,483**	**688,275**

Departmental group 2022-23

	Software licences	Information technology	Internally generated software	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000
Cost or valuation					
At 1 April 2022	**60,707**	**443,001**	**752,684**	**177,454**	**1,433,846**
Additions	758	2,558	4,119	99,855	107,290
Disposals	(422)	31	(4,369)	(6)	(4,766)
Reclassifications	(2,237)	1,983	169,735	(120,027)	49,454
Revaluations	1,496	11,845	19,952	-	33,293
Transfers	-	-	-	817	817
Impairments	-	100	-	(1,618)	(1,518)
At 31 March 2023	**60,302**	**459,518**	**942,121**	**156,475**	**1,618,416**
Amortisation					
At 1 April 2022	**(41,229)**	**(378,993)**	**(350,531)**	**-**	**(770,753)**
Charged in year	(5,045)	(15,366)	(86,889)	-	(107,300)
Disposals	391	(32)	4,381	-	4,740
Reclassifications	540	(239)	34	-	335
Revaluations	(1,212)	(10,556)	(11,683)	-	(23,451)
At 31 March 2023	**(46,555)**	**(405,186)**	**(444,688)**	**-**	**(896,429)**
Carrying amount at 31 March 2023	**13,747**	**54,332**	**497,433**	**156,475**	**721,987**
Carrying amount at 1 April 2022	**19,478**	**64,008**	**402,153**	**177,454**	**663,093**
Asset financing					
Owned	13,747	54,332	497,433	156,475	721,987
Carrying amount at 31 March 2023	**13,747**	**54,332**	**497,433**	**156,475**	**721,987**
Of the total					
Core department and agencies	13,311	52,928	492,436	156,350	715,025
NDPBs	436	1,404	4,997	125	6,962
Carrying amount at 31 March 2023	**13,747**	**54,332**	**497,433**	**156,475**	**721,987**

At 31 March 2024 and 31 March 2023 there were no individually material intangible assets.

16. Assets held for sale

	31 March 2024		31 March 2023	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Balance at 1 April	**9,115**	**9,115**	**6,465**	**6,465**
Reclassifications	425	425	4,464	4,464
Disposals	(6,636)	(6,636)	(1,312)	(1,312)
Revaluations	(189)	(189)	(502)	(502)
Balance at 31 March	**2,715**	**2,715**	**9,115**	**9,115**

HMPPS has committed to a plan to sell surplus properties, which are to be sold for commercial use and domestic dwellings. These sites have a combined value of £2.5 million (2022-23: £9.1 million).

As part of an ongoing court rationalisation review, HMCTS sold a number of surplus properties (land and buildings) that were previously used to provide court services. These sites had a combined net book value at 31 March 2023 of £0.2 million.

17. Trade and other receivables

	31 March 2024		31 March 2023	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Amounts falling due within one year				
Trade receivables	46,031	46,150	66,265	66,442
Other receivables	158,651	159,613	168,442	170,189
Contributions due from funded clients	994	994	959	959
Statutory charge and interest	11,286	11,286	11,380	11,380
Amounts due from service providers	25,739	25,739	28,812	28,812
VAT receivables	77,543	78,413	72,448	72,448
Deposits and advances	101	295	38	100
Prepayments and accrued income	135,786	139,124	149,550	151,275
Intra-departmental receivables	434	-	1,279	-
Other	-	-	-	-
Current total	**456,565**	**461,614**	**499,173**	**501,605**
Amounts falling due after more than one year				
Sub-leasing receivables	-	-	-	-
Other receivables	32,469	32,469	32,789	32,789
Prepayments and accrued income	514	515	719	723
Contributions due from funded clients	3,337	3,337	4,420	4,420
Statutory charge and interest	85,647	85,647	84,326	84,326
Non-current total	**121,967**	**121,968**	**122,254**	**122,258**
Total	**578,532**	**583,582**	**621,427**	**623,863**

The above includes a receivables impairment provision of £247.3 million (2022-23: £247.8 million) for LAA. For further detail regarding the LAA impairment provision refer to Note 24.

Other receivables includes £96.3 million (2022-23: £103.8 million) due from HMCTS in respect of fines and penalties imposed by the criminal justice system, as disclosed in the HMCTS Trust Statement.

18. Cash and cash equivalents

	31 March 2024		31 March 2023	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Balance at 1 April	**302,793**	**359,382**	**181,685**	**222,894**
Net change in cash and cash equivalents	33,670	19,202	121,108	136,488
Balance at 31 March	**336,463**	**378,584**	**302,793**	**359,382**
Of which:				
Government Banking Service	299,453	328,103	271,663	302,693
Commercial banks and cash in hand	37,010	50,481	31,130	56,689
Total	**336,463**	**378,584**	**302,793**	**359,382**

18.1 Reconciliation of liabilities arising from financing activities

IAS 7 requires an entity to provide disclosures that enabled users of the financial statements to evaluate changes in liabilities arising from financing activities, including both cash and non-cash changes.
The table below provides a breakdown of movements in liabilities arising from financing activities.

Departmental group

	Opening liabilities at 1 April 2023	Cash flows (out)/in	Interest charged	Capital repayment	Interest paid	IFRS16 and other adjustments	Closing liabilities at 31 March 2024
	£000	£000	£000	£000	£000	£000	£000
Capital element of finance leases and on-balance sheet PFI contracts	-	(187,167)	-	187,167	-	-	-
Repayment of local authority loans	-	(345)	-	345	-	-	-
Interest paid	-	(46,272)	(46,272)	-	46,272	-	-
Long-term borrowings	19,222	-	701	(345)	(701)	-	18,877
Lease liabilities	1,498,014	-	20,479	(149,868)	(20,479)	78,608	1,426,754
PFI and SCA liabilities	279,172	-	25,092	(37,299)	(25,092)	(6,653)	235,220
Total	**1,796,408**	**-**	**46,272**	**(187,512)**	**(46,272)**	**71,955**	**1,680,851**

Departmental group

	Opening liabilities at 1 April 2022	Cash flows (out)/in	Interest charged	Capital repayment	Interest paid	IFRS16 and other adjustments	Closing liabilities at 31 March 2023
	£000	£000	£000	£000	£000	£000	£000
Capital element of finance leases and on-balance sheet PFI contracts	-	(177,796)	-	177,796	-	-	-
Repayment of local authority loans	-	(1,529)	-	1,529	-	-	-
Interest paid	-	(34,941)	(34,941)	-	34,941	-	-
Long-term borrowings	20,751	-	746	(1,529)	(746)	-	19,222
Lease liabilities	1,596,864	-	20,014	(139,329)	(20,014)	40,479	1,498,014
PFI and SCA liabilities	317,639	-	14,181	(38,467)	(14,181)	-	279,172
Total	**1,935,254**	**-**	**34,941**	**(179,325)**	**(34,941)**	**40,479**	**1,796,408**

19. Trade payables and other financial liabilities

19.1 Payables

	31 March 2024		31 March 2023	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Amounts falling due within one year				
Trade payables	131,555	139,113	119,634	127,295
Taxation and social security	86,899	91,363	82,106	88,098
Capital payables	156,066	156,080	195,521	195,548
Other payables	108,074	109,237	102,435	103,352
Accruals	706,166	722,502	775,618	792,937
Deferred income	93,636	95,426	95,549	95,773
Amounts due to solicitors, counsel and advice agencies	72,970	72,970	70,875	70,875
Contribution refunds to funded clients	2,065	2,065	2,048	2,048
Creditor for pension transfer deficit: amounts payable to LGPS	-	-	-	-
Amounts issued from the Consolidated Fund for supply but not spent at year end	315,295	315,295	283,368	283,368
CFERs due to be paid to the Consolidated Fund:				
- received	21,168	21,168	19,425	19,425
- receivable	-	-	-	-
Intra-departmental payables	44,767	-	33,711	-
Current total	**1,738,661**	**1,725,219**	**1,780,290**	**1,778,719**
Amounts falling due after more than one year				
Local authority loan balances	18,877	18,877	19,222	19,222
Deferred income	-	404	-	911
Other payables	12,070	12,502	18,134	18,181
Non-current total	**30,947**	**31,783**	**37,356**	**38,314**
Total	**1,769,608**	**1,757,002**	**1,817,646**	**1,817,033**

19.2 Other financial liabilities

	31 March 2024		31 March 2023	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Amounts falling due within one year				
Lease incentive creditors	87	87	87	87
Lease liabilities	135,435	137,895	131,537	133,880
Imputed finance lease element of on-balance sheet PFI contracts	36,969	36,969	35,836	35,836
Other	-	-	-	-
Current total	**172,491**	**174,951**	**167,460**	**169,803**
Amounts falling due after more than one year				
Lease liabilities	1,278,078	1,288,859	1,352,193	1,364,134
Imputed finance lease element of on-balance sheet PFI contracts	198,251	198,251	243,336	243,336
Other	-	-	-	-
Non-current total	**1,476,329**	**1,487,110**	**1,595,529**	**1,607,470**
Total	**1,648,820**	**1,662,061**	**1,762,989**	**1,777,273**

20. Provisions for liabilities and charges

	2023-24		2022-23	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Balance at 1 April	**1,580,660**	**1,585,713**	**1,611,695**	**1,616,040**
Provided in the year	2,769,908	2,774,196	2,213,725	2,215,444
Provisions not required written back	(55,567)	(57,442)	(195,626)	(196,437)
Provisions utilised in the year	(2,273,805)	(2,274,367)	(2,047,896)	(2,048,096)
Borrowing costs (unwinding of discount)	5,061	5,061	(1,238)	(1,238)
Balance at 31 March	**2,026,257**	**2,033,161**	**1,580,660**	**1,585,713**
Analysis of expected timing of discounted cash flows				
Not later than one year	1,204,194	1,209,135	1,076,090	1,079,836
Later than one year but not later than five years	616,267	617,952	275,952	277,186
Later than five years	205,796	206,074	228,618	228,691
Balance at 31 March	**2,026,257**	**2,033,161**	**1,580,660**	**1,585,713**

Provisions by type

												2023-24
	Judicial Service Award	Injury benefit scheme	Early departure costs	Costs from Central Funds	Legal claims	Repayment schemes (OPG and HMCTS)	CICA pre-tariff scheme	CICA tariff scheme	Leasehold dilapidations	LAA outstanding balances on funded cases	Other	Total
	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2023	**117,496**	**108,528**	**58,597**	**28,731**	**142,711**	**14,916**	**688**	**169,210**	**88,061**	**830,311**	**26,464**	**1,585,713**
Provided in the year	18,679	5,297	-	38,672	349,749	23	448	210,519	6,159	2,142,418	2,232	2,774,196
Not required and written back	-	(2,348)	(1,451)	(-)	(35,590)	(8,399)	(15)	(459)	(2,297)	-	(6,883)	(57,442)
Utilised in the year	(14,156)	(6,592)	(4,648)	(46,489)	(28,169)	(1,007)	(385)	(134,677)	174	(2,036,859)	(1,559)	(2,274,367)
Reclassifications between provisions categories	-	-	-	-	-	-	-	-	-	-	-	-
Borrowing costs (unwinding of discount)	(1,000)	-	2,217	-	(1,960)	-	-	5,804	-	-	-	5,061
Balance at 31 March 2024	**121,019**	**104,885**	**54,715**	**20,914**	**426,741**	**5,533**	**736**	**250,397**	**92,097**	**935,870**	**20,254**	**2,033,161**
Analysis of expected timing of discounted cash flows												
Not later than one year	22,800	6,408	4,501	20,914	27,323	2,106	736	160,034	24,470	935,870	4,173	1,209,335
Later than one year but not later than five years	63,200	23,121	15,545	-	394,300	3,427	-	90,363	21,661	-	6,335	617,952
Later than five years	35,019	75,356	34,669	-	5,118	-	-	-	45,966	-	9,746	205,874
Balance at 31 March 2024	**121,019**	**104,885**	**54,715**	**20,914**	**426,741**	**5,533**	**736**	**250,397**	**92,097**	**935,870**	**20,254**	**2,033,161**

Judicial Service Award and fee-paid judicial claims

The Judicial Service Award (JSA) was created to equalise the tax position of judicial pensions affected by the provisions of the Finance Act 2004. Following the introduction of the Fee-Paid Judicial Pensions Scheme on 1 April 2017, the provision held for JSAs covers the liability to both salaried and fee-paid judges. The provision is calculated by the Government Actuary's Department, taking into account the number of reckonable years served by the existing judiciary and the projected final salaries or fee earnings of existing members. JSA benefits ceased to accrue on 31 March 2022, as a result of the introduction of the Reformed 2022 JPS. JSAs accrued before that date remain the liability of MoJ and where members continue in active service remain linked to salaries or fee-rates at retirement.

The JSA provision takes into account liabilities arising from recent litigation. In November 2018 the Court of Justice of the European Union extended the period of service to be taken into account in calculating pensions for eligible fee-paid judges, and in December 2019 the UK Supreme Court ruled that the time limit to make a pension claim ran from three months from the date of retirement rather than from the end of fee-paid service, thereby extending the number of potential eligible claimants.

In June 2019, the Supreme Court refused the government permission to appeal the McCloud and Sergeant cases, which decided that the transitional protection provisions in the Judicial Pension Scheme (JPS) 2015 Regulations were unlawful on grounds of age discrimination.

The JSA provision of £121.0 million can be analysed as follows:

	£m
Salaried judicial office holders	52.1
Fee-paid judicial office holders	22.4
Transitional protection	35.0
Length of service protection	11.5
Total	**121.0**

Sensitivity analysis

A sensitivity analysis for the JSA provision was undertaken by the Government Actuary's Department to identify the impact of changes in the assumptions used to calculate the liability as at 31 March 2024. Each change is shown separately to enable the reader to understand the impact that an adjustment would have on the accounts. The following assumptions are used in the calculation of this provision.

1. Discount rate: The liability is accounted for under ***IAS 37 Provisions, Contingent Liabilities and Contingent Assets*** and uses the general provisions discount rate as published by HM Treasury. The discount rate is used to calculate the present value of expected future cash flows. The sensitivity analysis shows the impact of a +0.5% change in the discount rate for the short term, medium term and long term. A +0.5% change in the rate which would result in a reduction in the liability of 1.5% or £1.1 million.

2. (Long-term) salary increase: A long-term salary increase of CPI +1.0% per annum is used to calculate the provision. This is in keeping with the JPS resource accounts. The sensitivity analysis shows the impact of a +0.5% change in the earnings assumptions which would result in an increase in the liability of 2.5% or £1.9 million.

3. Post-employment rates: This sensitivity shows the impact of calculating the provision using the post-employment benefits discount rate of 5.10% rather than the general provisions rates. Using the post-employment rate would have a negligible impact on the liability.

4. Retirement age: This is the unweighted average age at which members are assumed to retire on grounds other than ill health in each of the JPSs. A one-year increase in the retirement age assumption would result in a reduction in the liability of 1.0% or £0.7 million.

5. Inflation: A service award is paid when a member retires and is dependent on the earnings assumptions but not inflation.

	Approximate effect on total liability	
Change in assumption	**%**	**£m**
1. Discount rate: +0.5% per annum	-1.5	-1.1
2. (Long-term) salary increase: +0.5% per annum	+2.5	+1.9
3. Post-employment rates	0.0	0.0
4. Retirement age: all members retire 1 year later	-1.0	-0.7
5. Inflation: +0.5% per annum	Nil	Nil

MoJ was required to compensate eligible retired fee-paid judges for the additional pension benefits due, including interest where applicable, until the JPS was amended by legislation to allow full benefits to be paid from the scheme. The scheme was amended on 1 April 2023 and the remaining payments will be made by JPS. MoJ has retained a provision of £1.9 million for compensation of an interest like nature which is not payable by JPS. This is included within the total for 'other provisions'.

Injury benefits scheme

HMPPS meets the costs of the Civil Service Injury Benefit Scheme for payments granted under the scheme after 1 April 1998. The scheme pays benefits to any PCSPS member who suffers disease or injury, which is wholly or partially attributable to the nature of their duty, or who suffers an attack or similar act which is directly attributable to employment within the service. Benefits are paid only in respect of loss of earning capacity, and a provision is made for expected future costs. The Government Actuary's Department provides HMPPS with annuity rates each year covering whole of life (for total liability value), one year and one to five years (for cash flow values). These assumptions take the time value of money into account.

Early departure costs

The department meets the additional costs of benefits beyond normal PCSPS benefits for employees who retire early. This involves paying amounts determined by the pension administrator annually to PCSPS over the period between early departure and normal retirement date. The department provides for this in full when the early retirement programme becomes binding on the department by establishing a provision for the estimated payments discounted at the HM Treasury nominal rate of 5.10% (2022-23: 4.15%).

Costs from Central Funds

Under the terms of the Prosecution of Offences Act 1985, acquitted defendants who have applied for legal aid and been found ineligible may, in limited circumstances, obtain an order from the Crown Court to recover their costs. LAA estimates the value of unbilled costs to arrive at the amount disclosed in the accounts as a provision. The amount is an estimate of the expenditure required to settle any obligation at the reporting period end date.

Legal claims

Provision has been made for all known claims where legal advice indicates that it is more likely than not that the claim will be successful, and the amount of the claim can be reliably estimated. The figures represent the best estimate of the amount payable. In 2023-24, a provision of £300 million has been made for judicial claims. The value of the provision represents the best estimate of the amount payable, however as they are ongoing claims there remains uncertainty about the timing and amount of any potential outflows. Legal claims which are likely to succeed with a lesser degree of certainty or cannot be estimated reliably are disclosed as contingent liabilities in Note 26.

CICA pre-tariff schemes

The pre-tariff scheme provision reflects CICA's liabilities in respect of all outstanding cases incurred prior to 1996 which remain to be settled in future years. In accordance with CICA's accounting policies, 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. 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 First-Tier Tribunal 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.

CICA 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. The overall liability for the tariff scheme is £285.8 million with £250.4 million included in this provisions note and £35.4 million included as a tariff scheme accrual within Note 19 (31 March 2023: £169.2 million and £36.5 million). 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.

- 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.
- 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.

- On offer not accrued: 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 number of remaining live cases for the pre-2012 schemes is low and decreasing. As at 31 March 2024, the provision model has therefore been adjusted to estimate value based on operational judgments around the likely compensation for each individual case, with an adjustment for likely changes to currently assessed values on appeal, which is calculated based on appeal rates for cases resolved in the past three years.

The following assumptions underpin the provision for post-2012 tariff schemes:

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 CSoCNE.

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	3.2
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.

Tariff schemes sensitivity analysis

A sensitivity analysis for the tariff provision has been undertaken to identify the impact of any changes to key assumptions. Each assumption within the provision model has been identified, a reasonable change 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 but 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 alternative	(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 years	(100)	(4,416)	(4,516)

Leasehold dilapidations

Dilapidation costs are an estimate of the expenditure required to return vacated leased buildings to their original condition as at the date of commencement of the lease. The movement in the year is as a result of updated information relating to property vacations, new properties leased during the year, and changes in the cost per square metre of the properties leased due to the general market conditions' impact on prices.

LAA outstanding balances on funded cases

The LAA funds legal aid across four main schemes: civil representation, legal help, crime higher and crime lower. Provisions for work in progress on funded cases, by scheme category, are as follows:

At 31 March 2024	£000
Civil representation	296,252
Legal help	54,647
Crime lower	50,780
Crime higher	534,191
Total	**935,870**

At any point in time there will be unbilled costs for each of these schemes, pertaining to live cases. The value of unbilled work and costs is estimated each year using complex models and based on the latest data available. The resulting work in progress (WIP) provisions are estimates of the expenditure required to settle any obligation in existence at the end of the reporting period. As per ***IAS 37 Provisions, Contingent Liabilities and Contingent Assets***, WIP liabilities are recognised as provisions, rather than as payables, due to the measurement uncertainty.

As all liabilities for funded cases are expected to be settled within the next 12 months, no discounting of provisions for the time value of money is applied.

In recognition of the uncertainty inherent in estimates, a sensitivity analysis is performed for each major class of funded WIP provision. Reasonable changes are made to the key assumptions in the models and the impact on the final WIP balance calculated. Assumptions have been changed to either represent those that would have been used by the model based on historical data trends or flexed by a percentage that is considered appropriate by management to show the impact on the provision. For each assumption that is being analysed for sensitivity, only that assumption is changed: if two or more assumptions are changed at one time, the actual sensitivity of a change in assumption is obscured because of the potential interaction between the assumptions.

Overarching assumptions

Underlying the estimates of liabilities for unbilled work across all of the legal aid funding schemes, and Central Funds, is the modelling assumption that costs accrue at a constant rate throughout the lifetime of cases. This is a simplifying modelling assumption. In reality, it is accepted that costs are generally concentrated towards the beginning and the end of legal matters. LAA have demonstrated, however, that over a sufficiently large population of cases, this concentration of costs averages out to be equivalent to the assumption used within the modelling, that costs accrue at a constant rate.

Further information on the assumptions for the civil representation and crime higher provisions, which are material to the MoJ financial statements, is provided below. Equivalent information for the legal help and crime lower provisions is available in LAA's annual report and accounts.

Civil representation: sensitivity analysis

The civil representation work in progress provision is calculated on a case-by-case basis using past patterns of activity, with multiple potential duration and cost outcomes. The calculations are segmented between the different expenditure streams and between different milestones in a case's lifecycle. The model estimates activity to the next financial event in each expenditure stream, reflecting the business realities of billing timing.

The reasonable alternative assumptions below have been arrived at by observing the maximum historical high and low points within the actual source data of the respective models, adjusted for projected future trends.

The impact of the following reasonable alternatives to these inputs has been quantified:

	Increase in net financial liability		(Decrease) in net financial liability	
Assumptions tested	**Assumption**	**£m**	**Assumption**	**£m**
Duration profile[1]	Max duration + 1 year	20.4	Max duration - 1 year	(20.4)
Final billing duration[2]	+15 days	0.9	-15 days	(0.9)
Average final bill value	+15%	46.8	-15%	(45.2)
Profile variance[3]	-15%	20.7	+15%	(31.0)

1 Duration profile: In order to estimate the provision, profiles outlining the timing and magnitude of costs on civil representation cases are calculated. There is a degree of uncertainty in the calculation of these profiles, particularly due to the inherent time lag. LAA therefore make the assumption that the level of variance could be equal to the variance if this year's profile was extended by one year. LAA have assumed this degree of variance can be seen in either direction.

2 Final billing duration: it can take some time for legal aid providers to compile and submit their bills to LAA once work has completed on a case. The estimate of the provision assumes that the average delay will be equivalent to that seen in the preceding quarter, however this does vary to a small degree over time. LAA therefore make the assumption that this delay could vary by up to 15 days in either direction.

3 Profile variance: In estimating the provision, LAA have made an adjustment to calculated billing profiles to account for recent changes in value and billing duration. These adjustments are based on emerging trends and therefore are subject to some uncertainty, which this variance represents.

Using these reasonable alternative assumptions, the fair value of the financial liabilities at 31 March 2024 could be higher by up to +21.8% (£88.8 million) or lower by up to -24.0% (-£97.5 million).

Crime higher: sensitivity analysis

Below are the reasonable alternative scenarios modelled. These relate to the flexing of certain assumptions, such as the number of cases expected to close or the amount of time a case takes to go through the system.

	Increase in net financial liability		(Decrease) in net financial liability	
Assumptions tested	**Assumption**	**£m**	**Assumption**	**£m**
Price profiles[1]	+10.0%	47.0	-10.0%	(47.0)
Completion rates[2]	+2.5%	44.4	-2.5%	(40.1)
Case durations[3]	+10.0%	40.2	-10.0%	(40.4)
Transfers[4]	-20.0%	8.1	+20%	(8.1)

1 Price profiles: there is a degree of uncertainty in assuming that future prices will follow historical patterns, as prices vary to a small degree over time. The sensitivity analysis considers that prices could vary by as much as 10% in either direction.

2 Completion rates: a number of representation orders never attract a bill, and so do not close. The model uses historical data to determine the likely proportion that these cases represent of the live case population. There is inherent uncertainty in assuming that the proportion will be similar to that seen historically, which this sensitivity represents. The proportion is flexed by 2.5% in either direction, representing the variance that is seen in the proportion over time.

3 Case durations: the estimate of the provision assumes that average case durations will be consistent with those seen in recent prior periods, however durations do vary to a small degree over time. LAA therefore make the assumption that durations could vary by up to 10% in either direction.

4 Transfers: an adjustment has been applied to the provision model at year end to account for the fact that a proportion of subsequent payments relate to transferred cases, rather than redeterminations. This sensitivity assumes that the proportion of subsequent claims that fall into this category could vary by as much as 20% from historical levels.

Using these reasonable alternative assumptions, the fair value of the financial liabilities at 31 March 2024 could be higher by up to +26.7% (£139.7 million) or lower by up to -25.9% (-£135.6 million).

Other provisions

Employment Tribunals and Employment Appeal Tribunal Fee Repayment Scheme: this scheme arises from a Supreme Court judgment on 26 July 2017 quashing the Employment Tribunals and the Employment Appeal Tribunal Fees Order 2013/1893. HMCTS identified £32.2 million in fees paid and to date have refunded £18.8 million including interest. As HMCTS are not able to reliably estimate the probability that the remaining fees will be claimed and refunded no provision is recognised, but a contingent liability of £14 million is disclosed.

In July 2018, the Court of Protection, Civil Proceedings and Magistrates Courts Fees (Amendment) Order 2018 became law. The statutory order reduced a small number of fees which were mistakenly set above cost. These changes affect fees charged for certain proceedings in the Court of Protection, particular fees relating to civil proceedings in the magistrates' courts (including Council Tax Liability Orders), fees for general applications in insolvency proceedings and the fees charged for High Court Judges sittings as arbitrators. The refund scheme applicable to these cases was launched by MoJ in January 2020.

The Council Tax Liability Order liability remains as a provision for £3.4 million due to uncertainty of timing to discharge the liability to each recipient. In 2023-24 HMCTS refunded £0.3 million (2022-23: HMCTS refunded £2 million).

Following an internal review of fees, it was determined that an incorrect fee for low value personal injury claims was charged. The error arose as a result of a single flat fee being charged for cases which should have been treated as money claims and had a sliding fee scale applied. This has resulted in an overcharge of £16.4 million for which a refund scheme was launched in October 2020.

The refund provisions for personal injury and other claims (Court of Protection, insolvency, Royal Courts of Justice and other fees) at 31 March 2024 were estimated at £2.1 million (2022-23: £4.5 million), and HMCTS continues to accept the liability for all claims until the end of the qualifying period. The balance of the liability is shown as a contingent liability of £11.7 million for personal injury claims and £9.3 million for other claims (Court of Protection, insolvency, Royal Courts of Justice and other fees).

Other provisions include a provision for an onerous lease of undeveloped land of £8.2 million (2022-23: £14.5 million). The decrease of £6 million relates to a change in the discount rate used to calculate the onerous lease provision.

21. Commitments under PFI and SCAs

21.1 Arrangements not recognised on the Consolidated Statement of Financial Position

As at 31 March 2024 there are no off-balance sheet PFI commitments.

21.2 Arrangements recognised on the Consolidated Statement of Financial Position

Project name	Entity	Contract start date	Duration (years)	Description
PFI contracts				
Hereford and Worcester Magistrates' Courts	HMCTS	March 2000	25	Provision of serviced accommodation for magistrates' courts at Bromsgrove, Kidderminster, Worcester and Redditch. The contract term can be extended by mutual agreement for another 10 years. At the end of the contract term the buildings shall revert to HMCTS at no cost.
Humberside Magistrates' Courts	HMCTS	March 2000	25	Provision of serviced magistrates' courthouses in Hull, Beverley and Bridlington. On expiry, HMCTS has the option of taking the assets back for a nominal amount of £3 million.
Manchester Magistrates' Court	HMCTS	March 2001	28	Provision of serviced accommodation at Manchester Magistrates Court at Spinningfields in Manchester. The contract term can be extended by mutual agreement by up to 10 years. At the end of the contract term the building shall revert to HMCTS at no cost.

Project name	Entity	Contract start date	Duration (years)	Description
Derbyshire Magistrates' Courts	HMCTS	August 2001	27	Provision of serviced accommodation for magistrates' courts at New Mills, Chesterfield and Derby. The contract term can be extended (subject to agreement of mutually acceptable terms) by up to five years. At the end of the contract term the buildings shall revert to HMCTS at no cost.
East Anglia	HMCTS	October 2002	25	Provision of Crown Court centres in Ipswich (five criminal courtrooms) and Cambridge (three criminal courtrooms). At the end of the contract term the buildings in Ipswich and Cambridge will revert to HMCTS at no cost.
Exeter	HMCTS	November 2002	32	Provision of a courthouse comprising four criminal courts, one civil court and four District Judge hearing rooms. At the end of the contract term the building will revert to HMCTS at no cost.
Sheffield	HMCTS	November 2002	27	Provision of a family hearing centre in Sheffield. At the end of the contract term HMCTS has the option of acquiring the under lease at the lower of its open market value or £2 million.
Avon and Somerset Magistrates' Court	HMCTS	August 2004	27	Provision of serviced accommodation at Bristol Magistrates Court, North Somerset Magistrates Court, and Avon and Somerset Probation HQ and Training Centre, both at Worle. The contract term can be extended by mutual agreement by up to five years. At the end of the contract term the buildings shall revert to HMCTS at no cost.
HMP Ashfield	HMPPS	November 1999	25	Design, build, finance and operate a 400-place young offenders and juveniles category B prison at Pucklechurch, near Bristol, which was converted in 2013 to hold adult offenders.
HMP Forest Bank	HMPPS	January 2000	25	Design, build, finance and operate an 800-place category B prison, HMP Forest Bank, on site of former Agecroft power station.

Project name	Entity	Contract start date	Duration (years)	Description
HMP Rye Hill	HMPPS	January 2001	25	Design, build, finance and operate a 600-place category B prison, HMP Rye Hill at Onley, near Rugby.
HMP Dovegate	HMPPS	July 2001	25	Design, build, finance and operate a 1,060-place category B prison and therapeutic community facility at HMP Dovegate, Marchington.
HMP Bronzefield	HMPPS	June 2004	25	Design, build, finance and operate a 500-place category B prison at Ashford in Middlesex.
HMP Peterborough	HMPPS	March 2005	25	Design, build, finance and operate an 840-place category B prison at Peterborough in Cambridgeshire.
HMP Thameside	HMPPS	March 2012	25	Design, build, finance and operate a 900-place category B prison at Woolwich in London.
Oakhill Secure Training Centre	HMPPS	May 2004	25	Design, construct and manage a secure training centre, located in Milton Keynes, Oakhill.
Prisoner Escort Custody Service	HMPPS	August 2020	10	The supply and running of the prison vans and escorts.
Other service concession arrangements				
HMP Doncaster	HMPPS	October 2011	15	Manage and maintain a 1,145-place category B prison at Doncaster in South Yorkshire.
HMP Oakwood	HMPPS	April 2012	15	Manage and maintain a 2,100-place category C prison at Featherstone in the West Midlands.
HMP Northumberland	HMPPS	December 2013	15	Manage and maintain a 1,348-place category C prison at Morpeth in Northumberland.
HMP Five Wells	HMPPS	November 2020	10	Manage and maintain a 1,680-place category C prison at Wellingborough in Northampton.
HMP and YOI Parc	HMPPS	December 2022	10	Manage and maintain a 1,652-place category B prison and 60-place young offender institution at Bridgend in South Wales.

Project name	Entity	Contract start date	Duration (years)	Description
HMP Lowdham Grange	HMPPS	February 2023	10	Manage and maintain a 920-place category B prison at Lowdham in Nottingham.
HMP Altcourse	HMPPS	May 2023	10	Manage and maintain a 1,164-place category B prison at HMP Altcourse, Liverpool (in mobilisation phase at 31 March 2023).
HMP Fosse Way	HMPPS	June 2023	10	Manage and maintain a 1,715-place category C prison at HMP Fosse Way in Leicester.

The total amount charged in the CSoCNE in respect of the service element of on-balance sheet (CSoFP) PFI or other service concession transactions was £754.7 million (2022-23: £703.5 million).

Eight prisons are run by private sector operators under manage and maintain contracts. Assets covered by these contracts were reported as 'Owned' in prior years but have been reclassified to 'On-balance sheet (CSoFP) PFI and other SCA contracts' in accordance with IFRIC 12 Service Concession Arrangements.

Details of the imputed finance lease charges under SCAs recognised on the CSoFP are given in the table below for each of the following periods:

	31 March 2024		31 March 2023	
	Core department and agencies	**Departmental group**	**Core department and agencies**	**Departmental group**
	£000	**£000**	**£000**	**£000**
Rentals due not later than one year	48,536	48,536	48,224	48,224
Rentals due later than one year but not later than five years	152,262	152,262	161,071	161,071
Rentals due later than five years	102,542	102,542	140,689	140,689
	303,340	**303,340**	**349,984**	**349,984**
Less: interest element	(68,120)	(68,120)	(70,812)	(70,812)
Present value of obligations	**235,220**	**235,220**	**279,172**	**279,172**

The present value of liabilities under SCAs recognised on the CSoFP are given in the table below for each of the following periods:

	31 March 2024		31 March 2023	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Rentals due not later than one year	36,969	36,969	35,836	35,836
Rentals due later than one year but not later than five years	115,596	115,596	126,568	126,568
Rentals due later than five years	82,655	82,655	116,768	116,768
Present value of obligations	**235,220**	**235,220**	**279,172**	**279,172**

Details of the minimum service charge under SCAs recognised on the CSoFP are given in the table below for each of the following periods:

	31 March 2024		31 March 2023	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Service charge due within one year	763,084	763,084	683,997	683,997
Service charge due later than one year but not later than five years	2,218,154	2,218,154	2,258,276	2,258,276
Service charge due later than five years	651,289	651,289	1,556,944	1,556,944
Total	**3,632,527**	**3,632,527**	**4,499,217**	**4,499,217**

22. Capital commitments

Capital expenditure contracted for at the end of the reporting period but not included in these financial statements is as follows:

	31 March 2024		31 March 2023	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Property, plant and equipment	341,320	342,710	559,108	559,108
Intangible assets	5,779	5,779	11,240	11,240
Total	**347,099**	**348,489**	**570,348**	**570,348**

23. Other financial commitments

MoJ has entered into non-cancellable contracts (which are not leases or PFI contracts) for the provision of services including the management of prisons and other contracted out services.

The payments to which MoJ is committed are as follows:

	31 March 2024		31 March 2023	
	Core department and agencies	Departmental group	Core department and agencies	Departmental group
	£000	£000	£000	£000
Not later than one year	82,322	84,908	128,783	131,191
Later than one year but not later than five years	62,027	64,616	111,739	115,411
Total	**144,349**	**149,524**	**240,522**	**246,602**

24. Financial instruments

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

As the cash requirements of MoJ are met through the parliamentary Supply Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body of a similar size. MoJ's exposure to financial risk is mainly in respect of credit risk in relation to LAA's receivables.

LAA receivables

The LAA is exposed to minimal market, liquidity or interest rate risk: exposure to financial risk is mainly in respect of credit risk in relation to receivables.

Under the Legal Aid Act 1974, the Legal Aid Act 1988, the Access to Justice Act 1999 and the LASPO Act 2012, where funded clients have recovered or preserved property rather than obtaining damages, recoverable costs may be secured by a charge against the property. Under the Community Legal Service (Financial) Regulations 2000 as amended by the Community Legal Service (Financial) (Amendment) Regulations 2005 and the Civil Legal Aid (Statutory Charge) Regulations 2013, some of these debts are interest bearing debts that have interest due on the outstanding balance at 8% per annum.

The income for statutory charge, statutory charge interest, contributions due from funded clients and recovery of defence costs are initially recognised under ***IFRS 15 Revenue from Contracts with Customers***.

LAA receivables risk identification and management

The LAA has an inherent risk within trade and other receivables, as these are not predisposed to straightforward cash collections. The LAA recognises this risk and mitigates it in the case of statutory charge debts, where enforcement of the debt may be deferred, by securing land charges and using active credit management policies to recover unsecured debts. In some cases the debt collection activities are outsourced to commercial debt collectors.

The size of the risk is reflected in the receivables impairment provision and cumulative fair value losses that total £247.3 million (31 March 2023: £247.8 million).

The majority of the LAA's trade and other receivables are the result of a statutory charge: £95.3 million (31 March 2023: £94.0 million) out of a total receivables balance after impairment of £172.6 million (31 March 2023: £174.1 million).

A high proportion of these are secured on property and settlement is deferred until the property is sold. Secured statutory charge debt is measured under IFRS 13 and reductions in carrying value are classed as fair value adjustments rather than impairments.

The LAA provides for impairment of receivables based on historical cash collection experience and management assessment of likely recoveries, for each category of debt. This analysis is also used to inform the expected cash flows for trade and other receivables which are measured at fair value. This assumes that future performance will be reflective of past performance and there will be no significant change in the payment profile or recovery rates within each identified group of receivables. To address the risk that this assumption is incorrect, the LAA undertakes a rollback review to compare previous estimated repayment profiles with the actual experience in subsequent years, to assess the accuracy of the profile and resulting impairment, adjusting assumptions where required. There have been no material adjustments to the assumptions as a result of this review at 31 March 2023.

There is no adjustment in the impairment of the LAA's receivables at 31 March 2024 to reflect the potential future impact of current levels of inflation. Based on the experience from previous recessions we do not consider this will have a material impact on the fair value of receivables, and in particular secured debt, recognised in these accounts. The impact of a recession has historically resulted in a delay in the cash receipts on secured debt, due to the impact on the property market and delays to property sales which result in the repayment of the debt.

LAA receivables sensitivity analysis

LAA's receivables impairment models use historical recovery profiles by debt category to estimate the provision required against debt balances. The impairment model is underpinned by specific assumptions including: the life of debt, the expected remittance profiles and the discount rates above.

The impact of the following reasonable possible alternatives to these assumptions has been considered:

- cash received evenly throughout the year rather than at the end of the year
- predicted cash receipts used to calculate the impairment provision cashflows +/- 10%
- discount rate +/- 1%

		Increase/(decrease) in net financial assets	
		31 March 2024	**31 March 2023**
	Assumption	**£m**	**£m**
Income received	Evenly through the year	1.2	2.4
Expected cash inflows based on historic repayment profiles	+10%	9.1	9.7
Expected cash inflows based on historic repayment profiles	-10%	(9.3)	(10.3)
Discount rate	+1%	(10.0)	(9.1)
Discount rate	-1%	11.9	10.5
Highest change		**22.2**	**22.6**
Lowest change		**(19.3)**	**(19.3)**

These assumptions are reviewed annually and changed if management believe alternative assumptions are a better reflection of the underlying trends.

Other credit risks

Credit risk related to fines and penalties collection and banking activities is explained in the HMCTS Trust Statement.

The department is exposed to minimal credit risk in respect of other financial assets. The maximum exposure to credit risk is equal to the carrying amount of outstanding receivable balances. The department manages its credit risk by undertaking background and credit checks prior to establishing a debtor relationship.

The IFRS 9 approach to impairment provisioning is a forward-looking 'expected loss' approach. Expected losses on the department's financial assets are not considered to be material.

Fair values

In accordance with IFRS 9 each financial asset is classified at initial recognition, or at the point of first adoption of IFRS 9, into one of three categories:

- financial assets at fair value through profit and loss ('FVTPL')
- financial assets at fair value through other comprehensive income ('FVOCI')
- financial assets at amortised cost

For assets at amortised cost, the amortised cost balance was reduced where appropriate by an allowance for amounts which were considered to be impaired or uncollectible.

Financial liabilities are classified into one of two categories:

- financial liabilities at FVTPL
- financial liabilities at amortised cost

Categories of financial assets and financial liabilities: carrying value compared to fair value

The following tables summarise the carrying amounts and fair values of financial assets and liabilities.

				31 March 2024
	Assets at FVTPL	Assets at FVOCI	Assets at amortised cost	Total
Financial assets:	**£'000**	**£'000**	**£'000**	**£'000**
Cash at bank and in hand	-	-	378,584	378,584
Trade and other receivables	95,285	-	338,839	434,124
Other financial assets	239	-	-	239
Total financial assets	**95,524**	**-**	**717,423**	**812,947**

	Liabilities at FVTPL	Liabilities at amortised cost	Total
Financial liabilities:	**£000**	**£000**	**£000**
Trade and other payables	-	1,155,139	1,155,139
Other financial liabilities	-	1,662,061	1,662,061
Total financial liabilities	**-**	**2,817,200**	**2,817,200**

				31 March 2023
	Assets at FVTPL	Assets at FVOCI	Assets at amortised cost	Total
Financial assets:	**£'000**	**£'000**	**£'000**	**£'000**
Cash at bank and in hand	-	-	359,382	359,382
Trade and other receivables	93,994	-	395,158	489,152
Other financial assets	382	-	-	382
Total financial assets	**94,376**	**-**	**754,540**	**848,916**

	Liabilities at FVTPL	Liabilities at amortised cost	Total carrying value at 31 March 2023
Financial liabilities:	**£000**	**£000**	**£000**
Trade and other payables	-	1,238,242	1,238,242
Other financial liabilities	-	1,777,273	1,777,273
Total financial liabilities	**-**	**3,015,515**	**3,015,515**

MoJ considers that the carrying amounts for cash and cash equivalents, trade payables and other liabilities approximate to their fair value due to the short-term maturities of these instruments.

Fair value hierarchy

MoJ uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities
- level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly
- level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data

All of the financial assets and liabilities measured at fair value fall within level 3.

25. Pension costs

Reconciliation of net pension (liability)/asset 2023-24:

	Cafcass pension			LSC pension			Probation pension		
	Present value of obligation	Fair value of plan assets	Net (liability)/ asset	Present value of obligation	Fair value of plan assets	Net (liability)/ asset	Present value of obligation	Fair value of plan assets	Net (liability)/ asset
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Balance at 1 April 2023	**(701,512)**	**689,429**	**(12,083)**	**(250,843)**	**317,264**	**66,421**	**(4,741,699)**	**4,940,681**	**198,982**
Current service cost	(17,482)	-	(17,482)	-	-	-	(132,946)	-	(132,946)
Past service cost	(9)	-	(9)	-	-	-	(2,039)	-	(2,039)
Settlements	-	-	-	(614)	-	(614)	-	-	-
Net interest	(32,614)	32,457	(157)	(11,656)	14,796	3,140	(224,797)	235,409	10,612
Total recognised in the CSoCNE	**(50,105)**	**32,457**	**(17,648)**	**(12,270)**	**14,796**	**2,526**	**(359,782)**	**235,409**	**(124,373)**
Scheme participants' contributions	(6,291)	6,291	-	-	-	-	(43,173)	43,173	-
Employer contributions	-	17,672	17,672	-	-	-	-	184,420	184,420
Benefits paid after net transfers	21,969	(21,969)	-	11,488	(11,488)	-	196,638	(196,638)	-
Total cash flows	**15,678**	**1,994**	**17,672**	**11,488**	**(11,488)**	**-**	**153,465**	**30,955**	**184,420**
Actuarial gains/(losses) Changes in demographic assumptions	11,319	-	11,319	3,964	-	3,964	31,557	-	31,557
Changes in financial assumptions	23,023	-	23,023	(876)	-	(876)	281,261	-	281,261
Experience gains/(losses)	(4,375)	-	(4,375)	(1,443)	-	(1,443)	(151,933)	-	(151,933)

	Cafcass pension			LSC pension			Probation pension		
	Present value of obligation	**Fair value of plan assets**	**Net (liability)/ asset**	**Present value of obligation**	**Fair value of plan assets**	**Net (liability)/ asset**	**Present value of obligation**	**Fair value of plan assets**	**Net (liability)/ asset**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Return on assets excluding amounts included in net interest	-	30,167	30,167	-	(23,964)	(23,964)	-	126,497	126,497
Gain/(loss) due to effects of asset ceiling under IFRIC 14	-	(46,030)	(46,030)	-	-	-	-	(1,075,916)	(1,075,916)
Remeasurements through other comprehensive net expenditure	**29,967**	**(15,863)**	**14,104**	**1,645**	**(23,964)**	**(22,049)**	**160,885**	**(949,419)**	**(788,534)**
Balance at 31 March 2024	**(705,972)**	**708,017**	**2,045**	**(249,980)**	**296,878**	**46,898**	**(4,787,131)**	**4,257,626**	**(529,505)**
Of which									
Core department and agencies	-	-	-	(249,980)	296,878	46,898	(4,787,131)	4,257,626	(529,505)
NDPBs	(705,972)	708,017	2,045	-	-	-	-	-	-
Balance at 31 March 2024	**(705,972)**	**708,017**	**2,045**	**(249,980)**	**296,878**	**46,898**	**(4,787,131)**	**4,257,626**	**(529,505)**

Reconciliation of net pension (liability)/asset 2022-23:

	Cafcass pension			LSC pension			Probation pension		
	Present value of obligation	**Fair value of plan assets**	**Net (liability)/ asset**	**Present value of obligation**	**Fair value of plan assets**	**Net (liability)/ asset**	**Present value of obligation**	**Fair value of plan assets**	**Net (liability)/ asset**
	£000	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**	**£000**
Balance at 1 April 2022	**(917,308)**	**681,041**	**(236,267)**	**(350,793)**	**463,255**	**112,462**	**(6,774,717)**	**5,143,874**	**(1,630,843)**
Current service cost	(35,746)	-	(35,746)	-	-	-	(252,798)	-	(252,798)
Past service cost	(13)	-	(13)	-	-	-	(4,695)	-	(4,695)
Administration costs	-	-	-	(541)	-	(541)	-	-	-
Net interest	(24,551)	18,397	(6,154)	(9,339)	12,368	3,029	(184,516)	139,246	(45,270)
Total recognised in the CSoCNE	**(60,310)**	**18,397**	**(41,913)**	**(9,880)**	**12,368**	**2,488**	**(442,009)**	**139,246**	**(302,763)**
Scheme participants' contributions	(5,956)	5,956	-	-	-	-	(34,391)	34,391	-
Employer contributions	-	16,775	16,775	-	-	-	-	162,924	162,924
Benefits paid after net transfers	22,451	(22,451)	-	10,428	(10,428)	-	163,141	(163,141)	-
Total cash flows	**16,495**	**280**	**16,775**	**10,428**	**(10,428)**	**-**	**128,750**	**34,174**	**162,924**
Actuarial gains/(losses) Changes in demographic assumptions	(4,441)	-	(4,441)	7,045	-	7,045	149,141	-	149,141
Changes in financial assumptions	342,679	-	342,679	117,066	-	117,066	2,603,910	-	2,603,910
Experience gains/(losses)	(78,627)	-	(78,627)	(24,709)	-	(24,709)	(406,774)	(70,674)	(477,448)
Return on assets excluding amounts included in net interest	-	(10,289)	(10,289)	-	(147,931)	(147,931)	-	(48,610)	(48,610)
Gain/(loss) due to effects of asset ceiling under IFRIC 14	-	-	-	-	-	-	-	(257,329)	(257,329)

	Cafcass pension			LSC pension			Probation pension		
	Present value of obligation	Fair value of plan assets	Net (liability)/ asset	Present value of obligation	Fair value of plan assets	Net (liability)/ asset	Present value of obligation	Fair value of plan assets	Net (liability)/ asset
	£000	£000	£000	£000	£000	£000	£000	£000	£000
Remeasurements through other comprehensive net expenditure	**259,611**	**(10,289)**	**249,322**	**99,402**	**(147,931)**	**(48,529)**	**2,346,277**	**(376,613)**	**1,969,664**
Balance at 31 March 2023	**(701,512)**	**689,429**	**(12,083)**	**(250,843)**	**317,264**	**66,421**	**(4,741,699)**	**4,940,681**	**198,982**
Of which									
Core department and agencies	-	-	-	(250,843)	317,264	66,421	(4,741,699)	4,940,681	198,982
NDPBs	(701,512)	689,429	(12,083)	-	-	-	-	-	-
Balance at 31 March 2023	**(701,512)**	**689,429**	**(12,083)**	**(250,843)**	**317,264**	**66,421**	**(4,741,699)**	**4,940,681**	**198,982**

The assumptions used by the actuaries were:

	Cafcass pension	LSC pension	Probation pension	Cafcass pension	LSC pension	Probation pension
	2023-24	2023-24	2023-24	2022-23	2022-23	2022-23
	%	%	%	%	%	%
Inflation assumption	n/a	2.85	n/a	2.70	2.80	n/a
Rate of increase in salaries	3.85	n/a	3.55	3.95	n/a	3.75
Pension increase rate	2.60	2.90	2.75	2.70	2.80	2.95
Discount rate	4.80	4.80	4.85	4.70	4.75	4.75
Pension accounts revaluation rate	2.60	n/a	-	2.70	n/a	n/a

The major categories of scheme assets for 2023-24 were:

	Cafcass pension				LSC pension				Probation pension			
	Quoted	Unquoted	Total	Value as a percentage of total scheme assets	Quoted	Unquoted	Total	Value as a percentage of total scheme assets	Quoted	Unquoted	Total	Value as a percentage of total scheme assets
	£000	**£000**	**£000**	**%**	**£000**	**£000**	**£000**	**%**	**£000**	**£000**	**£000**	**%**
Equities	481,836	116,877	598,713	79.4	48,892	-	48,892	16.5	2,062,363	-	2,062,363	36.8
Gilts	64,094	-	64,094	8.5	174,047	-	174,047	58.6	-	-	-	-
Corporate bonds	31,670	-	31,670	4.2	64,559	-	64,559	21.7	556,308	-	556,308	9.9
Property	7,540	13,573	21,113	2.8	-	-	-	-	-	226,918	226,918	4.0
Cash and cash equivalents	-	13,573	13,573	1.8	6,234	-	6,234	2.1	-	145,742	145,742	2.6
Investment funds and unit trusts	-	-	-	-	-	-	-	-	952,805	1,274,859	2,227,664	39.8
Other	754	24,130	24,884	3.3	-	3,147	3,147	1.1	-	384,099	384,099	6.9
Total	**585,895**	**168,152**	**754,047**	**100.0**	**293,732**	**3,147**	**296,878**	**100.0**	**3,571,476**	**2,031,618**	**5,603,094**	**100.0**

The major categories of scheme assets for 2022-23 were:

	Cafcass pension				LSC pension				Probation pension			
	Quoted	Unquoted	Total	Value as a percentage of total scheme assets	Quoted	Unquoted	Total	Value as a percentage of total scheme assets	Quoted	Unquoted	Total	Value as a percentage of total scheme assets
	£000	£000	£000	%	£000	£000	£000	%	£000	£000	£000	%
Equities	455,713	101,346	557,059	80.8	52,999	-	52,999	16.7	1,986,070	-	1,986,070	38.2
Gilts	47,571	-	47,571	6.9	193,089	-	193,089	60.9	-	-	-	-
Corporate bonds	31,714	-	31,714	4.6	64,028	-	64,028	20.2	486,096	-	486,096	9.4
Property	7,584	15,167	22,751	3.3	-	-	-	-	-	202,234	202,234	3.9
Cash and cash equivalents	-	15,857	15,857	2.3	3,640	-	3,640	1.1	131,861	-	131,861	2.5
Investment funds and unit trusts	-	-	-	-	-	-	-	-	865,649	1,137,285	2,002,934	38.5
Other	-	14,478	14,478	2.1	-	3,508	3,508	1.1	-	388,815	388,815	7.5
Total	**542,582**	**146,848**	**689,430**	**100.0**	**313,756**	**3,508**	**317,264**	**100.0**	**3,469,676**	**1,728,334**	**5,198,010**	**100.0**

Sensitivity analysis - change in assumptions relative to 31 March 2024 actuarial assumptions for Cafcass pension liabilities (based on the change in liabilities):

The sensitivity analysis is intended to provide an indication of the impact on the value of the scheme's liabilities from the risks highlighted below.

	Actuarial value of liabilities on 31 March 2024	Actuarial value of liabilities on 31 March 2023
	£000	£000
Base case	705,972	701,512
0.1% decrease in discount rate	717,268	713,438
0.1% increase in the salary increase rate	706,678	702,214
1 year decrease in post-retirement mortality age rating*	724,327	719,751
0.1% increase to pension increase rate	716,562	712,035

* A rating of +1 year means that members are assumed to follow the mortality pattern of the base table for an individual that is one year older than them.

Sensitivity analysis - change in assumptions relative to 31 March 2024 actuarial assumptions for LSC pension liabilities (based on total liabilities):

	Actuarial value of liabilities on 31 March 2024	Actuarial value of liabilities on 31 March 2023
	£000	£000
Base case	249,980	250,843
0.5% decrease in discount rate	268,089	269,499
1 year increase in life expectancy	257,979	260,877
0.5% per annum increase in inflation	265,847	267,252

Sensitivity analysis - change in assumptions relative to 31 March 2024 actuarial assumptions for probation pension liabilities (based on the change in liabilities):

	Actuarial value of liabilities on 31 March 2024	Actuarial value of liabilities on 31 March 2023
	£000	£000
Base case	4,787,131	4,741,699
0.1% decrease in real discount rate	4,875,580	4,827,199
1 year increase in member life expectancy	4,978,616	4,931,367
0.1% increase in the salary increase rate	4,797,136	4,752,380
0.1% increase in the pension increase rate (CPI)	4,867,126	4,817,743

The principal demographic assumption is the mortality assumption (i.e. member life expectancy). For sensitivity purposes, actuaries estimate that a one-year increase in life expectancy would approximately increase the employer's defined benefit obligation by around 3% to 5%. In practice the actual cost of a one-year increase in life expectancy will depend on the structure of the revised assumption (i.e. if improvements to survival rates predominantly apply at younger or older ages). For 2023-24, a one-year increase in member life expectancy would increase the liability by 4% or £191.5 million.

25.1 Cafcass pension scheme

Employees of Cafcass are members of the LGPS through the West Yorkshire Pension Fund. The scheme provides funded defined benefits based on pensionable salary. The assets of the scheme are held separately from those of Cafcass and are invested in managed funds. Employer contribution rates are determined by a qualified actuary and on the basis of triennial valuations.

The scheme assets are measured at fair value. Scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liability.

The pension scheme surplus (to the extent that it is considered recoverable) or deficit is recognised in full on the face of the CSoFP. The movement in the scheme surplus/deficit is split between operating charges (within staff costs) and reserves in the case of actuarial gains and losses.

Funding/governance arrangements of the LGPS

The funded nature of the LGPS requires participating employers and its employees to pay contributions into the fund, calculated at a level intended to balance the pension liabilities with investment assets. Information on the framework for calculating contributions to be paid is set out in LGPS Regulations 2013 and the fund's 'Funding strategy statement'. MoJ does not expect to contribute to the Scheme in the period ended 31 March 2024.

The last actuarial valuation was at 31 March 2022 and the contributions to be paid until 31 March 2026 resulting from that valuation are set out in the fund's 'Rates and adjustment certificate' (employer contributions over this period will be: 2023-24: 19.1%, 2024-25: 18.6% and 2025-26: 18.1%).

The Fund Administering Authority, City of Bradford Metropolitan District Council, is responsible for the governance of the fund.

Assets

The assets allocated to the employer in the fund are notional and are assumed to be invested in line with the investments of the fund for the purposes of calculating the return over the accounting period. The fund holds a significant proportion of its assets in liquid investments. As a consequence, there will be no significant restriction on realising assets if a large payment is required to be paid from the fund in relation to an employer's liabilities. The assets are invested in a diversified spread of investments and the approximate split of assets for the fund as a whole (based on data supplied by the Fund Administering Authority) is shown in the disclosures.

The Fund Administering Authority may invest a small proportion of the fund's investments in the assets of some of the employers participating in the fund if it forms part of their balanced investment strategy.

Risks associated with the fund in relation to accounting

Asset volatility

The liabilities used for accounting purposes are calculated using a discount rate set with reference to corporate bond yields. If assets underperform this yield this will create a deficit in the accounts. The fund holds a significant proportion of growth assets which, while expected to outperform corporate bonds in the long term, creates volatility and risk in the short term in relation to the accounting figures.

Changes in bond yield

A decrease in corporate bond yields will increase the value placed on the liabilities for accounting purposes although this will be marginally offset by the increase in the assets as a result (to the extent the fund invests in corporate bonds).

Inflation risk

The majority of the pension liabilities are linked to either pay or price inflation. Higher inflation expectations will lead to a higher liability value. The assets are not perfectly correlated with inflation meaning that an increase in inflation will increase the deficit.

Life expectancy

The majority of the fund's obligations are to provide benefits for the life of the member following retirement, so increases in life expectancy will result in an increase in the liabilities.

Exiting employers

Employers who leave the fund (or their guarantor) may have to make an exit payment to meet any shortfall in assets against their pension liabilities. If the employer (or guarantor) is not able to meet this exit payment the liability may in certain circumstances fall on other employers in the fund. Further, the assets at exit in respect of 'orphan liabilities' may, in retrospect, not be sufficient to meet the liabilities. This risk may fall on other employers. 'Orphan liabilities' are currently a small proportion of the overall liabilities in the fund. The 'Funding strategy statement' (www.wypf.org.uk/publications/policy-home/wypf-index/funding-strategy-statement/) sets out the risk management strategies for the risks that impact on the funding strategy of the pension fund. One of these strategies, for example, is that the Fund Administering Authority has diversified investments held to mitigate the risk of asset volatility.

25.2 LSC pension scheme (LSCPS) – closed

On 1 April 2013, under the Legal Aid, Sentencing and Punishment of Offenders Act, the LSC was abolished and replaced by an executive agency of the department, LAA.

Nature of benefits, regulatory framework, and other entity's responsibilities for governance of the LSCPS

The LSCPS is a registered defined benefit final salary scheme. The average duration of the LSCPS scheme liabilities as at 31 March 2024 was 14.4 years. It has a crown guarantee, with the department as the sponsoring employer, but in effect retains most of the UK regulatory framework for pensions including 'scheme specific funding'. The LSCPS is operated under trust and as such, the trustees of the Scheme are responsible for operating the Scheme and have a statutory responsibility to act in accordance with the Scheme's 'Trust deed and rules', in the interests of the beneficiaries of the LSCPS and UK legislation (including trust law). Any contributions that are paid to the LSCPS are defined by a funding arrangement between the trustees and the department.

Risks to which the LSCPS exposes the department

The nature of the LSCPS exposes the department to the risk of paying unanticipated contributions to the Scheme in times of adverse experience. The most financially significant risks are likely to be:

- members living for longer than expected
- higher than expected actual inflation
- lower than expected investment returns
- the risk that movements in the value of the Scheme's liabilities are not met by corresponding movements in the value of the Scheme's assets
- the LSCPS hedges 90% of its interest rate and inflation exposure as assessed on a gilts basis using index-linked and fixed-interest gilts
- the LSCPS also holds a historical buy-in policy (approximatively 1% of scheme accounts) which fully matches benefits covered by the policy

The trustees of the LSCPS maintain a risk register which they use to determine appropriate responses to mitigate the risks identified. These include maintaining a high level of hedging for interest rate and inflation changes and a prudent approach when setting future longevity assumptions.

Expected contributions over the next accounting period and future funding arrangements

The department does expect to contribute to the LSCPS for the year to 31 March 2024 . The 'Schedule of contributions' dated 2 November 2016 sets out the current contributions payable by the department to the Scheme. Future contributions depend on the Scheme's funding position at each formal valuation and are set out in the Scheme's funding framework.

The funding arrangements and asset ceiling are set out in Section 18 of the Legal Aid, Sentencing and Punishment of Offenders Act 2012. Where the value of the Scheme assets is more than 105% of the value of the Scheme's technical provisions on the effective date of an actuarial valuation, this constitutes a refundable surplus. The department can request payment of amounts not exceeding the refundable surplus.

The Scheme would be required to make payment unless advised by the actuary that, because of events subsequent to the date of the actuarial valuation, payment would reduce the value of the assets of the Scheme to less than 105% of the value of the Scheme's technical provisions.

25.3 Probation pension schemes

HMPPS offers retirement benefits within the LGPS to probation staff working within the Probation Service.

With effect from 1 June 2014, HMPPS is responsible for the overall pension liability for past and present LGPS employees employed in the Probation Service (formerly the NPS), including the former probation trusts and the former CRCs (and their sub-contracted bodies) and, with effect from 26 June 2021, the current LGPS employees within the outsourced CRS providers. The total net pension position is recorded within the HMPPS accounts. The contracts with the CRS providers (and previously with the CRCs) were designed so that the CRSs paid a fixed fee, with the pension liability risk remaining with HMPPS. The total LGPS pension liability transferred to HMPPS on 1 June 2014, under absorption accounting and the transforming rehabilitation programme, which saw the creation of CRCs and NPS. Up to 31 May 2014, 35 probation trusts accounted for their pension liability separately via locally administered pension funds. Under the transforming rehabilitation programme, the probation trusts were dissolved and the NPS (within HMPPS) and the outsourced CRCs were created on 1 June 2014. At this point, the CRCs became LGPS admitted bodies under the responsibility of HMPPS who became the LGPS scheme employer.

Past employees of the probation trusts, and LGPS probation staff who transferred to CRCs and HMPPS NPS, are covered by the provisions of LGPS via one pension fund, GMPF, administered by their local authority council, Tameside Metropolitan Borough Council. The assets and liabilities from the former probation trusts' own pension funds were transferred to GMPF.

From 25 June 2021, the contracts with the CRCs ended and the majority of LGPS employees transferred into the Probation Service, while a few remaining LGPS employees transferred to 13 of the new outsourced CRS providers. The 13 outsourced providers became LGPS admitted bodies, under the responsibility of HMPPS as the scheme employer. The total pension liability will continue to be the responsibility of HMPPS and will be reported in the HMPPS annual report and accounts.

The LGPS is a statutory scheme primarily governed by the LGPS Regulations 2013 and the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014. These are subject to amendment over time. The LGPS is a funded, multi-employer defined benefit scheme. An LGPS pension scheme liability is recognised in these accounts in accordance with IAS 19.

A liability arises as employees earn their future entitlement to payments when they retire. The pension fund is subject to an independent triennial actuarial valuation to determine each employer's contribution rate. The contribution rates reflect benefits as they are accrued and reflect the past experience of the schemes. The LGPS provides benefits on a 'final salary' basis, up to 31 March 2014, at a normal retirement age of 65. For pensionable service up to 31 March 2008, benefits accrued at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to 3/80ths of final pay for every year of total membership is payable on retirement. Benefits accrued at the rate of 1/60th of pensionable salary for service from 1 April 2008 to 31 March 2014 with no automatic lump sum.

From 1 April 2014, the scheme provides benefits on a career average revalued earnings (CARE) basis. Benefits accrue at the rate of 1/49th of pensionable salary for each year of service.

The scheme permits employees to take a lump sum payment on retirement in exchange for a reduction in their future annual pension. Members pay contributions of between 5.5% and 12.5% of pensionable earnings. Member contributions changed from 1 April 2014 and benefits accrued from this date are on a CARE basis, with protections in place for those members in the scheme before the changes took effect.

For the year to 31 March 2024, HMPPS paid employers' contributions of £181.1 million to GMPF, relating to current probation staff, at 26.5% (2022-23: £174.7 million at 29.6%).

Following the 2022 triennial valuation, the employer contribution rates for 2023-24 to 2025-26 will be 26.5% (2020-21 to 2022-23: 19.4%).

The pension position as at 31 March 2024, as detailed in the table, is based on the actuarial report from Hymans Robertson LLP, the independent actuary for GMPF, in compliance with IAS 19. There were no plan curtailments or settlements during the year.

Full details of GMPF's investment strategy statement 'Funding strategy statement', including its annual report and financial statements, and responsibilities of the GMPF management panel can be found on the GMPF website at www.gmpf.org.uk. Tameside Metropolitan Borough Council is the administering authority of GMPF.

A number of assumptions are made as part of the actuarial valuation process and the major assumptions are set out on page 242. The assumptions underlying the calculation of the net liability as at 31 March 2024 are used for accounting purposes as required under IAS 19.

Risks associated with the fund in relation to accounting

The net pension position for 2023-24 is shown in the disclosure above. This reflects the appropriate assumptions. All assumptions remain subject to annual review. As the economic climate changes and more information becomes available assumptions will be updated to reflect this.

HMPPS is only liable for the pension obligations due to GMPF relating to Probation Service employees (and ultimately the CRS employees under the Secretary of State for Justice Pension Guarantee). HMPPS is not liable for pension obligations of other employers that participate in the LGPS with GMPF.

Should HMPPS move to another pension fund or pension scheme, any exit payment to cover the pension liability due would be determined by GMPF and their actuary. However, there are no plans to move to another pension fund or pension scheme.

Discount rate

The discount rate is the most significant financial assumption for assessing pension obligations. An increase in the discount rate results in a decrease in the value of the pension liability for accounting purposes and vice versa. The discount rate used in these financial statements, as required by IAS 19, is based on the market yields on high quality corporate bonds valued as at the reporting date of 31 March. Hymans corporate bond yield curve is based on the constituents of the iBoxx AA corporate bond index. The discount rate assumptions set by the actuary are considered appropriate. The large increase in discount rate compared to last year has resulted in a significant reduction in the pension liability.

Inflation

The inflation assumption is the second most significant financial assumption for assessing pension obligations and typically drives the assumption for salary growth and pension increases (to the extent they are inflation linked). A higher inflation assumption will lead to an increase in pension liabilities. The government announced the measure of Retail Price Index will change from 2030 to be in line with the Consumer Price Index including housing costs. This has been allowed for when deriving the inflation assumption. This has resulted in a decrease this year in the projection for future pension increases and salary growth, reflected in a gain in financial assumptions. However, the actual increase in pension rate from April 2024 of 6.7% has resulted in an experience loss.

Mortality

The baseline mortality assumptions are based on analysis carried out by longevity experts Club Vita. Future life expectancy predictions use their continuous mortality investigation model. For 2023-24 the 2022 model has been used, which uses more up to date longevity data, including the temporary impact of COVID-19.

Risk mitigation strategies

The GMPF management panel carries out a similar role to the trustees of a pension scheme. They are decision makers for:

- investment strategy
- monitoring investment activity and performance
- overseeing administrative activities

- guidance to officers in exercising delegated powers
- reviewing governance arrangements

Each local authority within Greater Manchester is represented on the management panel, along with the department. There have been no concerns raised by MoJ to date on GMPF's investment or funding strategy or asset performance.

McCloud Judgment (impact on LGPS)

The December 2018 McCloud Judgment found that transitional arrangements put in place during the reform of firefighters' and judges' pension schemes were discriminatory on grounds of age. The government has confirmed this ruling also applies to the LGPS. Based on the findings of the Government Actuary's Department, published in June 2019 and taking account of the proposed remedial action published by HM Treasury in July 2020 in their consultation document, Hymans Robertson LLP calculated an estimated past service cost applicable to HMPPS and Cafcass. The impact of the McCloud Judgment was accounted for in the 2019-20 HMPPS and Cafcass accounts under IAS 19.

The government response to the consultation for unfunded pension schemes was published in February 2021 (updated for LGPS on 6 April 2023). On 13 May 2021, a written Ministerial Statement on McCloud and LGPS was made. Further information can be found at questions-statements.parliament.uk/ written-statements/detail/2021-05-13/hcws26.

For the 2022 valuation, McCloud liabilities were included as set out in the Department for Levelling Up, Housing and Communities 2022 valuation letter. The actuary has advised that no further adjustment to the cost in the pension obligation is required for 2022-23. Further information on the McCloud Judgment can be found at www.civilservicepensionscheme.org.uk/your-pension/remedy/.

25.4 Accounting for a net pension surplus and asset ceiling restriction

The net probation pension scheme position at 31 March 2024 was a net surplus of £816 million (2022-23: £456.3 million). The Cafcass pension scheme also had a net surplus of £41.2 million (2022-23: £12.1 million deficit).

Under the requirements of ***IFRIC 14: The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction***, the employer is required to consider whether it is appropriate to limit the amount of net pension surplus in the financial statements which was determined under IAS 19 if the full economic benefit cannot be obtained. IAS 19 provides a definition of an asset ceiling for these purposes as the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan, with the lower of the surplus and the asset ceiling being recognised. IFRIC 14 provides further guidance on calculating figures for an asset ceiling with reference to minimum funding requirements.

A refund would only be available to the employer on exiting the scheme, however, participation in the current pension scheme is dictated by statute meaning an exit would rely on the occurrence of an uncertain future event not wholly within the employer's control, i.e. an act of parliament. Therefore, the employer does not have an unconditional right to a refund of the surplus.

After adjustment for the asset ceiling restriction and the minimum funding requirement, the probation pension surplus has been reduced by £1,075.9 million to a liability of £529.5 million (2022-23: surplus of £199.0 million) and the Cafcass pension surplus has been reduced by £46.0 million to a surplus of £2.0 million (2022-23: a deficit of £12.1 million).

Adjustments to the probation pension scheme

The appropriate method is therefore to consider the economic benefit available as a contribution reduction. HMPPS has concluded that primary contributions to the scheme (2023-24: 18.1%, 2022-23:18.1%) and those related to ill health retirements (2023-24: 4.3%, 2022-23: 4.3%) establish a minimum funding requirement for future contributions under IFRIC 14.

HMPPS is required to make contributions of 4.1% in relation to past service. IFRIC 14 requires that to the extent that the contributions payable will not be available after they are paid into the plan, the entity shall recognise a liability when the obligation arises.

HMPPS consider it appropriate to restrict the net asset relative to funding obligations by use of the asset ceiling. This means that the asset ceiling is applied to the net surplus, excluding the unfunded liabilities figure of £29.6m. These unfunded liabilities are then added back to the closing liability position.

Having applied IFRIC 14 in line with the above facts and judgements, based on the present value of expected reductions in future contributions to the plan, the IAS 19 funded surplus of £861m was reduced to a liability of £500m. The closing position including unfunded liabilities is therefore £530m.

Further details of judgements made by HMPPS in determining the effect of the asset ceiling are available in HM Prison and Probation Service Annual Report and Accounts 2024-25.

26. Contingent assets and liabilities

Contingent liabilities disclosed under IAS 37

MoJ has contingent liabilities as defined within IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

Quantified contingent liabilities

	31 March 2024	31 March 2023
	£m	£m
Headquarters employment tribunals including judicial claims The department is currently defending several employment tribunal claims at various stages	0.1	6.1
Headquarters European Court of Human Rights claims The department is currently engaged in several cases at the European Court of Human Rights	-	0.5
Headquarters other legal claims The department is engaged with a number of legal claims including judicial reviews challenging refusal to pay compensation for miscarriages of justice, and refusal to provide legal aid funding	0.2	0.4
Headquarters Data Protection Act There are claims against the department for alleged failure to comply with the Data Protection Act	0.7	0.1
Headquarters Judicial Review	0.1	-
HMPPS injury claims HMPPS failed claims for injury to staff, prisoners and public, and for third party contract disputes	49.1	45.2
HMCTS fee refunds – employment tribunal fees HMCTS operates a refund scheme following the quashing of the Employment Tribunals and Employment Appeal Tribunal Fees Order 2013/1893 in July 2017	13.7	13.8
HMCTS fee refunds – low value personal injury claim fees HMCTS operates a refund scheme to refund personal injury claim fees that were incorrectly charged as a flat rate rather than on a sliding scale	11.7	9.8
HMCTS fee refunds – other fees HMCTS operates a refund scheme for fees charged for certain proceedings in the Court of Protection, the magistrates' courts, insolvency proceedings and fees charged for High Court Judges sittings as arbitrators	9.3	9.3
HMCTS legal cases HMCTS is involved in various legal cases dealing with ex gratia, compensation and other claims	0.4	0.8
Parole Board The Parole Board is involved in a claim which may result in compensation	-	0.1
Total	**85.3**	**86.1**

Unquantified contingent liabilities

Incidents 'incurred but not yet received': CICA holds an unquantifiable contingent liability in respect of a possible future obligation to individuals who have been victims of violent crime as of 31 March 2024. This liability depends upon uncertain future events occurring and an application being submitted to CICA which meets the criteria set out in the relevant scheme.

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 of acceptance by the claimant. There are cases where the deadline for acceptance has passed but CICA has not yet withdrawn the offer. CICA may exercise its discretion under the Scheme in favour of the claimant, and not withdraw the offer even though the deadline has passed. The total value of cases 'on-offer' and passed the deadline is £0.6 million. Any possible liability would therefore be below that value.

Single justice procedure railway offences: The chief magistrate for England and Wales has quashed the convictions in six test cases where railway ticketing offences were incorrectly prosecuted using the single justice procedure (SJP). This ruling will impact the convictions in a further 75,000 railway ticketing offences that were prosecuted using SJP. MoJ will refund court-ordered financial impositions relating to fines and victim surcharge that were paid by defendants as a result of their prosecutions. HMCTS is in contact with the train operating companies to determine which cases are impacted by the ruling. Until the volume of cases can be determined, we are unable to provide a reliable estimate of the potential liability.

Travel and subsistence: A review of travel and subsistence policies across MoJ and its executive agencies began at the end of the current financial year and initially identified that some expenses have been treated incorrectly for tax and national insurance. MoJ is carrying out a more detailed review of its policies, including the review of expense claims to determine any tax due. At present, we are unable to provide a reliable estimate of the potential liability until the review is completed.

Contingent assets

At 31 March 2024, LAA has two contingent assets in relation to costs orders from legal proceedings. While recovery continues to be pursued, due to the uncertainty over the recoverable value it is not considered practicable to quantify these assets. (31 March 2023: two with a total value of £29 million).

27. Related party transactions

Associated departments and other central government bodies

MoJ is the parent of HMCTS, HMPPS, LAA, OPG and CICA agencies and the sponsor of NDPBs as listed in Note 29. All of these bodies are regarded as related parties with which the department has had various material transactions during the year. In accordance with the requirements of the FReM these transactions have not been reported.

The Office of the Accountant General (OAG) oversee the administration of the Court Funds Office. OAG invests money on behalf of its clients in the Court Funds Investment Account. OAG is not an arm's length body. It is an operating segment of the MoJ and sits within the chief operating officer's group.

In addition, the department had a number of transactions with other government departments and central government bodies, as well as with local authorities. The most significant of these transactions have been with HM Revenue and Customs, Home Office, PCSPS and HM Treasury.

Management personnel

The brother of Nick Goodwin, the Chief Executive Officer of HMCTS, is a partner at Ward Hadaway, a law firm offering legal representation for cases that fall within the provision of LAA. In 2023-24, LAA made payments totalling £1.4 million (2022-23: £2.2 million) to Ward Hadaway.

Other

Registry Trust Limited is a private company limited by guarantee with no share capital. It maintains the Register of County Court Judgements on behalf of the Lord Chancellor and the Secretary of State for Justice. Revenue recognised from the Registry Trust Limited in the year amounted to £0.6 million (2022-23: £0.6 million) with a total debtor balance due to us as at 31 March 2024 of £0.2 million (2022-23: £0.0 million).

Other interests and related parties of ministers which do not concern the department are disclosed at: www.gov.uk/government/publications/list-of-ministers-interests.

During 2023-24 no other board members or related parties have undertaken any transactions with MoJ. Compensation paid to management, including taxable benefits, is disclosed in the remuneration and staff report.

28. Third party assets

MoJ holds, as custodian or trustee, certain assets belonging to third parties. These assets are not recognised in the CSoFP and neither MoJ nor the government has a direct beneficial interest in them.

Funds in court

MoJ manages funds held in court on behalf of clients who may be involved in a civil legal action, patients who are under the Court of Protection because they are not able to manage their property and affairs, and children under the age of 18. Client assets held at year end comprised cash, an Equity Index Tracker Fund and securities.

Cash holdings represent funds invested by UK Debt Management Office on behalf of the Accountant General in the Court Funds Investment Account and foreign exchange balances held on behalf of clients.

	31 March 2024	31 March 2023
	£000	£000
Cash at bank and on deposit	3,104,199	2,282,065
Securities	78,532	75,043
Total	**3,182,731**	**2,357,108**

Other third party assets

	Official Solicitor and Public Trustee (OSPT)	Criminal injuries awards (CICA)	Pending legal aid amounts (LAA)	Bail monies (HMCTS)	Prisoner monies (HMPPS)	Total
	£000	£000	£000	£000	£000	£000
Cash	5,492	83,589	24,472	47,645	13,612	174,810
Investments	59,313	-	-	-	-	59,313
Non-cash assets	9,602	-	-	-	-	9,602
At 31 March 2024	**74,407**	**83,589**	**24,472**	**47,645**	**13,612**	**243,725**
At 31 March 2023	**69,809**	**81,673**	**20,054**	**73,377**	**14,395**	**259,308**

The rationale for each principal holding of third party assets is as follows.

- The Official Solicitor (OS) administers trusts and estates as administrator/trustee of last resort. The OS acts as last resort litigation friend, and in some cases solicitor, for adults who lack mental capacity and children (other than those who are the subject of child welfare proceedings) in court proceedings because they lack decision making capacity in relation to the proceedings. The Public Trustee (PT) acts as executor or trustee where they have been appointed under a will or a new settlement with the aim of providing an effective executor and trustee service of last resort. The figures above represent the most up to date information available about assets managed by the OS and PT on behalf of clients.
- CICA holds third party compensation awards to minors. The purpose of this action is to ensure that 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 are made: requests for these are assessed on a case by case basis.
- LAA holds funds in respect of damages awarded to legally aided civil law clients and contributions payable by legally aided defendants in Crown Court trials. The outcome of the case and final costs assessment determine whether these funds are retained by LAA or returned to the clients.
- HMCTS holds cash consisting of bail monies and monies held on behalf of court users while cases progress.
- HMPPS holds cash on behalf of offenders.

29. The departmental boundary

Entities within the departmental boundary

Entities within the departmental boundary comprise supply financed agencies and those entities listed in the Government Resources and Accounts Act 2000 (Estimates and Accounts) Order 2023, known as the Designation Order, are set out below.

The core department

These are entities that are accounted for within the core accounting boundary. These entities are managed independently of the department.

- Advisory Committees on Justices of the Peace in England and Wales
- Assessor of Compensation for Miscarriages of Justice
- Chief Coroner's Office
- Civil Justice Council
- Civil Procedure Rule Committee
- Criminal Procedure Rule Committee
- Family Justice Council
- Family Procedure Rule Committee
- Independent Advisory Panel on Deaths in Custody
- Independent Monitoring Boards of prisons, immigration removal centres and short-term holding facilities
- Judicial Appointments and Conduct Ombudsman
- Judicial College
- Judicial Conduct and Investigations Office
- Judicial Office
- Law Commission
- Office of the Commissioner for Victims and Witnesses
- Office of HM Inspectorate of Prisons
- Office of HM Inspectorate of Probation
- Office of the Judge Advocate General
- Office of the Official Solicitor
- Office of the Prisons and Probation Ombudsman for England and Wales
- Prison Service Pay Review Body
- Public Trustee
- Recognition Panel
- Sentencing Council for England and Wales
- Tribunal Procedure Committee

Supply financed agencies

- Criminal Injuries Compensation Authority
- HM Courts and Tribunals Service
- HM Prison and Probation Service
- Legal Aid Agency
- Office of the Public Guardian

Other entities captured in the departmental group including executive NDPBs

- Children and Family Court Advisory and Support Service
- Criminal Cases Review Commission
- Gov Facility Services Limited
- Independent Monitoring Authority for the Citizens' Rights Agreements
- Judicial Appointments Commission
- Legal Services Board
- Oasis Restore Trust
- Office for Legal Complaints
- Parole Board for England and Wales
- Youth Justice Board for England and Wales
- Press Recognition Panel[110]

The annual reports and accounts for the individual entities can be found at: www.gov.uk/official-documents

30. 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 accounts are authorised for issue. The date the accounts are authorised for issue is interpreted as the same date the accounts are certified by the Comptroller and Auditor General.

On 20 September 2024, ISG Construction Limited (ISG) filed for administration. ISG were one of our construction contractors and were involved in a number of active projects for HMPPS and HMCTS. At the time of ISG filing for administration these projects were in various phases of completion including pre-construction, active construction and near completion. MoJ, in partnership with other government bodies, was monitoring the financial position of ISG at the balance sheet date and at that time considered there to be a prospect of them overcoming their difficulties through their own contingency planning. We therefore assess this to be a non-adjusting post balance sheet event under IAS 10.

On 1 August 2024 management chose to completely decant all prisoners from HMP Dartmoor on receipt of readings showing high Radon levels in open landings and atrium areas of the wings, in addition to earlier readings from cells within the prison. The prison is held on a finance lease from the Duchy of Cornwall and is recognised in the accounts as a right of use asset and liability under IFRS16. The property was still in use at the balance sheet date and this event is non-adjusting under IAS10, therefore the valuation of the asset and liability are unaffected.

110 The 2017-18 Designation Order established the Press Recognition Panel as part of the MoJ departmental boundary. This is an administrative action on behalf of government with no change to the Lord Chancellor's responsibilities as stated under the Charter. The Department for Culture, Media and Sport remains the policy lead in relation to the Press Recognition Panel.

Annexes

Annex A: Other notes to the Statement of Parliamentary Supply

This section is subject to audit.

SOPS 3. Reconciliation of net resource outturn to net cash requirement

				2023-24
		Outturn	Estimate	Net total outturn compared with estimate: saving/ (excess)
	Note	£000	£000	£000
Net resource outturn	SOPS 1.1	11,835,382	12,097,162	261,780
Capital outturn	SOPS 1.2	1,465,883	1,541,798	75,915
Accruals to cash adjustments:				
Adjustments to remove non-cash items:				
Depreciation and amortisation		(927,916)	(1,241,317)	(313,401)
New provisions and adjustments to previous provisions		(2,719,402)	(1,505,584)	1,213,818
Other non-cash items		(16,964)	-	16,964
Adjustments for NDPBs:				
Remove voted resource and capital		(358,795)	(368,182)	(9,387)
Add cash grant-in-aid		329,943	335,307	5,364
Adjustments to reflect movements in working balances:				
Increase / (decrease) in receivables		(42,895)	-	42,895
Increase / (decrease) in inventories		(1,552)	-	1,552
(Increase) / decrease in payables		48,038	480,000	431,962
(Increase) / decrease in financial liabilities		114,169	-	(114,169)
Use of provisions		2,273,805	1,142,100	(1,131,705)
Removal of non-voted items:				
Consolidated Fund Standing Services		(185,724)	(177,022)	8,702
OLC and LSB non-voted levy income		21,101	-	(21,101)
Other adjustments		-	21,512	21,512
Net cash requirement		**11,835,073**	**12,325,774**	**490,701**

As noted in the introduction to the SOPS above, outturn and the estimates are compiled against the budgeting framework, not on a cash basis. This reconciliation therefore bridges the resource and capital outturn to the net cash requirement. The net cash requirement calculation only applies to the core department and executive agencies.

SOPS 4. Income payable to the Consolidated Fund

In addition to income retained by the department, the following income relates to the department and is payable to the Consolidated Fund.

	Outturn 2023-24		Outturn 2022-23	
	Income	Receipts	Income	Receipts
	£000	£000	£000	£000
Income outside the ambit of the estimate	975	975	1,552	1,552
Levy income of OLC and LSB within the ambit of the estimate	21,101	21,101	19,390	19,390
Total income payable to the Consolidated Fund	**22,076**	**22,076**	**20,942**	**20,942**

The department also collects fines and penalties imposed by the judiciary and police. However, these are excluded from the income reported here and are reported separately in the HMCTS Trust Statement which can be found at: https://www.gov.uk/government/publications/hm-courts-and-tribunals-service-trust-statement-2023-to-2024

Annex B: Public expenditure core financial tables

The core tables represent expenditure for resource and capital, set for each year in the Spending Review process (amended to incorporate transfers of functions to other government departments as they have arisen). These tables are not reported on the same basis as the financial statements disclosures, with differing categories and headings.

The core tables are produced automatically from the HM Treasury System (Online System for Central Accounting and Reporting (OSCAR)) which is used by all central government departments to record their spending and plans. At 31 March 2024, OSCAR reflects the position agreed at Budget 2023. This won't match the outturn in previous years' financial statements and some spending may also appear on different lines, which may frequently result in restatement of the previous years' core table figures.

Table 1 Total departmental spending (£000)

	2018-19 Outturn	2019-20 Restated Outturn	2020-21 Outturn	2021-22 Outturn	2022-23 Outturn	2023-24 Outturn	2024-25 Plans
Resource DEL							
Policy, corporate services and associated offices	141,570	(36,628)	566,838	704,139	810,027	932,609	394,309
HM Prison and Probation Service	4,021,404	4,170,755	4,599,619	4,241,015	4,642,263	5,305,652	5,465,223
HM Courts and Tribunals Service	1,662,392	1,834,627	1,865,942	2,039,906	2,117,191	2,294,226	2,360,890
Legal Aid Agency	1,715,014	1,746,141	1,550,239	1,787,143	1,912,249	2,154,655	2,167,998
Criminal Injuries Compensation Authority	121,365	206,512	165,837	170,237	167,391	161,126	182,253
Office of The Public Guardian	(13,952)	(14,069)	1,512	(2,552)	(8,338)	(18,745)	(11,717)
Children and Family Court Advisory and Support Service (net)	119,758	129,950	130,013	139,784	143,070	154,088	154,535

	2018-19 Outturn	2019-20 Restated Outturn	2020-21 Outturn	2021-22 Outturn	2022-23 Outturn	2023-24 Outturn	2024-25 Plans
Criminal Cases Review Commission (net)	5,262	5,765	6,392	6,972	7,361	8,501	8,879
Judicial Appointments Commission (net)	7,029	6,988	7,274	7,730	8,777	9,326	10,687
Legal Services Board (LSB) (net)	3,725	3,774	3,906	4,099	4,255	4,550	5,271
Office for Legal Complaints (OLC) (net)	13,228	12,351	13,151	13,757	15,056	16,484	18,259
Parole Board (net)	16,855	18,427	20,360	21,507	23,139	28,239	30,057
Youth Justice Board (net)	84,634	83,407	86,312	93,804	100,884	105,243	105,173
Independent Monitoring Authority for the Citizens' Rights Agreements (net)	-	-	1,964	4,011	4,826	5,622	5,731
Oasis Restore Trust	-	-	-	-	-	3,434	13,376
Gov Facility Services Limited	-	(24)	(692)	(360)	(162)	485	-
Higher judiciary judicial salaries	153,988	159,886	163,898	163,084	171,601	185,724	189,084
OLC/LSB levy CFER	(15,695)	(25,728)	(17,067)	(17,804)	(19,390)	(21,101)	(23,530)
Total resource DEL	**8,036,577**	**8,302,134**	**9,165,498**	**9,376,472**	**10,100,200**	**11,330,118**	**11,076,478**
Of which:							
Staff costs	3,811,703	4,011,613	4,398,670	4,785,069	5,231,542	5,683,799	5,983,087
Purchase of goods and services	4,747,172	5,053,486	4,855,394	5,051,442	5,197,272	5,718,539	5,568,126
Income from sales of goods and services	(685,386)	(441,310)	(69,287)	(72,237)	(79,242)	(90,677)	(1,364,326)

	2018-19 Outturn	2019-20 Restated Outturn	2020-21 Outturn	2021-22 Outturn	2022-23 Outturn	2023-24 Outturn	2024-25 Plans
Other income	-	-	(563,625)	(637,542)	(670,354)	(726,604)	(531,921)
Current grants to local government (net)	138,137	142,359	182,388	198,162	234,042	249,158	253,032
Current grants to persons and non-profit bodies (net)	31,909	29,799	43,135	49,970	57,106	59,082	58,385
Rentals	733,856	116,404	754,638	665,780	724,915	771,679	64,368
Depreciation[2]	534,706	470,052	598,957	717,143	803,968	943,151	926,857
Other resource	(1,275,520)	(1,080,269)	(1,034,772)	(1,381,315)	(1,399,049)	(1,278,009)	118,870
Resource AME							
Policy, corporate services and associated offices	93,576	(1,773,220)	(34,865)	119,815	33,780	345,854	482,099
HM Prison and Probation Service	125,009	1,862,813	63,648	104,637	13,654	(31,522)	47,000
HM Courts and Tribunals Service	20,519	38,232	23,678	69,436	(97,907)	7,349	72,000
Legal Aid Agency	33,795	(7,479)	89,133	39,570	122,684	102,673	34,000
Criminal Injuries Compensation Authority	35,492	(12,648)	(4,544)	(10,613)	4,506	81,150	48,680
Office of the Public Guardian	(78)	220	4,418	(29)	(838)	(733)	200
Children and Family Court Advisory and Support Service (net)	10,456	14,014	16,271	26,925	25,375	(409)	26,000
Criminal Cases Review Commission (net)	156	182	117	(73)	304	1,006	300
Parole Board (net)	(42)	104	(141)	31	167	383	1

	2018-19 Outturn	2019-20 Restated Outturn	2020-21 Outturn	2021-22 Outturn	2022-23 Outturn	2023-24 Outturn	2024-25 Plans
Youth Justice Board (net)	(398)	62	100	(54)	(45)	(63)	1
Judicial Appointments Commission (net)	-	-	-	10	(4)	(6)	1
Legal Services Board (net)	-	-	74	(74)	-	-	1
Office of Legal Complaints (net)	(50)	12	24	-	72	67	1
Gov Facility Services Limited	-	93	730	360	162	(485)	1
Independent Monitoring Authority for the Citizens' Rights Agreements (net)	-	-	-	-	-	-	1
Oasis Restore Trust (net)	-	-	-	-	-	-	1
Total resource AME	**318,435**	**122,385**	**158,643**	**349,941**	**101,910**	**505,264**	**710,287**
Of which:							
Staff costs	-	-	-	-	-	-	-
Net public service pensions[1]	-	168	-	-	-	-	-
Depreciation[2]	48,492	87,712	62,744	95,663	(12,231)	102,883	607,003
Take up of provisions	2,011,770	1,928,438	1,740,200	2,045,971	2,010,847	2,717,181	1,369,104
Release of provision	(1,872,492)	(1,941,284)	(1,724,849)	(1,985,172)	(2,048,096)	(2,275,338)	(1,268,470)
Change in pension scheme liabilities	217,081	-	219,073	370,991	342,292	139,706	150
Other resource	(86,416)	47,351	(138,525)	(177,512)	(190,902)	(179,168)	2,500
Total resource budget	**8,355,012**	**8,424,519**	**9,324,141**	**9,726,413**	**10,202,110**	**11,835,382**	**11,786,765**

	2018-19 Outturn	2019-20 Restated Outturn	2020-21 Outturn	2021-22 Outturn	2022-23 Outturn	2023-24 Outturn	2024-25 Plans
Of which:							
Depreciation[2]	583,198	557,764	661,702	812,806	791,737	1,046,034	1,533,860
Capital DEL							
Policy, corporate services and associated offices	203,554	164,963	272,558	426,544	350,777	252,708	(179,281)
HM Prison and Probation Service	68,346	190,793	502,217	496,903	784,489	949,945	1,482,733
HM Courts and Tribunals Service	169,869	133,073	287,920	483,338	210,191	228,269	192,566
Legal Aid Agency	451	2	491	3,416	3,443	(290)	25
Criminal Injuries Compensation Authority	557	898	1	104	57	5,290	1,306
Office of The Public Guardian	2,322	100	(47)	8,295	926	1,138	100
Children and Family Court Advisory and Support Service (net)	-	-	449	658	8,664	2,041	4,500
Criminal Cases Review Commission (net)	125	220	659	455	35	165	217
Judicial Appointments Commission (net)	-	750	513	117	-	-	-
Legal Services Board (LSB) (net)	-	368	21	10	12	148	724
Office for Legal Complaints (OLC) (net)	129	60	245	145	299	244	461
Parole Board (net)	9	98	421	235	246	42	500

	2018-19 Outturn	2019-20 Restated Outturn	2020-21 Outturn	2021-22 Outturn	2022-23 Outturn	2023-24 Outturn	2024-25 Plans
Youth Justice Board (net)	440	600	729	598	637	109	600
Independent Monitoring Authority for the Citizens' Rights Agreements (net)	-	-	-	40	61	(61)	-
Gov Facility Services Limited	-	-	401	-	-	1,071	-
Oasis Restore Trust (net)	-	-	-	-	-	17,593	-
Total capital DEL	**445,802**	**491,925**	**1,066,578**	**1,420,858**	**1,359,837**	**1,458,412**	**1,504,451**
Of which:							
Purchase of goods and services	-	4,782	-	-	-	-	-
Capital support for local government (net)	16,572	-	1,754	(1)	10,537	568	-
Purchase of assets	517,287	548,387	1,123,681	1,480,427	1,372,075	1,468,462	1,508,770
Income from sales of assets	(94,181)	(59,077)	(5,425)	(7,231)	(30,075)	(14,459)	(10,508)
Other capital	6,124	(2,167)	(53,432)	(52,337)	7,300	3,841	6,189
Capital grants income	-	-	-	-	-	-	-
Capital AME							
Policy, corporate services and associated offices	-	-	-	3,555	4,896	4,675	18,501
HM Prison and Probation Service	-	-	-	1,340	-	-	-

	2018-19 Outturn	2019-20 Restated Outturn	2020-21 Outturn	2021-22 Outturn	2022-23 Outturn	2023-24 Outturn	2024-25 Plans
HM Courts and Tribunals Service	-	-	-	3,919	(270)	(601)	4,500
Legal Aid Agency	-	-	-	90	251	96	-
Criminal Injuries Compensation Authority	-	-	-	-	395	1,310	1
Office of the Public Guardian	-	-	-	1,222	336	1,013	-
Children and Family Court Advisory and Support Service (net)	-	-	-	393	-	784	300
Criminal Cases Review Commission	-	-	-	27	-	-	-
Office for Legal Complaints (OLC) (net)	-	-	-	-	-	194	-
Oasis Restore Trust (net)	-	-	-	-	-	-	1
Total capital AME	**-**	**-**	**-**	**10,546**	**5,608**	**7,471**	**23,303**
Total capital	**445,802**	**491,925**	**1,066,578**	**1,431,404**	**1,365,445**	**1,465,883**	**1,527,754**
Total departmental spending[3]	**8,217,616**	**8,358,680**	**9,729,017**	**10,345,011**	**10,775,818**	**12,255,231**	**11,780,659**
Of which:							
Total DEL[3]	7,947,673	8,324,007	9,633,118	10,080,187	10,656,069	11,845,379	11,654,072
Total AME[3]	269,943	34,673	95,899	264,824	119,749	409,852	126,587

Section headings are based on 2023-24 Supplementary Estimate headings.

1 Pension schemes report under IAS 19 Employee Benefits accounting requirements. These figures therefore include cash payments made and contributions received, as well as certain non-cash items.
2 Includes amortisation and impairments.
3 Total departmental spending is the sum of resource and capital outturn less depreciation. Similarly, total DEL is the sum of resource DEL and capital DEL less depreciation in DEL, and total AME is the sum of resource AME and capital AME less depreciation in AME.

Table 2 Administration costs (£000)

Section headings are based on 2023-24 Supplementary Estimate headings.

	2018-19 Outturn	2019-20 Restated Outturn	2020-21 Outturn	2021-22 Outturn	2022-23 Outturn	2023-24 Outturn	2024-25 Plans
Policy, corporate services and associated offices	294,423	299,414	350,763	369,735	404,389	438,275	442,382
HM Prison and Probation Service	62,043	52,931	19,516	24,091	24,999	21,762	23,302
HM Courts and Tribunals Service	17,171	19,487	19,636	20,288	21,912	21,961	23,653
Legal Aid Agency	20,208	20,574	19,456	16,468	13,894	15,098	16,094
Criminal Injuries Compensation Authority	2,293	2,401	2,063	770	(685)	(446)	(528)
Office of the Public Guardian	58	63	63	67	74	81	-
Children and Family Court Advisory and Support Service (net)	5,219	(59)	5,295	5,192	5,412	5,820	5,749
Criminal Cases Review Commission (net)	654	918	751	715	778	946	889
Judicial Appointments Commission (net)	276	375	399	434	717	652	798
Legal Services Board (net)	-	-	-	1	-	-	-
Parole Board (net)	911	1,085	998	982	3,157	2,994	2,663
Youth Justice Board (net)	2,958	2,854	3,255	3,094	3,610	2,985	3,056
Independent Monitoring Authority for the Citizens' Rights Agreements (net)	-	-	1,362	2,542	2,963	3,544	2,878
Oasis Restore Trust (net)	-	-	-	-	-	3,434	-
Higher judiciary judicial salaries	76	-	76	89	109	99	-
Total administration	**406,290**	**400,043**	**423,633**	**444,468**	**481,329**	**517,205**	**520,936**

	2018-19 Outturn	2019-20 Restated Outturn	2020-21 Outturn	2021-22 Outturn	2022-23 Outturn	2023-24 Outturn	2024-25 Plans
Of which:							
Staff costs	259,244	267,705	284,053	312,538	349,749	373,009	376,693
Purchase of goods and services	137,936	118,346	133,292	137,186	149,547	146,408	113,423
Other income	(36,732)	(13,807)	(47,642)	(46,187)	(47,287)	(38,027)	(32,894)
Current grants to local government (net)	-	-	-	-	-	-	1
Current grants to persons and non-profit bodies (net)	-	88	-	-	-	-	1
Rentals	23,502	(1,673)	24,741	5,755	6,980	198	1,854
Depreciation[1]	20,625	31,470	27,189	33,629	32,506	36,363	57,243
Other resource	1,715	(2,086)	2,000	1,547	(10,166)	(746)	4,615

1 Includes amortisation and impairments.

Annex C: Information on arm's length bodies

The department is required to report total operating income, total operating expenditure and net expenditure for the year, and staff numbers and costs for each component arm's length body.[111] The table below includes the final consolidated figures in the department's accounts including adjustments and intragroup eliminations. As a result of adjustments on consolidation, the annexed figures may not agree directly to the published arm's length body accounts.

				Permanently employed staff		Other staff	
	Total operating income	Total operating expenditure	Net expenditure for the year (including financing)	Number of employees	Staff costs	Number of employees	Staff costs
	£000	£000	£000		£000		£000
Children and Family Court Advisory and Support Service	(2,116)	155,795	153,679	2,047.0	123,277	191.0	7,345
Youth Justice Board	(82)	106,848	106,766	94.9	5,899	0.0	446
Parole Board	-	29,491	29,491	214.0	9,229	14.0	14,657
Judicial Appointments Commission	(20)	10,331	10,311	101.0	5,567	22.0	1,889
Criminal Cases Review Commission	(7)	9,514	9,507	100.5	6,000	0.0	445
Independent Monitoring Authority	-	6,429	6,429	53.4	3,518	3.1	545
Legal Services Board	(4,659)	4,659	-	35.1	2,818	0.0	531
Gov Facility Services Limited	(160,706)	160,706	-	1,299.0	55,848	308.0	10,351
Office of Legal Complaints	(17,365)	17,336	(29)	298	12,806	0.0	467
Oasis Restore Trust	(102)	3,536	3,434	24.0	2,036	0.0	140

All tabled information was correct and accurate as at the approval date of the accompanying annual report and accounts.

Staff numbers are presented by the average number of full-time equivalent. The costs of board members, panel members and commissioners of arm's length bodies are included in other staff costs above but there is no corresponding full-time equivalent figure assigned against these individuals because it would not be appropriate to do so.

111 The 2017-18 Designation Order established the Press Recognition Panel as part of the MoJ departmental boundary. This is an administrative action on behalf of government with no change to the Lord Chancellor's responsibilities as stated under the Royal Charter. The Department for Culture, Media and Sport remains the policy lead in relation to the Press Recognition Panel.

Annex D: Off-payroll engagements

Highly paid off-payroll worker engagements as at 31 March 2024, earning £245 per day or greater.

	HQ	HMPPS	HMCTS	LAA	OPG	CICA	Cafcass	OLC	Parole Board	CCRC	JAC	LSB	YJB	GFSL	IMA	Total
Number of existing engagements as of 31 March 2024	569	9	39	1	1	-	-	-	-	-	-	-	-	11	2	632
Of which:																
Number that have existed for less than one year at time of reporting	302	1	14	-	1	-	-	-	-	-	-	-	-	5	1	324
Number that have existed for between one and two years at time of reporting	195	3	13	-	-	-	-	-	-	-	-	-	-	3	1	215
Number that have existed for between two and three years at time of reporting	60	2	6	1	-	-	-	-	-	-	-	-	-	1	-	70
Number that have existed for between three and four years at time of reporting	12	1	3	-	-	-	-	-	-	-	-	-	-	1	-	17
Number that have existed for four or more years at time of reporting	-	2	3	-	-	-	-	-	-	-	-	-	-	1	-	6

All highly paid off-payroll workers engaged at any point during the year ended 31 March 2024, earning £245 per day or greater

	HQ	HMPPS	HMCTS	LAA	OPG	CICA	Cafcass	OLC	Parole Board	CCRC	JAC	LSB	YJB	GFSL	IMA	Total
Number of temporary off-payroll workers engaged during the year ended 31 March 2024	927	8	30	3	4	-	-	-	-	-	1	-	-	12	5	990
Of which:																-
Not subject to off-payroll legislation	901	5	26	3	4	-	-	-	-	-	-	-	-	12	5	956
Subject to off-payroll legislation and determined as in-scope of IR35	19	-	-	-	-	-	-	-	-	-	-	-	-	-	-	19
Subject to off-payroll legislation and determined as out-of-scope of IR35	7	3	4	-	-	-	-	-	-	-	1	-	-	-	-	15
Number of engagements reassessed for compliance or assurance purposes during the year	692	32	43	6	3	1	-	-	1	-	-	-	5	-	4	787
Of which: Number of engagements that saw a change to IR35 status following review	2	3	3	-	-	-	-	-	-	-	-	-	-	-	-	8

For any off-payroll engagements of board members and/or senior officials with significant financial responsibility, between 1 April 2023 and 31 March 2024

	HQ	HMPPS	HMCTS	LAA	OPG	CICA	Cafcass	OLC	Parole Board	CCRC	JAC	LSB	YJB	GFSL	IMA	Total
Number of off-payroll engagements of board members and/or senior officials with significant financial responsibility, during the financial year	0	0	1	0	0	0	0	0	0	0	0	0	0	1	0	2
Total number of individuals on payroll and off-payroll that have been deemed 'board members and/or senior officials with significant financial responsibility', during the financial year. This figure should include both on-payroll and off-payroll engagements	13	6	16	17	5	3	16	1	10	9	14	6	22	13	5	156

Details of the exceptional circumstances that led to the above off-payroll engagements and the duration of the engagement is as follows:

HMCTS: Since 23 March 2020, an interim chief information officer was engaged whilst the permanent role was being defined. In February 2024, a permanent appointment was made.

GFSL: An interim finance director was engaged in August 2023, during the search for a permanent successor for the finance director role.

Annex E: Report by the Secretary of State on the use of powers under section 70 of the Charities Act 2006 for the year 2023-24

Section 70 of the Charities Act 2006 ("the Act") sets out the powers for ministers to give financial assistance to charitable, benevolent or philanthropic institutions and requires that payments made under this power are reported.

During 2023-24, the department awarded grants totalling **£2,779,253** under the provisions of the Act. This spending does not represent the total amount of grant funding provided to the voluntary and community sector, as many other grants have been paid to this sector under the powers conferred by alternative legislation.

The activities undertaken by various organisations which the department has funded are in line with the department's aims and objectives. The table below sets out the financial assistance provided by the Secretary of State under these powers for 2023-24.

Name of organisation (recipient)	Grant name (title)	Amount £
Circles UK	Circles UK: Provision and development of circles of accountability	121,579
JUSTICE	Administrative Justice Council	71,883
National Association of Child Contact Centres	National association of child contact centres (NACCC)	192,000
Reunite International Child Abduction Centre	Reunite	122,000
The Butler Trust	The Butler Trust	125,000
The Citizenship Foundation	Magistrates' court mock trials competition	25,000
Citizens Advice Wirral	Citizens advice bureau Wirral co-located advice hub project	44,528
Access to Justice Foundation	Help Accessing Legal Support	1,559,941
National Association of Child Contact Centres	Supported Child Contact Centres	450,000
Law for Life: The Foundation for Public Legal Education	Advice Now Guides	67,322
Total		**2,779,253**

Annex F: Trade union facility time

The department is required, by the Trade Union (Facility Time Publication Requirements) Regulations 2017 which came into force on 1 April 2017, to disclose the number of hours spent on facility time by employees who are a relevant union official during the reporting period, which are paid by the department.

Facility time is recognised as the time an employee has spent on paid trade union activities where the employee has received wages from the department

Table 1 Relevant union officials

The total number of employees who were relevant union officials during 2023-24.

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
622	620

Table 2 Percentage of time spent on facility time

The number of employees who were relevant union officials employed during 2023-24, who spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time.

Percentage of time	Number of employees
0%	12
1-50%	610
51-99%	0
100%	0

Table 3 Percentage of pay bill spent on facility time

The percentage of the total pay bill spent on paying employees who were relevant union officials for facility time during 2023-24.

Total cost of facility time (£000)	3,063,170.47
Total pay bill (£000)	4,643,737,000
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	0.07%

Table 4 Paid trade union activities

As a percentage of total paid facility time hours, the number of hours spent by employees who were relevant union officials during 2023-24 on paid trade union activities.

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period ÷ total paid facility time hours) x 100	0%

Annex G: Reconciliation between contingent liabilities reported in the Supply Estimate and those reported in the annual report and accounts

Table 1 Quantifiable contingent liabilities

Description	Entity	Supply Estimate* £000	Annual report and accounts £000	Variance £000
Employment tribunal claims	HQ	6,000	261,050	261,044
Legal claims	HQ	230	180	(50)
Data protection claims	HQ	105	715	610
Judicial review	HQ	-	50	50
Personal injury claims by staff, prisoners and third parties	HMPPS	50,000	49,100	900
Employment tribunal claims	HMCTS	60	-	(60)
Employment tribunal refunds, following the UK Supreme Court judgment quashing the Employment Tribunals and Employment Appeal Tribunal Fees Order 2013/1893	HMCTS	13,726	13,724	(2)
Other refund schemes to refund court fees which were charged in error or incorrectly set	HMCTS	9,296	9,296	-
Legal cases dealing with ex gratia, compensation and other claims	HMCTS	277	400	123
Refund scheme for incorrect fees charged for low value personal injury claims	HMCTS	10,920	11,659	739
Offers of compensation not accepted within time limits	CICA	400	600	200

* Supply Estimate, February 2024

Explanations for material variances:

- Details of new employment tribunal claims emerged after the Supplementary Estimates were published.
- The total value of cases 'on-offer' and past the deadline is £0.6 million. However, any liability would therefore be below that value. Further detail is given in CICA's annual report and accounts 2023-24.

Table 2 Unquantifiable contingent liabilities

Description	Entity	Supply Estimate*	Annual report and accounts
Incidents incurred but not yet received: in respect of individuals who have been victims of violent crime but have not yet applied to CICA	CICA	Yes	Yes
Refund of court-ordered financial impositions paid by defendants, as a result of quashed railway ticketing offence convictions.	HMCTS	No	Yes
Tax and national insurance liability subject to the review of expenditure claims.	MoJ	No	Yes

* Supply Estimate, February 2024

Table 3 Remote (non-IAS 37) contingent liabilities

Description	Entity	Supply Estimate*	Annual report and accounts	£000
Quantified				
Heathrow Airport Holdings Limited and other third parties indemnity	HMPPS	No	Yes	250,000
Unquantified				
Privately managed prisons: HMPPS would be liable as underwriter of last resort to meet certain losses incurred by the privately managed prisons.	HMPPS	No	Yes	
CICA: Compensation cases at appeal stage, under the jurisdiction of the First-Tier Tribunal – Criminal Injuries Compensation which may proceed to judicial review.		No	Yes	

Only contingent liabilities that meet the definition within IAS 37 Provisions, Contingent Liabilities and Contingent Assets are included in the Supply Estimates.

* Supply Estimate, February 2024

Glossary

Accounting Officer		A person appointed by HM Treasury or designated by a department to be accountable for the operations of an organisation and the preparation of its accounts. The appointee is, by convention, usually the head of a department or other organisation, or the chief executive of a non-departmental public body.
Administration budget		A HM Treasury budgetary control that forms part of the resource departmental expenditure limit (DEL). It is normally spent on the running costs of the department and its agencies, including back office staff and accommodation.
Annually managed expenditure	AME	A HM Treasury budgetary control. AME is spending included in total managed expenditure, which does not fall within DEL. Expenditure in AME is generally less predictable and controllable than expenditure in DEL. AME is split between resource and capital expenditure.
Capital expenditure		Spending on assets and investment.
Cash losses		Physical losses of cash and its equivalents which we have recorded receipt of (e.g. cheques, vouchers, credit cards, electronic transfers).
Cash equivalent transfer value	CETV	The overall value, as calculated by an actuary, of an individual's pension entitlement. This is the anticipated cost of providing the pension throughout retirement.
Claims abandoned		Losses that may arise if claims are waived or abandoned because, though properly made, it is decided not to present or pursue them.
Compensation payments		Compensation payments are made to provide redress for personal injuries (except for payments under the Civil Service Injury Benefits Scheme), damage to property etc, suffered by civil servants or others. They include other payments to those in the public service outside statutory schemes or outside contracts.
Consolidated Fund		The government's current account, operated by HM Treasury.
Consolidated Fund Extra Receipt	CFER	Income, or related cash, received by a department that it is not authorised to retain and which are surrendered/paid over to the Consolidated Fund.
Constructive loss		A loss caused by a procurement action. For example, stores correctly ordered, delivered or provided, then paid for as correct, but later, perhaps because of a change of policy, they prove not to be needed or to be less useful than when the order was placed.
Departmental expenditure limit	DEL	A HM Treasury budgetary control. Annually voted expenditure which covers the day-to-day, planned and controllable departmental expenditure. DEL is split between resource (RDEL) and capital expenditure (CDEL).

Estimate (or Supply Estimate)		Supply Estimates are the means by which Parliament gives approval to (and grants resources for) departmental spending plans. The amount approved by Parliament is often termed 'the Vote'. The resources granted in the Vote are specifically for the set of departmental operations covered under the ambits. The Vote also includes the net cash requirement.
Executive agency		A public body which, while being a separate entity to its parent/sponsoring government department, is subject to significant control from the department and its ministers. Executive agencies usually have a narrow remit covering one policy area of the parent department.
Ex gratia payments		Payments made when there is no legal obligation to do so. Ex gratia payments go beyond statutory cover, legal liability or administrative rules.
Extra-contractual claims		Also known as common law claims, these are claims for damages for breach of contract.
Fees and charges		A department's income generated from services where it is permitted to charge recipients for the service.
Financial Reporting Manual	FReM	The HM Treasury technical guide to accounts preparation for government bodies. www.gov.uk/government/publications/government-financial-reporting-manual-2023-24
Fruitless payment		A payment that cannot be avoided because the recipient is entitled to it even though the department will receive nothing of use in return.
Grant-in-aid	GIA	Grant provided to a body by government for a specific purpose. Most NDPBs are grant-in-aid funded.
Inland Revenue off-payroll tax	IR35	The IR35 rules make sure that workers, who would have been an employee if they were providing their services directly to the client, pay broadly the same income tax and national insurance contributions as employees.
International Financial Reporting Standards	IFRS	The set of financial reporting standards adopted by the government, as adapted by the FReM. IFRS comprises International Accounting Standards (IAS) and IFRSs.
Managing Public Money	MPM	The HM Treasury guide for civil and other public servants containing the principles for dealing with public resources. www.gov.uk/government/publications/managing-public-money
Materiality		The threshold above which amounts in the financial statements affect the decisions of users of the accounts. The threshold is subject to judgement and may depend on value, nature (e.g. senior staff salaries are low in value, but of significant interest to readers of the accounts), or context.

National Audit Office	NAO	Office of the Comptroller and Auditor General, which audits accounts of government bodies and carries out value for money inspections within the bodies it audits. www.nao.org.uk/
Net cash requirement	NCR	The limit voted by Parliament reflecting the maximum amount of cash that can be released from the Consolidated Fund to a department in support of expenditure in its estimate.
Non-departmental public body	NDPB	A body which is not an integral part of a department, and which operates at arm's length from ministers (in contrast to an executive agency).
Other comprehensive income/expenditure		A section of the Consolidated Statement of Comprehensive Net Expenditure which contains gains and losses which are not yet recognised in profit and loss (e.g. revaluations of non-current assets).
Private Finance Initiative	PFI	A means of funding public infrastructure or services by collaboration between the public and private sectors. Typically, a private sector contractor will build and operate an asset, which the public sector entity will use to deliver services for which it pays an annual charge.
Programme budget/expenditure		A department's direct frontline delivery costs, including support costs directly associated with frontline service delivery.
Regularity		The principle that all consumption of resources should be made in accordance with the legislation authorising them, any applicable delegated authority and Managing Public Money.
Resource expenditure		The department's resource budget, as voted by Parliament. Resource expenditure reflects the consumption of resources in that year.
Service concession arrangement	SCA	An arrangement whereby a public sector body contracts with a private operator to develop (or upgrade), operate and maintain the grantor's infrastructure assets (e.g. prisons). The grantor controls or regulates what services the operator must provide.
Spending Review		A cross-government review of departmental aims and objectives and analysis of spending programmes which results in the allocation of multi-year budgetary limits.
Store losses		Losses of accountable stores through damage, obsolescence, fraud, theft, arson or any other causes.
Supply		The funds paid to the department by HM Treasury. The amount paid in the year is shown in the Statement of Changes in Taxpayers' Equity.
Write offs		A write off is the act of writing down of a receivable balance in the annual report and accounts below its original value. Only receivables that are considered irrecoverable can be written off, although they could still be legally collectable. These will all result in a charge to the Consolidated Statement of Comprehensive Net Expenditure and a reduction to the receivables balance.

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