



**Crown
Prosecution
Service**
ANNUAL REPORT
AND ACCOUNTS
2017–2018

Crown Prosecution Service

Annual Report and Accounts

2017–2018

(for the period April 2017 – March 2018)

Report presented to Parliament pursuant to Section 9 of the Prosecution of Offences
Act 1985

Accounts presented to the House of Commons pursuant to Section 6(4) of the
Government Resources and Accounts Act 2000

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

Ordered by the House of Commons to be printed 5 July 2018



© Crown copyright 2018

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.uk/government/publications

Any enquiries regarding this publication should be sent to us at The Crown Prosecution Service, Rose Court, 2 Southwark Bridge, London SE1 9HS.

ISBN 978-1-5286-0677-6

CCS0418342198 07/18

Printed on paper containing 75% recycled fibre content minimum

Printed in the UK by the APS Group on behalf of the Controller of Her Majesty's Stationery Office

Our duty is to prosecute the right people for the right offences. The CPS works with our criminal justice partners to protect the public and create a safe society.

OUR ORGANISATION

- 02** Foreword by the Director of Public Prosecutions
- 04** About the CPS
- 05** The CPS in 2017–2018

PERFORMANCE REPORT

- 06** Performance Analysis
- 11** Financial Management Commentary
- 12** Other information

ACCOUNTABILITY REPORT

- 16** Non-Executive Director's report
- 18** Statement of Accounting Officer's responsibilities
- 19** Governance statement
- 26** Remuneration and staff report
- 32** Statement of Parliamentary Supply
- 33** Notes to Statement of Parliamentary Supply
- 35** Parliamentary accountability report
- 36** Certificate and report of the Comptroller and Auditor General to the House of Commons

FINANCIAL STATEMENTS

- 39** Statement of comprehensive net expenditure
- 40** Statement of financial position
- 41** Statement of cash flows
- 42** Statement of changes in taxpayers' equity
- 43** Notes to departmental accounts

ANNEXES

- 58** Annex A - Regulatory reporting
- 60** Annex B - Glossary

What does this report contain?

Our Annual Report details the performance and activities of the CPS over the past financial year against our strategic priorities. Previous reports can be found online at cps.gov.uk.

Tell us what you think

The CPS is committed to being honest and open and we welcome feedback on the contents of this report. Details on how to contact us are available at cps.gov.uk.

Our Organisation

Foreword by the Director of Public Prosecutions Alison Saunders CB



The crime landscape is changing, and this affects our caseload. As in previous years, the total number of cases we deal with has fallen but the cases have become increasingly complex.

I am pleased to present the 2017–18 Annual Report for the Crown Prosecution Service (CPS).

We set ambitious objectives at the beginning of the year focused on our strategic priorities and have made good progress against these.

Our strategic direction is set out in CPS 2020, the overarching organisational approach informed by the expertise of our staff. This was the second year we set our aims – and the plans for achieving them – underneath the four strategic priorities in CPS 2020, namely high quality casework, improving public confidence, supporting the success of our people and continuous improvement. Full details of our performance over the last year are detailed in this report, but I have highlighted here some key developments and achievements in relation to each of the strategic priorities.

The crime landscape is changing, and this affects our caseload. As in previous years, the total number of cases we deal with has fallen but the cases have become increasingly complex. To ensure we deliver consistently high quality casework we have continued to build our prosecutors' skills through training and opportunities to work across different teams and departments. In addition, we have updated our legal guidance and approach on key issues.

Disclosure has been a key focus this year. Meeting our crucial obligations on the disclosure of unused material is a cornerstone of justice and we have not always met the standards we should. There is now unprecedented focus from the leadership of the CPS and policing to tackle this. We have agreed and started to implement the Joint National Disclosure Improvement Plan between the CPS, the National Police Chiefs' Council and the College of Policing. Delivering the actions in the plan will make sure that both we and the police meet these obligations, and that we work collectively across the criminal justice system to address the issues we face. We have conducted a thorough review of our disclosure manual following significant developments in the way the criminal justice system operates and the rise in the volume of digital material created in criminal investigations, and published the updated manual along with new guidance for our prosecutors. Disclosure management practices developed from those we routinely use in terrorism, serious fraud and organised crime cases to identify issues for the judiciary and the defence will be used in all rape and serious sexual offence cases and complex Crown Court cases. In addition to the national plan, each CPS Area has agreed a joint local disclosure improvement plan with each of the police forces they work with. These plans set out how issues identified in the national plan will be addressed at a local level. We will continuously evaluate progress through the National Disclosure Forum, which is jointly chaired by the CPS and police and includes representatives from the Law Society, the Bar Council and Criminal Bar Association, defence solicitors and the judiciary. We recognise there is much more to do on this issue and it will remain a focus in the year ahead.

To improve the criminal justice response to a major issue facing us internationally – human trafficking and modern slavery – I held a summit for senior prosecutors from a range of countries in February 2018.

Following productive discussions we are now working with our partners overseas on a number of objectives, including sharing tools and resources to prosecute more effectively, supporting victims and witnesses, deterrence and confiscating the proceeds of crime.

Improving how we engage with the people we serve brings clear benefits to both the public and the organisation, by enhancing their understanding of the work we do and the impact it has. In developing the CPS' first Inclusion and Community Engagement Strategy we have set a new framework for how we will do this nationally and locally in the coming years. In 2017-18 we also developed a new, more user-friendly website and ran social media campaigns on important issues such as modern slavery and domestic abuse – raising awareness of the nature of these crimes and how they are prosecuted. We will continue to work with our partners to highlight key issues and explain our work.

We have continued to improve how we communicate with and support witnesses at court, leading to a reduction in the number of prosecutions which are unsuccessful because of prosecution witness issues. We have revised our legal guidance on key issues including hate crime, which has helped us secure a rise in the number of sentences reflecting the hate element of a crime.

We have invested in initiatives to support the success of our people. We have encouraged and supported our staff to develop – either in their current role or to progress to new roles – through showing clear career paths and enabling secondments, shadowing and mentoring. More than 150 members of staff have been trained to provide mental health support in the workplace to colleagues who may need it. A clear validation of these and other projects to support our people is our Employee Engagement Index, which has increased by eight percentage points in three years to 61% in 2017-18.

Underpinning all of our strategic priorities is the commitment to continuous improvement. Key to this is our ongoing investment in our technology capabilities, providing our staff with the tools they need to work securely in different locations and across geographical boundaries. We are taking an active role in the development of the criminal justice system Common Platform, part of the government's programme of court reform to build a modern, accessible and efficient justice system. We have introduced an online digital process for the secure and efficient transfer of multimedia evidence and improved the functionality and accessibility of our case management system.

This is the last CPS Annual Report I will present, as my five-year term ends in October. It has been a privilege to lead the CPS and I am very grateful to my colleagues past and present across the organisation for their professionalism and commitment.



Alison Saunders CB
Director of Public Prosecutions
28 June 2018

About The CPS

WHO WE ARE AND WHAT WE DO

The Crown Prosecution Service (CPS) prosecutes criminal cases that have been investigated by the police and other investigative organisations in England and Wales. Our duty is to make sure that the right person is prosecuted for the right offence, and to bring offenders to justice wherever possible. We make our decisions independently of the police and government.

The CPS:

- decides which cases should be prosecuted;
- determines the appropriate charges in more serious or complex cases, and advises the police during the early stages of investigations;
- prepares cases and presents them at court; and
- provides information, assistance and support to victims and prosecution witnesses.

HOW WE ARE ORGANISED AND OPERATE

The CPS operates across England and Wales, with 14 regional teams prosecuting cases locally. Each of these 14 CPS Areas is headed by a Chief Crown Prosecutor, and works closely with local police forces and other criminal justice partners. CPS Areas deal with a wide range of cases. The majority are less serious cases and are heard in the magistrates' courts, whilst the most serious cases, are heard in the Crown Court.

There are also three Central Casework Divisions which deal with some of the most complex cases we prosecute. They work closely with specialist investigators from a range of organisations, including the National Crime Agency, HM Revenue & Customs and the Independent Police Complaints Commission, as well as with police forces across England and Wales.

These three specialist divisions, each headed by a Head of Division (equivalent to a Chief Crown Prosecutor), are:

- International Justice and Organised Crime Division;
- Special Crime and Counter Terrorism Division; and
- Specialist Fraud Division.

In addition, CPS Proceeds of Crime is a dedicated division responsible for all restraint, enforcement and serious confiscation work.

OUR CULTURE

The CPS has a strong track record and reputation for its work on inclusion, diversity and community engagement. We are committed to reflecting the community we serve by further developing our inclusive culture and diverse workforce.

Our aim is to continue to develop and retain a skilled, talented, flexible and diverse workforce that ensures we are resourced appropriately across all functions and geographical locations with employees possessing the skills and capability to deliver high quality services.

An essential key element for the success of our people has been building leadership and management capability and we have continued to invest in the CPS Leadership Development Programme. The CPS also participates in the Civil Service High Potential Talent Schemes, including the High Potential Development Scheme (HPDS), Senior Leaders and Future Leaders Schemes (SLS and FLS), and there was a significant increase in the number of staff from the Department who were selected for the 2017 Senior and Future Leaders Schemes.

Continued success in the future is dependent on building a culture of caring, with clear recognition that our employees' welfare and performance go hand in hand. During 2017-18 we launched 'Our Wellbeing Matters' guidance to bring real focus to health and wellbeing at work.

We retain significant focus on the use of apprenticeships in the CPS, with 2.7% of our workforce at year end made up of apprentices. This is coupled with a work experience strategy that ensures we support social mobility by providing work experience opportunities to people from a wide range of backgrounds.

OUR VALUES

Central to everything we do are our values:

We will be independent and fair

We will prosecute independently, without bias, and will seek to deliver justice in every case.

We will be honest and open

We will explain our decisions, set clear standards about the service the public can expect from us and be honest if we make a mistake.

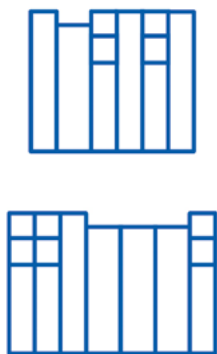
We will treat everyone with respect

We will respect each other, our colleagues and the public we serve, recognising that there are people behind every case.

We will behave professionally and strive for excellence

We will work as one team, always seeking new and better ways to deliver the best possible service for the public. We will be efficient and responsible with taxpayers' money.

The CPS in 2017–18



2017–18

533,161

Caseload

In the Crown Court we prosecuted 80,090 cases and in the magistrates' court we prosecuted 453,071 cases. Although our total caseload this year has decreased by 10%, more of our cases are increasingly complex.

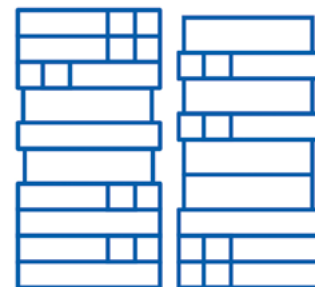


2017–18

84.1%

Conviction Rate

The percentage of defendants prosecuted who either pleaded guilty or were found guilty at court was 84.1%, which is broadly consistent with last year's conviction rate. This indicates we are making the right decisions and trying the right cases.



2017–18

77.0%

Guilty pleas

A consistent number of defendants pleaded guilty this year compared to last, indicating the quality of our casework and strength of evidence remains high.



2017–18

£80.1 million

Proceeds of Crime

We continue to pursue cash and assets defendants gain through illegal activity and feed it back into the public purse. This year we helped recover proceeds of crime of £80.1 million.



2017–18

61%

Employee Engagement

The engagement of our staff has increased by 2 percentage points to 61%, the highest recorded for the organisation and in line with the Civil Service average. Our employee engagement has increased by 10 percentage points in the past five years.



2017–18

91%

Front Line Staff

At the end of the year 91% of our employees worked in positions directly linked to successfully prosecuting cases at court.

Performance Report

Performance Analysis

OVERVIEW

Over the year, the CPS prosecuted 533,161 cases and secured 448,327 convictions. In magistrates' courts, our conviction rate was 84.8% while in the Crown Court 79.9% of our cases resulted in conviction.

Although the overall number of cases continues to fall, over the current spending review period we have seen an increase in the complexity of the cases we prosecute. This is reflected in the huge growth in digital evidence and, in the case of sexual offences, very often a heavy reliance on vulnerable victims and witnesses. These factors create substantial additional challenges for case management and meeting our disclosure responsibilities.

OUR AIMS AND ACHIEVEMENTS

Our strategic priorities and the action we will take to continue improving our service to the public were set out in CPS 2020. These were set out under four pillars:

- Everyone contributing to high quality casework;
- Ensuring public confidence that we are fair, effective and independent;
- Supporting the success of our people; and
- Continuously improving how we work.

Magistrates' Court Conviction Rate

| | |
|---------|-------|
| 2017-18 | 84.8% |
| 2016-17 | 84.8% |
| 2015-16 | 83.8% |
| 2014-15 | 84.2% |




Crown Court Conviction Rate

| | |
|---------|-------|
| 2017-18 | 79.9% |
| 2016-17 | 78.9% |
| 2015-16 | 79.2% |
| 2014-15 | 79.4% |

Each year, we produce an annual business plan which sets out the specific steps we will take to move us forward to achieve this vision. Our annual plan builds on our previous strategic objectives, and sets out our ambitions for the year ahead. This can be found on our website www.cps.gov.uk.

To monitor delivery against our strategic objectives during 2017-18, we identified performance metrics and targets under each pillar. We set out in this section a summary of the key activities undertaken during 2017-18 and an assessment of the goals we achieved. We also set out the performance delivered against the key targets in our business plan for the year.

In assessing our performance we have used the following traffic light system:

-  Not met
-  Target just missed
-  Fully met

HIGH QUALITY CASEWORK

What we are trying to achieve:

We will deliver justice through excellent, timely legal decision making, casework preparation and presentation

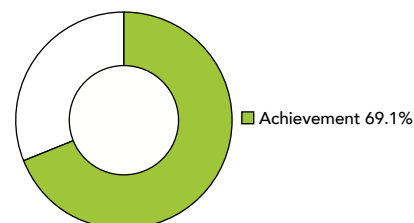
During 2017-18 we delivered the following key activities in order to contribute towards the delivery of High Quality Casework:

- Agreed the Joint National Disclosure Improvement Plan between the CPS, the National Police Chiefs' Council and the College of Policing – demonstrating our shared commitment to tackling this crucial issue;
- Developed a model for the delivery of early investigative advice in Rape and Serious Sexual Offence cases as part of our commitment to improve the quality and timeliness of decisions;
- Contributed to the development of the new UK anti-corruption strategy;
- Worked in close partnership with the police to improve the effectiveness and efficiency of prosecutions by improving file quality;
- Revised public policy statements and legal guidance covering hate crime, ensuring utilisation of hate crime sentence uplifts where appropriate; and
- Participated in the process evaluation of pre-recorded cross-examination pilot (Section 28) aimed at supporting vulnerable or intimidated victims and witnesses (other than the accused) to give their best evidence and help reduce some of their anxiety of attending court.

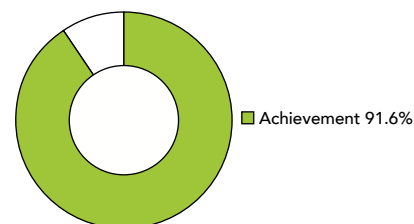
HOW DID WE DO?

In our business plan for 2017-18 we set the following targets for the year:

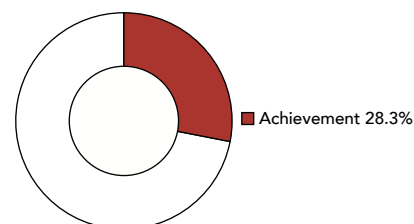
Target: Increase the proportion of recorded sentence uplifts for hate crime in finalised convictions to more than 55%
Result: Target met (69.1%)



Target: Increase compliance with Crown Court directions to more than 90%
Result: Target met (91.6%)



Target: Reduce magistrates' court cases dropped at third or subsequent hearing to less than 20%
Result: Target not met (28.3%)



PUBLIC CONFIDENCE

What we are trying to achieve:

Our decisions will be open and transparent, and the public will trust that we are fair and deliver justice

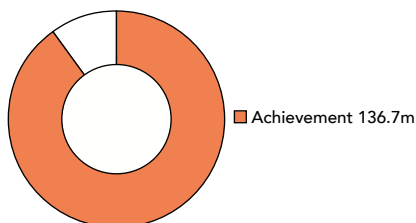
During 2017-18 we delivered the following key activities in order to build public confidence:

- Created a number of engaging campaigns, including #DiscoverCPS, that explained the work of the CPS;
 - Completed an inclusion and community engagement stocktake, assisted by internal and external reference groups, that shaped the way we work with and learn from communities in order to build confidence in the criminal justice system;
 - Launched a new website to improve public access to information about the CPS;
 - Developed a suite of guides to improve victims' communication, ensuring they are treated with respect and care and that we respond to their individual needs;
 - Made recommendations regarding domestic abuse best practice to the National Criminal Justice Board and senior criminal justice officials as part of our ongoing commitment to positively influence the criminal justice landscape and deliver justice with our partners;
 - Published responses to HMCPSI assurance inspections on our website in line with our promise to be open, listen, explain our decisions and learn from our successes and our mistakes; and
- Completed work through our Digital Transformation Services team to develop automated ICT solutions, in order to make our processes more efficient and ensure we provide a professional service to everyone we work with.

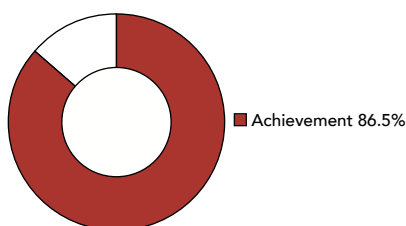
HOW DID WE DO?

In our business plan for 2017-18 we set the following targets for the year:

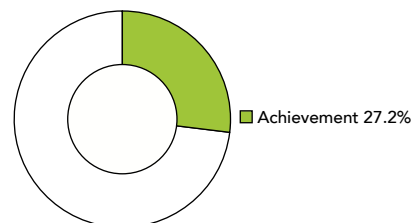
Target: Increase potential impressions for hashtags in social media campaigns to more than 150 million
Result: Target just missed (136.7m)



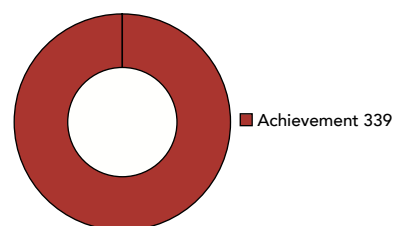
Target: Ensure 100% of communication with victims meets the Victims' Charter timeliness standards
Result: Target not met (86.5%)



Target: Reduce unsuccessful outcomes owing to witness issues to less than 27.5%
Result: Target met (27.2%)



Target: Reduce number of rape and serious sexual offence cases waiting 28 days for pre-charge advice/decision to less than 120
Result: Target not met (339 cases)



SUCCESS OF OUR PEOPLE

What we are trying to achieve:

We will attract and retain the best people and be recognised for our investment in staff, training and skills

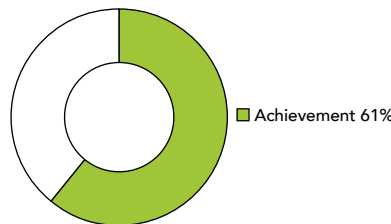
During 2017-18 we delivered the following key activities in order to attract, retain and develop our people:

- Developed the CPS employer brand to ensure it was positioned to help attract the right talent to the organisation;
- Launched our 'Respect – Tackling Discrimination, Bullying and Harassment policy' as part of our commitment to behave according to our values and create a culture of respect where it's safe to speak up;
- Launched a new career pathway tool to help nurture and grow our talent, offering everyone a clear path for career development;
- Won the Bronze Award for Excellence in the Design of Learning Content at the Learning Technologies Awards 2017 for our 'Speaking to Witnesses at Court' learning package;
- Continued our Managers' Development Programme to empower leaders to foster a culture of learning where everyone takes responsibility for their own development;
- Put over 150 trained Mental Health Allies in place throughout the organisation to ensure we can properly support staff with mental health issues;
- Improved the guidance available to help employees find, fund and book learning opportunities to ensure we equip our people with the skills to excel in a changing environment;
- Published the CPS Inclusion and Community Engagement Strategy to ensure we reflect the community we serve by further developing our inclusive culture and diverse workforce; and
- Invested in apprenticeships and scholarships as part of our commitment to supporting social mobility.

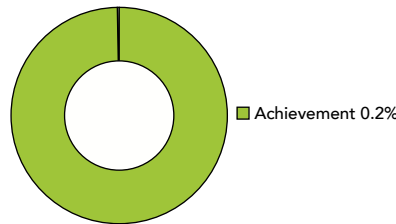
HOW DID WE DO?

In our business plan for 2017-18 we set the following targets for the year:

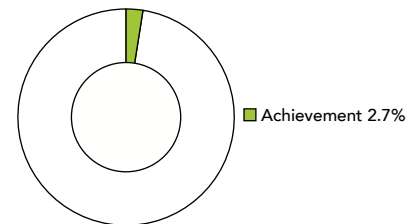
Target: Increase employee engagement index score in the Civil Service People Survey to more than 59%
Result: Target met (61%)



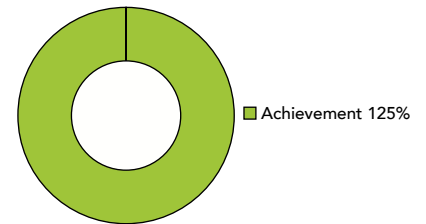
Target: Sustain job vacancies against the resource plan within 4%
Result: Target met (0.2%)



Target: Improve number of apprenticeships to more than 2.3%
Result: Target met (2.7%)



Target: Increase number of CPS employees participating in cross-Government talent programmes by more than 100%
Result: Target met (125%)



Employee Engagement Index



The overall 2017 Employee Engagement Index (EEI) for CPS is 61%, the highest that the CPS has achieved since the Civil Service People Survey began and now in line with the Civil Service average.

The breakdown of our workforce is shown in the table below and highlights the diversity of our workforce across all grades in the organisation.

| | Female | Male | Declared BAME | Declared Disability | Declared LGBO |
|--------------|------------|------------|---------------|---------------------|---------------|
| SCS | 55% | 45% | 9% | 7% | 8% |
| Grade 6/7 | 59% | 41% | 17% | 10% | 6% |
| Other | 70% | 30% | 22% | 10% | 5% |
| Total | 65% | 35% | 20% | 10% | 6% |

CONTINUOUS IMPROVEMENT

What we are trying to achieve:

We will continue to digitise and modernise the way we work, supporting a flexible workforce and delivering swifter justice, fewer hearings and more effective trials.

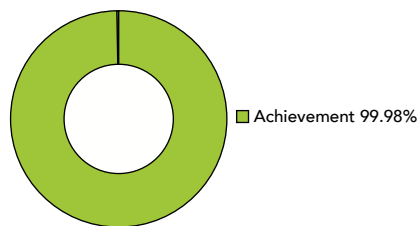
During 2017-18 we delivered the following key activities in order to modernise and improve the way we work:

- Introduced a shared secure digital platform for the safe and efficient transfer of multimedia evidence;
- Rolled out improvements to our case management system as part of our commitment to give people the tools they need to do their best, wherever they work;
- Continued to invest in the Common Platform pilot in order to create a digital system that works for all partners in the criminal justice system;
- Worked with police to develop a future charging model as we continue to look forward and identify opportunities to reform and improve;
- Conducted a prosecution guidance and user experience survey, ensuring new ways of working are informed by the expertise of our frontline staff;
- Further increased remote working capability, enabling us to work flexibly across geographical boundaries; and
- Consulted with staff about our approach towards career movement and development, ensuring we have a flexible workforce so we can rapidly redeploy resources to respond to changing crime patterns.

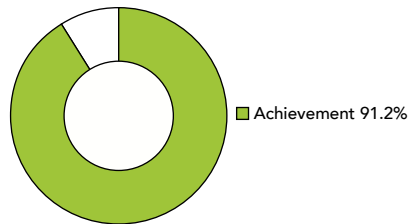
HOW DID WE DO?

In our business plan for 2017-18 we set the following targets for the year:

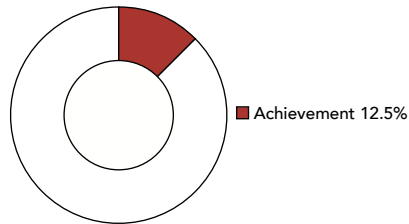
Target: Sustain the availability of core information and communication technology to more than 99.5%
Result: Target met (99.98%)



Target: Increase number of remote access service users to more than 85%
Result: Target met (91.2%)



Target: Increase percentage of agencies sending information digitally via shared systems to more than 50%
Result: Target not met (12.5%)



Financial Management Commentary

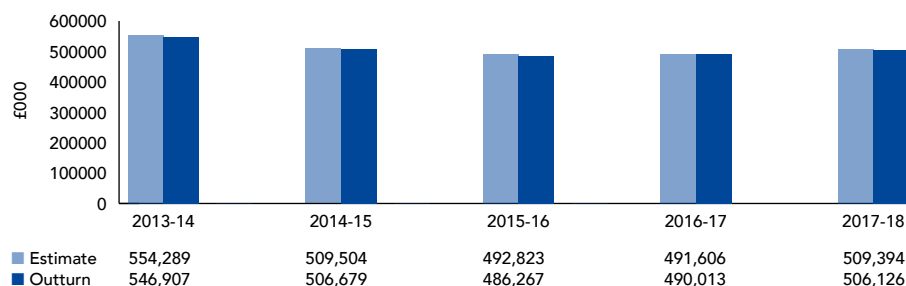
We have managed our resources across the year in a way that has enabled us to meet all of our Parliamentary controls. The CPS' available funding, as voted by Parliament through the Supplementary Estimate, was £531 million. The table shows performance against the 2017-18 control totals as voted by Parliament. Further breakdown of these figures is shown in the Statement of Parliamentary Supply and the related notes on pages 32 to 34.

| | Estimate £000 | Outturn £000 | Variance £000 |
|---------------------------------------|------------------|-----------------|------------------|
| Resource DEL (excluding depreciation) | 503,624 | 502,742 | 882 |
| Depreciation | 5,770 | 3,384 | 2,386 |
| Resource DEL | 509,394 | 506,126 | 3,268 |
| Of which administration | 31,607 | 30,796 | 811 |
| Resource AME | 11,150 | 9,768 | 1,382 |
| Capital | 10,300 | 6,209 | 4,091 |

The following diagram shows the Department's Resource DEL expenditure since 2013-14, tracking

our performance in managing our services within our delegated budgets.

Net RDEL Expenditure 2013-14 to 2017-18



PAYMENT TO SUPPLIERS & WITNESS EXPENSES

The CPS is committed to paying bills in accordance with agreed contractual conditions, or, where no such conditions exist, within 30 days of receipt of goods or services or the presentation of a valid invoice, whichever is the later. The CPS also seeks to pay all expenses to prosecution witnesses within five working days of receipt of a correctly completed claim form.

In 2017-18 the CPS settled 94% of undisputed invoices and staff and witness expense claims within 10 days of receipt (2016-17 93%). The CPS paid £49 (2016-17 £18) in interest due under the Late Payment of Commercial Debts (Interest) Act 1998.

SIGNIFICANT VARIANCES BETWEEN ESTIMATE AND OUTTURN

The only significant variances between Estimate and Outturn were as follows (£000):

Capital Departmental Expenditure Limit: Estimate £10,300 Outturn £6,209.

Our Estimate anticipated incurring the purchase of software licences as an up-front capital cost. Instead these were acquired under a 'software as a service' agreement for an annual fee and, as such, the 2017-18 cost counted against our Resource Departmental Expenditure Limit.

Cash Requirement: Estimate £524,744 Outturn £497,794.

Our Estimate assumed that a number of our liabilities would fall due for settlement before 31 March. As at the end of the financial year these liabilities had not yet fallen due for payment. This is reflected by an increase in our current liabilities and the cash required to settle such increase will now fall into the 2018-19 financial year. The decrease in capital spend also reduced the in-year cash requirement from the Estimate.

Other Information

SUSTAINABILITY PERFORMANCE

Strategy

Sustainability is about applying economic, social and environmental thinking to an issue and paying attention to the long-term consequences. It can be thought of as a long-term, integrated approach to achieving quality of life improvements while respecting the need to live within environmental limits.

Objectives

CPS actively seeks to understand and mitigate its associated sustainability impacts associated with delivering its core organisational responsibilities.

CPS' sustainability objectives are to:

- Deliver on the Greening Government Commitments¹ (GGC) for reducing energy, water, paper and other resource use, reducing travel and managing waste;
- Assess and manage social and environmental impacts and opportunities in policy development and decision making; and
- To embed compliance with the Government Buying Standards in departmental and centralised procurement contracts.

Scope

The scope of this report is CPS' performance, for the financial year ending 2017-18, against the Greening Government Commitments 2016-2020 from a 2009-10 baseline. All figures below relate to the Law Officers' Departments including CPS. We are unable to break down the data any further.

All 2017-18 data is for a 12-month period from January 2017 to December 2017. The performance data reported on reflects the 2016-18 position. During 2017-18 central Government achieved its 2020 carbon reduction target, and requested all departments to set a new more stretching carbon reduction target for 2018-20.

¹ <https://www.gov.uk/government/collections/greening-government-commitments>

² <https://www.gov.uk/measuring-and-reporting-environmental-impacts-guidance-for-businesses>

Data Quality

The Ministry of Justice Estates Cluster Sustainability Operations Team are responsible for reporting and managing sustainability in the Department. The data is gathered and validated by their data providers and verified by the Estates Cluster Sustainability Operations Team and

Building Research Establishment on behalf of Defra. The Department is unable to report data from locations where landlords do not provide data. All data is UK only. The greenhouse gas conversion factors used can be found in the government environmental impact reporting requirements for business.²

Table 1: Overall GGC performance 2017-18

| Requirement | 2017-18 performance* | Achievement against target |
|--|----------------------|----------------------------|
| Reduce greenhouse gas (GHG) emissions by 47% | 55% | ● |
| Reduce domestic business flights by 30% | 60% | ● |
| Continue to reduce total waste produced beyond 23% | 60% | ● |
| Reduce paper use by 50% | 81% | ● |
| Continue to reduce water consumption beyond 45% | 73% | ● |

Table 2: Greenhouse Gas performance and financial costs

| Greenhouse Gas Emissions* | | 2009-10 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|---|--|---------------|---------------|---------------|--------------|---------------|
| Non-Financial Indicators (tonnes CO ₂ e) | Total Gross Scope 1 & 2 GHG emissions | 9,483 | 4,599 | 4,263 | 3,090 | 3,796 |
| | Scope 3 (Official business travel) emissions | 2,582 | 2,207 | 1,897 | 852 | 1,680 |
| | Total Emissions - Scope 1, 2 & 3 | 12,065 | 6,806 | 6,160 | 3,942 | 5,476 |
| Non-financial indicators (MWh) | Electricity | 14,682 | 8,031 | 7,844 | 5,412 | 6,993 |
| | Gas | 11,364 | 3,061 | 3,115 | 3,579 | 5,586 |
| | Total Energy Consumption | 26,046 | 11,092 | 10,959 | 8,991 | 12,579 |
| Financial Indicators (£000) | Expenditure on Energy | 2,328 | 1,145 | 1,145 | 1,099 | 1,088 |
| | CRC Licence Expenditure | - | 1 | 1 | 1 | 1 |
| | Expenditure on official business travel | 5,661 | 4,437 | 4,367 | 4,330 | 4,697 |
| | Total Expenditure on energy and business travel | 7,989 | 5,583 | 5,513 | 5,430 | 5,786 |

*These figures relate to the Law Officers' Departments including CPS. We are unable to break down the data any further.

The information in Table 2 is from the estate where CPS pays utility bills direct to the supplier. Emissions for Scope 3 relate to recorded business travel including staff-owned cars and hire cars; air and train travel, as well as electricity transmission and distributions emissions. The expenditure data shows all the recorded expenditure on business travel.

CPS has reduced its carbon emissions by 56% compared to its 2009-10 baseline.

Table 3: Energy expenditure

| Energy Expenditure | 2009-10 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|--------------------|---------|---------|---------|---------|---------|---------|---------|---------|
| £000 | 2,328 | 1,551 | 1,457 | 1,552 | 1,145 | 1,145 | 1,099 | 1,088 |

CPS has achieved savings of £1.24 million on its total energy expenditure since 2009-10 due to improvements in building management, estate consolidation and lease breaks.

Table 4: Domestic flights

| Domestic Air Travel | 2009-10 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|---------------------|---------|---------|---------|---------|---------|
| Number of flights | 568 | 336 | 344 | 228 | 229 |

CPS make use of a centrally sourced travel contract which provides details of alternatives to travel, and their travel and subsistence manual informs staff that alternative methods of travel should be considered before booking a flight.

Table 5: Waste production and financial costs

| Waste | | 2009-10 | 2014-15 | 2015-16 | 2016-17 | 2017-18 | |
|-----------------------------------|----------------------------|-----------------|---------|---------|---------|---------|-------|
| Non-Financial Indicators (tonnes) | Total waste | 2,892 | 2,467 | 2,174 | 1,381 | 1,166 | |
| | Non-hazardous waste | Landfill | 210 | 76 | 58 | 75 | 46 |
| | | Reused/Recycled | 2,682 | 2,391 | 2,116 | 1306 | 1,120 |
| Financial Indicators (£000) | Total disposal cost | N/A | N/A | N/A | N/A | N/A | |
| | Non-hazardous waste | Landfill | N/A | N/A | N/A | N/A | N/A |
| | | Reused/Recycled | N/A | N/A | N/A | N/A | N/A |
| | Paper Procured | 680 | 475 | 364 | 223 | 132 | |

CPS has reduced its total office waste by 60% since 2009-10 despite an increase in headcount. Landfill is only 4%.

In our London Headquarters we now provide compostable cups for cold and hot drinks. We are working with our facilities management providers to improve recycling and associated guidance, and to find alternatives to the remaining single use plastics.

Table 6: Water consumption and financial costs

| Water Consumption | | 2009-10 | 2014-15 | 2015-16 | 2016-17 | 2017-18 |
|--|-----------------------------|---------|---------|---------|---------|---------|
| Non-Financial Indicators (m ³) | Whole Estate | 51,907 | 22,414 | 19,232 | 12,307 | 14,034* |
| Financial Indicators (£000) | Water Supply & Sewage Costs | 166 | 105 | 104 | 57 | 65 |

*Estimate

The data relates to the metered supply in m³. The cost includes metered and unmetered supplies.

CPS has reduced its water use by 73% since 2009-10 baseline and improved upon 2014-15 levels. This has been achieved through a changing estate, installing efficient taps and behaviour change messages.

Other Sustainability Commitments

| | |
|---|---|
| Sustainable Procurement | We have an in-house procurement team who ensure extensive sustainability clauses are embedded within the Department's facilities management and ICT contract. New contracts require that suppliers meet the Government Buying Standards. New procurement staff are provided with training on sustainable procurement. |
| SMEs | SME spend is estimated at £140m (or approximately 60% of our total spend with 3rd parties). Of which £122m is with self-employed barristers. |
| Climate Change Adaptation | Climate resilient designs are incorporated in retrofit projects and new builds. In addition, robust business continuity plans are in place to manage occurrences of extreme weather events. |
| Policy Making & Rural Proofing | The Department is committed to mainstreaming sustainable development in the policy making process. A check list of specific impact tests now forms part of the policy impact assessment guide, giving greater assurance that due consideration will be given to impacts often seen as peripheral such as sustainability and rural proofing. |
| Biodiversity & Natural Environment | We have implemented a national behaviour awareness campaign which includes a national Biodiversity Day to raise awareness and a National BioBlitz to gather information for protected species and habitats. |
| Procurement of Food & Catering | All food supplied is produced to UK or equivalent standards. Menus are designed to reflect in-season produce and purchased locally where feasible to do so to reduce food miles and to assist in supporting our local suppliers. |
| Sustainable Construction | The Department is committed to the BREEAM standard of "excellence" for new builds and "very good" for refurbishments over the value of £0.5 million. |

CASEWORK STATISTICS

This table shows the number of cases dealt with by the CPS in 2017-18 and in the two preceding years. The number of defendants

prosecuted by the CPS in magistrates' courts fell by 9.4% during the year. A number of factors may affect this figure, including lower levels of recorded crime, the number of arrests, the number of

offenders cautioned by the police or dealt with by way of a fixed penalty notice and the impact of the early involvement of prosecutors.

| | 2015-16 | 2016-17 | 2017-18 |
|------------------------|---------|---------|---------|
| Pre-charge decisions | 283,736 | 274,554 | 273,723 |
| Out of court disposals | 2,804 | 2,677 | 2,488 |
| Prosecuted by CPS | 538,716 | 499,816 | 453,071 |
| Other proceedings | 770 | 663 | 393 |

This table shows the number of defendants whose case was completed in the Crown Court. The number of defendants prosecuted decreased by 9.2% during 2017-18. The central Casework Divisions

handled 6,045 appeals against conviction and/or sentence or extradition.

During 2017-18, a total of 2,583 defendants pleaded guilty to some charges, and were either

convicted or acquitted after trial of other charges. To avoid double counting, and to ensure consistency with figures for previous years, the outcome for these defendants is shown as a guilty plea.

| | 2015-16 | 2016-17 | 2017-18 |
|-------------------------|---------|---------|---------|
| Prosecuted by the CPS | 99,062 | 88,205 | 80,090 |
| Appeals | 16,390 | 16,441 | 15,049 |
| Committals for sentence | 17,544 | 19,809 | 20,279 |

AGENT USAGE

The proportion of half day sessions in magistrates' courts covered by lawyers in private practice acting as agents in 2017-18 was 27.3% compared with 30.8% in 2016-17.

COMPLAINTS TO THE PARLIAMENTARY OMBUDSMAN

The CPS only falls within the remit of the Parliamentary and Health Service Ombudsman when a complaint received by the Ombudsman relates to the Code of Practice for Victims of Crime (the Victims' Code).

The Victims' Code places a statutory obligation on criminal justice agencies to meet the standard of service to victims of crime set out in the code.

Since 3 April 2006, the Parliamentary Ombudsman has had a statutory responsibility to consider complaints, referred by MPs, from those who complain that a body has not met its obligations under the Victims' Code. The obligations the Victims' Code places on the agencies concerned include that:

- they provide victims, or their relatives, with information about the crime, including about arrests, prosecutions and court decisions;
- they provide information about eligibility for compensation under the Criminal Injuries Compensation Scheme;
- victims be told about Victim Support and either be referred on to them or offered their service;
- bereaved relatives be assigned a family liaison police officer; and
- victims of an offender who receives a sentence of 12 months or more after being convicted of a sexual or violent offence have the opportunity to make representations about what licence conditions or supervision requirements the offender should be subject to on release from prison.

Where a victim of crime in England and Wales believes a criminal justice agency, including the CPS, has failed to provide the service set out in the Victims' Code, they should first put their complaint directly to the agency concerned. If their complaint is not addressed to their satisfaction by the agency, they may then contact an MP and ask them to refer the complaint to the Ombudsman.

Once a complaint is received by the Ombudsman it undergoes an assessment process which determines whether or not the Ombudsman should investigate it.

In 2017–18 the Ombudsman completed two investigations. Neither case was upheld.

REPORTING CYCLE

The CPS' statutory authority to consume resources and spend cash that finances its spending plans comes from the annual Main Estimate which is presented to Parliament, as part of the Supply Procedure, by HM Treasury around the start of the financial year to which the Estimate relates.

Supplementary Estimates are presented as necessary during the year as the means for seeking Parliament's approval for additional resources and/or cash or revisions to the Main Estimate.

The Annual Report and Accounts covering the Department's work for the preceding year is published each year. This includes information on the Department's performance against key performance indicators. Each year the Annual Report and Accounts is audited, published and laid before Parliament as a House of Commons paper.

Copies may be accessed at www.cps.gov.uk. Reconciliation of Main Estimates to Outturn – please refer to page 32.

AUDITORS

These Accounts have been audited by the National Audit Office on behalf of the Comptroller and Auditor General at a notional cost of £96,000 (see Note 3b on page 50). No other external audit services were commissioned by the CPS.



Alison Saunders CB
Director of Public Prosecutions
28 June 2018

Accountability Report

Non-Executive Director's Report

INTRODUCTION

The CPS has had a challenging year. The criminal justice landscape is continuing to change, with cases becoming increasingly complex. There has been an increase in engagement with international partners and a focused commitment to improving casework quality.

The way in which the police and CPS work together, and in particular how they discharge their important shared duty of disclosure, came under increased scrutiny during the year. As an organisation we have faced this challenge in a number of ways, the most important of which has been the publication of the National Disclosure Improvement Plan. This plan includes a range of measures intended to support police officers and prosecutors to improve how they handle disclosure – giving them the tools they need to manage all cases to the high standards we all expect. We recognise the need for culture change as part of this plan. The Director of Public Prosecutions chaired a disclosure working group with key stakeholders across the criminal justice system, with a second meeting planned later in 2018. While ensuring all action that can be taken immediately is underway, we are also looking at longer term solutions, such as how technology can be utilised to meet the challenges of increasing volumes of communications data. The Board have monitored this situation closely and will continue to do so in 2018-19.

Supporting the success of our people remains a priority. The Service continues to focus on its ongoing and very successful apprenticeship scheme. The organisation leads the Civil Service in the recruitment of apprentices, employing 0.4% more than the Civil Service objective of 2.3% of the workforce. The CPS' employee engagement index score – which measures how engaged our members of staff are in the work they do – is at its highest level.

STRATEGIC CLARITY

This is the second year CPS 2020 has provided the overarching strategic direction for the organisation. Business plan objectives continue to be positioned beneath the four priorities set out in CPS 2020 – high quality casework, supporting the success of our people, continuous improvement and improving public confidence. Conversations with staff across the organisation helped to shape CPS 2020, and they continue to play an important part in ensuring its delivery.

The CPS has delivered actions under each of its priorities. This year, it has achieved a higher number of increased sentences for people convicted of hate crime and improved our timeliness in responding to judicial directions. It is continuing to invest in new hardware and software for staff and in a future where advances in technology will ensure different organisations within the criminal justice system work more effectively together. It has provided more guidance to victims of crime and has continued to provide support to victims and witnesses.

The CPS 2020 programme is closely managed by a change team which regularly reports progress to both the Executive Group and the Board.

The Board has continued to monitor the external environment over the course of the year to ensure that the Service's priorities remain appropriate, to identify any future challenges that could impact their delivery, including Brexit, and to ensure that appropriate and robust processes are in place to manage them.

COMMERCIAL SENSE

Continued improvements are being made to business support functions in the Service. The rollout of Office 365 has paved the way for numerous technological developments including a Resource and Efficiency Measures model app to streamline the process of entering data to analyse our business activities. This will optimise the management of workload and resources across the organisation.

Digital working is continuing to drive efficiencies throughout the Service, for example the introduction of Egress, which has revolutionised the management of digital evidence, albeit not all evidence is yet transferred digitally. Through the uploading of digital evidence to a secure cloud the CPS can now share and maintain this information securely.

The CPS risk management process has continued to develop, and the Audit and Risk Committee has actively engaged with individual CPS Areas as well as carrying out a "deep dive" on each of the key organisational risks. Other areas of targeted focus include cyber security, the Common Platform Programme (where the success of this programme is dependent on other participants in the criminal justice system) and recruitment.

TALENTED PEOPLE

The CPS is reliant on its talented, dedicated and motivated people.

The Department's Employee Engagement Index increased by a further two percentage points in the 2017 People Survey, to 61%. This is in line with the Civil Service average, which is an extremely positive result for the CPS and reflects the level of engagement with staff in the continuation of the CPS 2020 programme. More remains to be done, but this sustained progress illustrates that the steps taken so far have been effective.

The Service has been recognised as a Disability Confident Leader under the Government's Disability Confident scheme and named one of the top 10 UK employers for working families.

The Nominations and Governance Committee scrutinises and advises on talent management and succession planning activity within the Department. The Board also receives six-monthly highlight reports on talent programmes in CPS and the wider Civil Service. The Non-executives continue to be involved in senior level recruitment bringing an independent perspective to this important process. This continues to be important, particularly with the upcoming recruitment of a new Director of Public Prosecutions.

The Committee has also led on the development of a new induction programme for Board members. This will be implemented in time to induct new members in 2018-19.

RESULTS FOCUS

Maintaining a continued focus on achieving results ensures that outcomes are measurable and scrutinised thereby helping the CPS to provide a professional and high quality service.

The Board reviews performance nationally, and by Area, on a regular basis, including giving scrutiny to progress against a balanced set of key measures contained in the Departmental business plan.

National performance remains on an upward trajectory as a result of the significant progress made by Areas over the course of the financial year against a set of high weighted measures. The organisation has delivered an improved trend score over all four quarters of this year, significantly helped by the reorganisation of London into two separate Areas.

MANAGEMENT INFORMATION

The Board is well served by appropriate and reliable management information which allows it to take an informed view of both Area and overall performance. From this, it is able to identify areas for improvement and make recommendations for the support necessary to drive improvements.

BOARD IMPACT AND EFFECTIVENESS

The Board continues to perform effectively. Meetings are well attended and Non-executives participate in various committees and other activities, including carrying out Area visits, many together with the Director and Chief Executive, attending the Senior Leadership Conference and participating in the recent Conversations with all CPS staff.

The Chief Executive, Nick Folland, left the organisation in October 2017. Lesley Longstone covered this position on an interim basis until May 2018. Given the current process to recruit a new Director of Public Prosecutions the recruitment of a permanent replacement has been deferred and Paul Staff, the Director of Corporate Services, has been appointed as Acting Chief Executive.

This year the Board welcomed two new Non-executive Directors and a further two new Non-executives will be appointed later this year when I and one of my colleagues retire from the Board after two terms of office. In the meantime, I remain confident that the Board has the right mix of skills to operate in an effective manner and to support the DPP and her leadership team.

Jeremy Newman

Non-executive Director and Chair of the Audit & Risk Committee

Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act 2000, HM Treasury has directed the CPS to prepare for each financial year accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the Department during the year. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the CPS and of its net resource outturn, changes in taxpayers' equity and cash flows for the financial year.

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

- Observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- Confirm that as far as the Accounting Officer is aware, she has taken all steps that ought to have been taken to make herself aware of any relevant audit information and to establish that the entity's auditors are aware of that information, and that she is not aware of any relevant audit information of which the entity's auditors are unaware;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts;

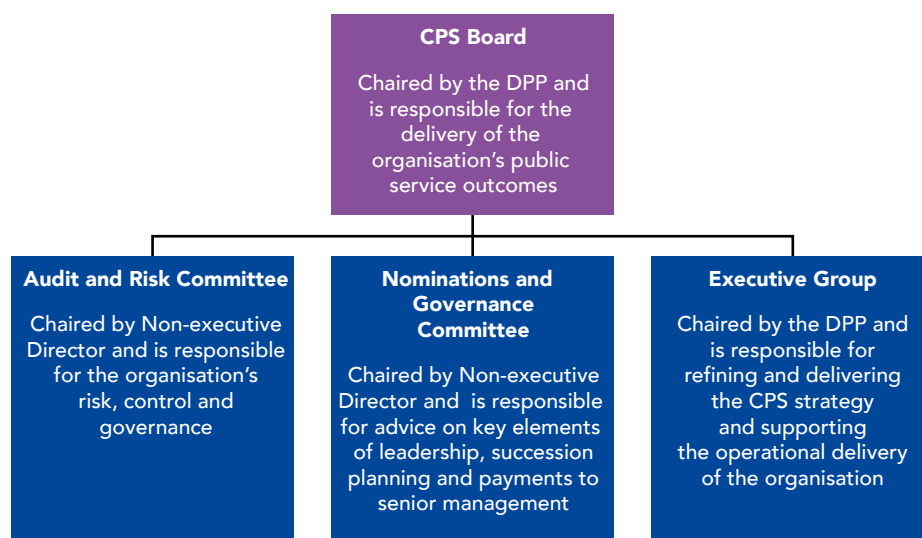
- Prepare the accounts on a going concern basis; and
- Confirm that the annual report and accounts as a whole is fair, balanced and understandable and that she takes personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

HM Treasury has appointed the Director of Public Prosecutions as Accounting Officer of the Department, and the Director of Public Prosecutions has appointed the Chief Executive as an Additional Accounting Officer. The Accounting Officer has personal responsibility for preparing the Department's accounts and for transmitting them to the Comptroller and Auditor General.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the CPS' assets, are set out in Managing Public Money published by HM Treasury. Under the terms of the Accounting Officer's Memorandum, the relationship between the Department's principal and additional Accounting Officers, together with their respective responsibilities, is set out in writing.

Governance Statement

This Governance Statement sets out the Crown Prosecution Service's governance, risk management and compliance framework and how, during 2017-18, we managed the major risks to the achievement of our strategic objectives. We ensure that we have robust governance arrangements in place to promote high performance and safeguard propriety and regularity. The CPS is a government department that is not subject to the protocol on enhanced departmental boards but has sought to comply with the practices set out in the Corporate Governance Code of Good Practice wherever relevant and practical.



GOVERNANCE FRAMEWORK

The CPS Board

The Board provides strategic leadership to the CPS and is responsible for the delivery of the organisation's public service outcomes and the wider contribution it makes to the criminal justice system. It plays a key role in ensuring that the CPS is equipped to provide a professional, efficient and high quality service.

The Board is chaired by the Director of Public Prosecutions who acts independently at all times, under the superintendence of the Attorney General, who is accountable to Parliament for the work of the CPS. In light of this the Board acts in an advisory capacity only.

The Board sets and communicates the direction, strategic objectives, priorities and risk appetite of the organisation. It monitors and drives performance and makes strategic decisions about operational, resource, communications and other administrative matters. Board members meet formally with other senior managers, both corporately and in their directorates, to steer and lead on strategically important areas of work.

This year the Board has considered a number of key issues including overseeing the senior roles review, following the departure of the Chief Executive in October 2017. This will be finalised in 2018-19. The Board were also engaged with the development of the new inclusion and community engagement strategy, the career movement principles and regular horizon scanning.

Audit and Risk Committee (ARC)

The Audit and Risk Committee supports the Accounting Officer and Additional Accounting Officer by maintaining an overview of the risk, control and governance of the CPS, ensuring that the system of internal control is adequate to deliver regulatory compliance. It reviews the comprehensiveness and reliability of assurances provided by Internal Audit, External Audit and executive management and gives scrutiny to CPS risk management processes. A moderate annual internal audit opinion was awarded for 2017-18.

The ARC has closely reviewed a number of key issues this year including the Common Platform Programme. The Committee also considered risks relating to cyber security. The Committee were

satisfied that these risks were being effectively managed by the executive team.

Nominations and Governance Committee

The Nominations and Governance Committee advises the Board on key elements of effectiveness, including: ensuring that there are satisfactory systems for identifying and developing leadership and high potential; scrutinising the incentive structure, and succession planning, for the Board and senior leadership of the CPS; and scrutinising corporate governance arrangements. It has specific decision-making responsibility in respect of payments to CPS senior management. This year the Committee have also overseen the development of a new induction plan for Board members.

Executive Group

The Executive Group comprises the most senior members of headquarters staff. It takes the strategic direction of the Board and delivers supporting plans and guidance to the business. It is responsible for refining and delivering CPS strategy and for collective delivery of the strategic objectives and efficiencies

supporting the operational delivery of the business. It gives regular scrutiny to the financial management of the business.

Senior Leadership Group

The Senior Leadership Group brings together the organisation's most senior prosecutors and leaders and is responsible for: the implementation and embedding of CPS change programmes and wider CJS initiatives; delivery of CPS 2020; efficiency in front line operations; and coordination of engagement with key stakeholders.

Details of membership and attendance of the CPS Board and its sub-committees are shown in the table opposite. Terms of Reference are publicly available on the CPS website.

The Board is provided with high quality quarterly reports on corporate and Area performance. These serve as a valuable tool for scrutinising performance and have assisted the Board in identifying issues requiring remedial action. It also receives annual reports from the audit and nomination committees which detail their activities and provide assurance on matters delegated by the Board.

To support the efficacy of whistleblowing practices, and to give visibility at Board level, a Non-executive Board member acts in the capacity of whistleblowing champion. A report is provided to him annually on the operation of the CPS whistleblowing policy. This is further scrutinised by the Audit and Risk Committee.

RISK MANAGEMENT AND RISK PROFILE

The CPS has continued to maintain a structured approach to risk management that is based on Cabinet Office and HM Treasury best practice guidance. Everyone in the CPS has responsibility for risk management. There are eight corporate/strategic risks and each one has an owner who is a member

| | April 2017 – March 2018 | | Meetings attended | |
|---|-------------------------|-------------|------------------------|------------------------------------|
| | Members | CPS Board | Audit & Risk Committee | Nominations & Governance Committee |
| Non-Executive Members | | | | |
| Alan Jenkins Non-Executive director No meetings after July | | 3/3 | 2/2 | - |
| Alison Porter Non-Executive director | | 7/8 | - | 3/3 |
| Derek Manuel Non-Executive director No meetings after July | | 3/3 | - | 1/1 - CHAIR |
| Mark Hammond Non-Executive director Started in July | | 5/5 | 2/2 | - |
| Jeremy Newman Non-Executive director | | 7/8 | 4/4 - CHAIR | - |
| Monica Burch Non-Executive director Started in June | | 5/5 | - | 2/2 - CHAIR |
| Independent Members | | | | |
| Jennifer Rowe Independent ARC Member | | - | 3/4 | - |
| Marta Phillips Independent ARC Member | | - | 4/4 | - |
| Executive Group | | | | |
| Alison Saunders Director of Public Prosecutions | | 8/8 - CHAIR | - | 3/3 |
| Nick Folland Chief Executive No meetings after October | | 4/4 | 3/3 | 1/1 |
| Lesley Longstone Chief Executive Started in December | | 3/3 | 1/1 | 1/1 |
| Paul Staff Director of Corporate Services | | 8/8 | 4/4 | - |
| Gregor McGill Director of Legal Services | | 7/8 | - | - |
| Jean Ashton Director of Business Services | | 6/8 | - | - |

of the Executive Group (EG). During 2017-18, we conducted an in-depth evaluation of each of our eight corporate risks, in terms of alignment with strategic objectives, tolerance and ranking, and appropriateness of associated mitigating action.

This arrangement has worked well throughout the duration of the financial year and the ARC regularly assessed the position by inviting

a risk owner to their meeting to discuss the specific risk in terms of its relevance, ranking and effectiveness of mitigation.

Risks are also formally reported to the Audit and Risk Committee on a quarterly basis. Strategic Risks and associated mitigating actions in 2016-17 were:

| Risk | Mitigating Actions |
|--|--|
| <p>Casework quality:</p> <p>Inadequate legal decision making affects the quality and timeliness of our casework outcomes.</p> <p>For example, ensuring that the CPS always meets its disclosure obligations.</p> | <ul style="list-style-type: none"> • Reacting to emerging issues such as the impact of increased quantum of material and encryption on meeting our disclosure obligations through the joint police and CPS national disclosure improvement plan. • Reviewing live and finalised cases across a range of thematic strands, to assess compliance with process, policy and legal decision making quality in order to highlight aspects requiring improvement, and to identify and promote best practice. • Her Majesty's Crown Prosecution Service Inspectorate (HMCPSI), an independent body, inspects the work carried out by the CPS. Their inspections include an assessment of the quality of prosecution decisions and legal processes. • The Victims' Right to Review Scheme enables victims to seek a review of a CPS decision not to bring charges or to terminate all proceedings. |
| <p>Capacity and capability to deliver an effective service:</p> <p>The CPS will not have the right number of people in the right roles with the necessary skills and knowledge to be able to deliver services in an effective manner.</p> <p>The CPS needs to ensure that it remains able to attract and retain staff with the requisite skills and experience for the volume and offence types that it is required to prosecute.</p> | <ul style="list-style-type: none"> • Implementation of a department-wide National Resource Model that provides a zero based budgeting approach to resource modelling. This forecasts the number of people required, by location, to accommodate the projected volume and mix of cases. • Migration of resource modelling onto a business intelligence software package, enhancing our ability to conduct scenario planning, ensuring that we are better able to react to changes in the volume and/or type of case received. • Investment in the learning and development of our people, looking at the skills we will require in the future. Development of our long-term capability plans, modernising our professional learning and providing improved leadership training. • Making our processes more efficient and effective. |
| <p>Security:</p> <p>Our data and infrastructure become compromised or damaged.</p> <p>The CPS is responsible for the security and safekeeping of sensitive data including evidence in cases. The CPS has also had to ensure readiness to meet our obligations under the new General Data Protection Regulation (GDPR) law.</p> | <ul style="list-style-type: none"> • Ensuring that our systems are robust and fit for purpose, securing our data and information systems from the threat of malicious or criminal intent, and accidental breach. • Continuous review of our cyber security resilience to provide confidence in our ability to address cyber risk. Our review assesses, amongst other things, risk scenarios, vulnerability and root causes of cyber risk. • Further development of our digital systems to ensure that data is stored and shared in a secure manner, such as enabling the secure digital transfer of data in order to reduce the reliance on the physical transfer of data through secondary storage media such as DVDs. • National awareness-raising programme of events, meetings, presentations and promotional material on GDPR compliance. Implementation of a new change management process to promote Privacy by Design. |
| <p>Catastrophic loss of buildings and services:</p> <p>Unplanned events could have a devastating effect on the CPS.</p> <p>This includes our ability to continue to operate in the event of natural disasters, such as the flooding of our York office in December 2015 or the widespread travel disruption caused by heavy snowfall in March 2018.</p> | <ul style="list-style-type: none"> • Building increased IT resilience in our major systems through improved infrastructure and utilising the benefits of cloud technology. • Updating our business continuity operating plans and implementing further improvements to our disaster recovery plans based on business continuity exercises undertaken during the year. |
| <p>Digitisation:</p> <p>We do not transform our business environment quickly enough to align with major reforms in the wider criminal justice system.</p> <p>The CPS needs to ensure that it will be able and appropriately resourced to operate effectively following the introduction of the Common Platform and Court Reform initiatives.</p> | <ul style="list-style-type: none"> • Collaborating with agencies across the criminal justice system, working together to develop the Common Platform, which will bring together all information about a case in a single, shared, digital case management system. • The CPS change unit work closely with counterparts at Ministry of Justice to ensure the impacts to the CPS of other reforms are fully considered. • Investment in our IT infrastructure to equip staff with the right tools and skills to meet the future demands set for them in carrying out their roles. • We continue to digitise and modernise the way we work in order to support a flexible workforce, delivering swifter justice, with fewer hearings and more effective trials. |

| Risk | Mitigating Actions |
|--|--|
| <p>External Perception/Loss of Public Trust:</p> <p>The CPS loses public confidence in the service it provides.</p> <p>The CPS needs to provide the public with a better understanding of the often complex work it undertakes in order to ensure they do not lose confidence in the criminal justice system.</p> | <ul style="list-style-type: none"> • The CPS works to ensure fair media treatment of its work and uses social media to create campaigns that explain what it does. • Working with and learning from local communities in order to build confidence in the criminal justice system and our ability to deliver justice fairly, effectively and independently. • Focus on refining the service we provide to victims and witnesses including enhanced training materials to improve our communication with victims. • Robust complaints management system to ensure that complaints are dealt with promptly and thoroughly. Our efforts continue to be assisted by our Independent Assessor of Complaints. • Promoting a culture where the CPS listens, explains its decisions and learns from its successes and mistakes. |
| <p>EU Exit Negotiations:</p> <p>The CPS fails to prepare for changes following the United Kingdom's exit from the EU.</p> <p>Much of our casework – particularly serious and organised crime – has an international dimension. There could be victims, witnesses, suspects or evidence overseas and it is important that the CPS can continue to work collaboratively and effectively with our European partners.</p> | <ul style="list-style-type: none"> • The CPS continue to support the Government as it develops the UK's negotiating position on issues such as use of the European Arrest Warrant, implementation of the new European Investigation Order and continuing cooperation with Eurojust. |

SECURITY

The CPS carried out a review of its security landscape against the Security Policy Framework in May 2017 ahead of its submission of the Departmental Security Health Check compliance report to the Cabinet Office in July 2017. The report considers the department's compliance with all elements of protective security including governance, physical, personnel, information, cyber, business continuity and disaster recovery. The level of compliance across all aspects was of a good standard.

A Business Continuity and Disaster Recovery exercise, which focused heavily on cyber security, was conducted in July 2017. All senior managers – including both Accounting Officers – took part in the exercise and departmental plans were updated accordingly.

The CPS has robust processes in place to mitigate against and respond to threats, which have been reviewed and tested. We continue to invest in protective IT security controls, as well as developing and delivering learning and awareness raising campaigns that

are rolled out to all staff. The cyber team are actively engaged in the procurement of IT services thereby ensuring new systems meet our security requirements.

Breaches and incidents are continuously reviewed and managed to identify necessary remedial action and training needs. The level of reported breaches has increased as a consequence of greater staff awareness. Issues – e.g. secure provision of victim and witness evidence – have been addressed with key stakeholders and digital systems introduced to prevent future issues/breaches.

The department has a well established breach reporting process that ensures timely and accurate reporting of breaches, which has been reviewed and updated to include the new arrangements under GDPR. There is an ongoing process of review to address particular breach categories and respond with appropriate guidance and instruction; in addition to which the implementation of standard operating procedures across all front line operations includes security and data handling controls.

In preparation for the Data Protection Act 2018 (which includes GDPR) the department has issued both a corporate privacy notice and a public-facing privacy notice. This has been underpinned by a national awareness-raising programme of events, meetings, presentations and promotional material. A new change management process to promote Privacy by Design has been launched department-wide.

The department has also invested in the delivery of induction for all new Facilities, Estates and Security Managers (FESMs) as a means of improving local security knowledge. This is in addition to the bi-annual delivery of development training to this group.

The rollout of annual Responsible for Information mandatory e-learning to all staff was concluded in December 2017.

Security and Information Assurance Division continues to provide specialist advice and assistance to the business. A summary of protected personal data-related incidents formally reported to the Information Commissioner's Office (ICO) in 2017–18 is on page 23:

| Date of incident (month) | Nature of incident | Nature of data involved | Number of people potentially affected | Notification steps |
|--------------------------|----------------------------|----------------------------------|---------------------------------------|--|
| April–June 2017 | 5 unauthorised disclosures | ABE discs Case information | 20 | Department Security Unit notified of errors and reported to ICO. 2 being considered by the ICO at 31 March 2018.* |
| July–September 2017 | 3 unauthorised disclosures | CCTV disc Names and Addresses | 4 | Department Security Unit notified of error and reported to ICO. No further action from ICO in relation to all breaches. |
| October–December 2017 | 6 unauthorised disclosures | Names and Addresses | 6 | Department Security Unit notified of errors and reported to ICO. 4 being considered by the ICO at 31 March 2018. No further action from ICO in relation to 2 breaches. |
| January–March 2018 | 4 unauthorised disclosures | Names and Addresses | 4 | Department Security Unit notified of error and reported to ICO. Matters being considered by the ICO at 31 March 2018. |

Further action on information risk: The Department will continue to monitor and assess its information risks in light of these events in order to identify and address any weaknesses and ensure continuous improvement of our systems and handling procedures.

* In May 2018 the ICO issued a fine of £325,000 against the CPS in respect of an incident in which DVDs containing sensitive material were misplaced, and which we reported to the ICO in 2017. In working with the ICO the CPS were able to demonstrate the considerable steps subsequently taken to prevent a recurrence of such an incident. In the second case the ICO decided not to take any formal enforcement action due to the particular facts of the case and the remedial measures set out by the CPS.

A summary reporting personal data incidents in 2017–18 is below:

| Category | Total reported | Explanatory Note |
|---|----------------|---|
| Loss of electronic media and paper documents from secured government premises | 23 | 44 incidents excluded as the data loss was very minor and was eventually recovered; or reported but caused by non-CPS staff. |
| Loss of electronic media and paper documents from outside secured government premises | 12 | 24 incidents excluded as the data loss was very minor and was eventually recovered; or reported but caused by non-CPS staff. |
| Unauthorised disclosure | 108 | 1221 incidents excluded from the total as the data loss was very minor or retained within the criminal justice profession who are bound to professional standards of data protection. |
| Lost laptops/tablets/BlackBerrys | 11 | 4 incidents excluded as the devices were eventually recovered. All devices were encrypted to the government standard; therefore no CPS data has been compromised. |

HMCPPI

Her Majesty's Crown Prosecution Service Inspectorate (HMCPPI) is an independent statutory body reporting to the Attorney General, whose primary function is to

promote the effectiveness, efficiency and value for money of the bodies it inspects.

HMCPPI priorities for inspection are set out in an annual Business Plan and it reports annually to

the Attorney General on the performance of the CPS in addition to other individual and thematic inspection reports. During 2017-18 HMCPPI conducted the following inspections:

Area Assurance Inspections

| CPS Area | Categories | | | | Report Published |
|-------------------|------------------------------|------------------------|-----------------------|-------------------|------------------|
| | The Success of CPS People | Continuously Improving | High Quality Casework | Public Confidence | |
| | Outcome of Assessment | | | | |
| North West | GOOD | GOOD | FAIR | FAIR | Feb-18 |
| South East | GOOD | FAIR | FAIR | FAIR | Jan-18 |
| East of England | GOOD | GOOD | GOOD | GOOD | Oct-17 |
| West Midlands | EXCELLENT | GOOD | FAIR | GOOD | Oct-17 |
| North East | GOOD | FAIR | POOR | GOOD | Aug-17 |
| Thames & Chiltern | GOOD | FAIR | FAIR | POOR | Jul-17 |

Thematic Reviews, Bespoke & Joint Inspections with HM Inspectorate of Constabulary:

The Operation of Individual Quality Assessments in the CPS – March 2018

The CPS Response to the Modern Slavery Act 2015 – December 2017

The CPS Internal Fraud Controls – November 2017

Making it Fair: The Disclosure of Unused Material in Volume Crown Court Cases – July 2017

Living in Fear: The Police and CPS Response to Harassment and Stalking – July 2017

The CPS Case Finalisations Recording on CMS – May 2017

Copies of HMCPPI reports are available on their website www.justiceinspectors.gov.uk. The CPS takes account of HMCPPI's findings and seeks to ensure that its recommendations are implemented as appropriate.

REVIEW OF EFFECTIVENESS

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control in the CPS. My review is informed by the work of Internal Audit and members of the Executive Group, which has responsibility for the development and maintenance of the internal control framework, and comments and recommendations made by the external auditors in their annual management letter and other reports.

The effectiveness of the system of internal control was maintained and reviewed this year through:

- Comprehensive operational and financial planning and reporting processes within the CPS;
- Policies and procedures to support the flow of timely,

relevant and reliable information across the organisation;

- Formalised authorisation processes and strengthening delegated authorities covering financial transactions and contracts;
- The centralisation of all its procurement activity and leverage of Crown Commercial Service deals where a suitable framework exists. The Department does not operate any complex commercial models such as joint ventures or outcome based commissioning and therefore the scope of the Department's commercial arrangements are considered low risk;
- An effective assurance framework that gains assurance around six key management categories covering CPS;

- HM Crown Prosecution Service Inspectorate, which provides an independent review of business efficiency and effectiveness. The Chief Inspector attends our Audit and Risk Committee meetings;
- The Information Assurance Maturity Model (IAMM) and Major Supplier Third Party Assurance assessments;
- The work of external auditors, in forming an opinion on the financial statements; and
- The work of Internal Audit provides an independent and objective opinion on the adequacy of processes on risk, control, governance and finance systems. They use a four point scale in assessing the level of assurance:

Unsatisfactory/Red

Fundamental weaknesses in the framework of governance, risk management and control such that it is inadequate and ineffective or is likely to fail.

Limited/Amber

Significant weaknesses in the framework of governance, risk management and control such that it could be or become inadequate and ineffective.

Moderate/Yellow

Some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.

Substantial/Green

The framework of governance, risk management and control is adequate and effective.

In 2017-2018 they assessed the overall level of assurance in the CPS as a whole to be **'Moderate'**. This reflects that some improvements were identified to further enhance the adequacy and effectiveness of the framework of governance, risk management and control. In December 2017 the National Audit Office published its report 'Reducing Modern Slavery' which made reference to the role of the CPS. The report noted that the campaign to drive out modern slavery is in the early stages but that it is helping to establish the scale and international nature of this issue. The full report can be found on the NAO website at www.nao.org.uk/report/reducing-modern-slavery.

The following table represents the high level outcomes achieved, which areas were under inspection and when the reports were finalised.

| AREA OF INSPECTION | OUTCOME FROM REVIEW OF EFFECTIVENESS | DATE REPORT FINALISED |
|-------------------------------------|--------------------------------------|-----------------------|
| CPS Estates | LIMITED | May-17 |
| IT Service Levels | MODERATE | May-17 |
| Resource Model | SUBSTANTIAL | Jun-17 |
| Corporate Governance | MODERATE | Jun-17 |
| RASSO | MODERATE | Jun-17 |
| Custody Time Limits | MODERATE | Oct-17 |
| Better Case Management | MODERATE | Oct-17 |
| Complaints Handling | MODERATE | Jan-18 |
| Travel & Subsistence, Excess Fares | MODERATE | Jan-18 |
| Accounts Receivable & Debt Recovery | SUBSTANTIAL | Jan-18 |
| Staff Vetting | SUBSTANTIAL | Feb-18 |
| Complex Casework Units | MODERATE | Mar-18 |

Based on the above, I am able to report that there were no significant weaknesses in the CPS governance and control framework that affected achievement of our strategic objectives in 2017-18.

Remuneration and Staff Report

SERVICE CONTRACTS

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

Except as noted 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.

The DPP, Alison Saunders, was appointed for a period of five years from 1 November 2013 to 31 October 2018.

NON-EXECUTIVE DIRECTORS

All the Non-executive Directors have fixed term contracts as follows:

Alison Porter 3 December 2012 to 2 December 2015, renewed 3 December 2015 to 2 December 2018

Jeremy Newman 3 December 2012 to 2 December 2015, renewed 3 December 2015 to 2 December 2018

Monica Burch 26 June 2017 to 27 June 2020

Mark Hammond 3 July 2017 to 2 July 2020

Our two independent ARC members have the following fixed term contracts:

Jennifer Rowe 4 August 2015 to 3 August 2018, renewed 14 February 2018 to 2 August 2021

Marta Phillips 4 August 2015 to 3 August 2018, renewed 13 February 2018 to 2 August 2021

Either party may terminate the contract for any reason before the expiry of the fixed period by providing one month's written notice. If the appointment is terminated early by mutual consent no notice will be given by the CPS. No compensation is payable to Non-executive Directors for early termination of their contract.

REMUNERATION POLICY

The remuneration of CPS senior management (i.e. Senior Civil Servants and Senior Legal Managers) is set according to guidance provided by the Cabinet Office, with reference to recommendations made by the Review Body on Senior Salaries. The Review Body provides independent advice to the Prime Minister and the Lord Chancellor, among others, on the remuneration of holders of judicial office, senior civil servants and other such public appointments as may be specified. The Review Body may, if requested, also advise the Prime Minister on Peers' allowances and on the pay, pensions and allowances of Ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975. In reaching its recommendations, the Review Body is to have regard to the following considerations:

- The need to recruit, retain, motivate and, where relevant, promote suitably able and qualified people to exercise their different responsibilities;
- Regional/local variations in labour markets and their effects on 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; and,
- Evidence they receive about wider economic considerations and the affordability of our recommendations.

Further information about the work of the Review Body can be found at <https://www.gov.uk/government/publications/thirty-eighth-annual-report-on-senior-salaries-2016>.

The Nominations and Governance Committee (NGC) acts as the Remuneration Committee for the CPS senior management team. In 2017–18 this Committee was made up of the following:

Derek Manuel, Non-executive Director (Chair until July 2017), Monica Burch, Non-executive Director (Chair from June 2017), Alison Porter, Non-executive Director, Alison Saunders, Director of Public Prosecutions, Nick Folland, Chief Executive Officer (until October 2017) and Lesley Longstone, Chief Executive Officer (from December 2017).

The Committee is tasked with considering the relative contributions of the Department's senior employees, paying due regard to completed performance reports, consistency and scope of objectives and the impact of external factors. It will then decide individual awards in line with Cabinet Office guidance.

The pay settlement for the Senior Civil Service (SCS) adhered to government policy which limited consolidated pay increases to an average of 1%. Additionally, a Performance Related Pay (PRP) scheme operated, also compliant with Cabinet Office policy. A budget of 3.3% of the total SCS pay bill was available to be paid to the top 25% of the SCS cadre who qualified.

The actual distribution of PRP payments was 2.68% of the SCS pay bill.

REMUNERATION (INCLUDING SALARY) & PENSION ENTITLEMENTS

The following sections provide details of the remuneration and pension interests of the most senior management (i.e. Board members) of the Department.

REMUNERATION (SALARY, BENEFITS IN KIND AND PENSIONS) (AUDITED)

| | 2017-18 | | | | | 2016-17 | | | | |
|---|--|---------------------------|-----------------------------|--|---------------|----------------|---------------------------|-----------------------------|--|---------------|
| | Salary £000 | Bonus Payments £000 | Benefits in Kind £000 | Pension Benefits ¹ £000 | Total £000 | Salary £000 | Bonus Payments £000 | Benefits in Kind £000 | Pension Benefits ¹ £000 | Total £000 |
| Alison Saunders Director of Public Prosecutions | 205-210 | – | – | 3 | 205-210 | 200-205 | – | – | 42 | 245-250 |
| Lesley Longstone Chief Executive (from 4 December 2017) | 45-50 (fye 140-145) | – | – | 18 | 65-70 | N/A | N/A | N/A | N/A | N/A |
| Nick Folland Chief Executive (to 31 October 2017) | 140-145 ² (fye 150-155) | – | – | 35 | 175-180 | 150-155 | – | – | 59 | 210-215 |
| Paul Staff Director of Corporate Services | 115-120 | – | – | – | 115-120 | 110-115 | 10-15 | – | – | 125-130 |
| Jean Ashton Director of Business Services | 95-100 | 10-15 | 21.6 | 25 | 155-160 | 90-95 | – | 17.2 | 113 | 225-230 |
| Gregor McGill Director of Legal Services | 120-125 | – | – | 4 | 120-125 | 120-125 | – | – | 152 | 270-275 |
| Alison Porter Non-executive Director | 10-15 | – | 0.9 | – | 10-15 | 10-15 | – | 0.7 | – | 10-15 |
| Jeremy Newman Non-executive Director | 10-15 | – | 0.4 | – | 10-15 | 10-15 | – | 0.2 | – | 10-15 |
| Derek Manuel Non-executive Director (to 5 July 2017) | 0-5 (fye 10-15) | – | – | – | 0-5 | 10-15 | – | – | – | 10-15 |
| Alan Jenkins Non-executive Director (to 5 July 2017) | 0-5 (fye 10-15) | – | – | – | 0-5 | 10-15 | – | – | – | 10-15 |
| Mark Hammond Non-executive Director (from 3 July 2017) | 5-10 (fye 10-15) | – | 0.4 | – | 10-15 | N/A | N/A | N/A | N/A | N/A |
| Monica Burch Non-executive Director (from 26 June 2017) | 5-10 (fye 10-15) | – | – | – | 5-10 | N/A | N/A | N/A | N/A | N/A |

fye = full year equivalent salary

¹ The Pensions Benefits figure does not represent a cash payment, but is a calculation, provided by the pension administrator, of the estimated value of pension benefits accrued during the year under the scheme. It 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 decrease due to a transfer of pension rights.

² Includes payment in lieu of notice.

SALARY

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

BENEFITS IN KIND

The monetary value of benefits in kind covers any benefits provided by the Department and treated by HM Revenue & Customs as a taxable emolument. Where expenses are for home to office travel, this is assessed by HM Revenue & Customs as constituting a benefit in kind. The tax and National Insurance contributions due on the benefits in kind are paid by the CPS.

BONUSES

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses are reported in the year in which they become payable to the individual. Unless otherwise indicated, the bonuses reported in 2017–18 relate to performance in 2016–17 and the comparative bonuses reported for 2016–17 relate to performance in 2015–16.

PENSION BENEFITS (AUDITED):

| Official | Accrued pension at pension age as at 31 March 2018 and related lump sum | Real increase in pension and related lump sum at pension age | CETV¹ at 31 March 2018 | CETV¹ at 31 March 2017 (or date of joining Board if later) | Real increase in CETV |
|--|--|---|--|---|------------------------------|
| | £000 | £000 | £000 | £000 | £000 |
| Alison Saunders <i>Director of Public Prosecutions</i> | pension 85-90 lump sum 265-270 | pension 0-2.5 lump sum 2.5-5 | 1,948 | 1,825 | 2 |
| Lesley Longstone <i>Chief Executive (from 4 December 2017)</i> | pension 55-60 lump sum 155-160 | pension 0-2.5 lump sum 0-0 | 1,086 | 1,033 | 9 |
| Nick Folland <i>Chief Executive (to 31 October 2017)</i> | pension 5-10 | pension 0-2.5 | 68 | 42 | 17 |
| Jean Ashton <i>Director of Business Services</i> | pension 45-50 lump sum 135-140 | pension 0-2.5 lump sum 2.5-5 | 966 | 886 | 22 |
| Gregor McGill <i>Director of Legal Services</i> | pension 50-55 lump sum 150-155 | pension 0-2.5 lump sum 0-2.5 | 1,044 | 975 | 2 |

¹ Cash equivalent transfer value

Paul Staff chose not to be covered by the Civil Service pension arrangements during the reporting year. No pension contributions were made on his behalf to other pension providers.

PAY MULTIPLES

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

The banded remuneration of the highest-paid director in the Crown Prosecution Service in the financial year 2017-18 was £205-210k (2016-17: £200-205k). This was 6.3 times (2016-17: 6.3) the median remuneration of the workforce, which was £32,958 (2016-17: £32,325).

In 2017-18, no (2016-17: no) employee received remuneration in excess of the highest-paid director. Remuneration ranged from £17k to £205-£210k (2016-17: £17k to £200-£205k).

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

CIVIL SERVICE PENSIONS

Pension benefits are provided through the Civil Service pension

arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: 3 providing benefits on a final salary basis (classic, premium or classic plus) with a

normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into alpha sometime between 1 June 2015 and 1 February 2022. All members who switch to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% of pensionable earnings for members of classic, premium, classic plus, nuvos and alpha. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and

benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

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

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

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

CASH EQUIVALENT TRANSFER VALUES

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

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

REAL INCREASE IN CETV

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

**REPORTING OF CIVIL SERVICE
AND OTHER COMPENSATION
SCHEMES – EXIT PACKAGES
(AUDITED)**

The figures shown in the table below are for 2017–18. Figures shown in brackets are for the prior year, 2016–17.

| Exit package cost band | Number of compulsory redundancies | Number of other departures agreed | Total number of exit packages by cost band |
|-------------------------------|-----------------------------------|-----------------------------------|--|
| < £10,000 | - (-) | 1 (1) | 1 (1) |
| £10,000 - £25,000 | - (-) | 4 (11) | 4 (11) |
| £25,000 - £50,000 | - (-) | 9 (16) | 9 (16) |
| £50,000 - £100,000 | - (-) | 8 (15) | 8 (15) |
| £100,000 - £150,000 | - (-) | 1- (1) | 1- (1) |
| £150,000 - £200,000 | - (-) | - (-) | - (-) |
| Total number of exit packages | - (-) | 23 (44) | 23 (44) |
| Total cost 2017-18 (£000) | - | 1,200 | 1,200 |
| Total cost 2016-17 (£000) | - | 2,079 | 2,079 |

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

STAFF COSTS, STAFF NUMBERS AND COMPOSITION AS AT 31 MARCH 2018
Number of Senior Civil Service staff (or equivalent) by band (audited)

| ONS Grade | Grade Breakdown | Total Headcount | Total FTE |
|------------------|-----------------|-----------------|-------------|
| SCS | G1 Perm Sec | 1 | 1.0 |
| | SCS1 | 11 | 10.6 |
| | SCS2 | 3 | 3.0 |
| | SCS3 | 1 | 1.0 |
| | SLM1 | 37 | 37.0 |
| | SLM2 | 22 | 21.8 |
| | SLM3 | 1 | 1.0 |
| SCS Total | | 76 | 75.4 |

Staff composition (as at 31 March 2018) (audited)

| ONS Grade | Female | | Male | | Grand total | |
|--------------------|-------------|---------------|-------------|---------------|-------------|---------------|
| | HC | FTE | HC | FTE | HC | FTE |
| SCS | 42 | 42.0 | 34 | 33.4 | 76 | 75.4 |
| Other | 3845 | 3431.3 | 2059 | 2011.8 | 5904 | 5443.1 |
| Grand Total | 3887 | 3473.3 | 2093 | 2045.2 | 5980 | 5518.5 |

Average number of persons employed and staff cost for the year (audited)

| | Average number of full-time equivalent staff during the year | | Staff costs for the year £000 | |
|----------------------------|--|--------------------|-------------------------------|----------------|
| | 2017-18 | 2016-17 (restated) | 2017-18 | 2016-17 |
| Permanently employed staff | 5,378 | 5,353 | 297,412 | 289,840 |
| Others | 310 | 306 | 6,282 | 7,701 |
| Total | 5,688 | 5,659 | 303,694 | 297,541 |

Further details of staff costs can be found in Note 3(a) to the Accounts on page 49.

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servants and Other Pensions Scheme (CSOPS) - known as "alpha" - are unfunded multi-employer defined benefit schemes in which the Crown Prosecution Service is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the PCSPS as at 31 March 2012. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (<http://www.civilservicepensionscheme.org.uk/about-us/resource-accounts/>).

For 2017-18, employers' contributions of £46,326,966 were payable to the PCSPS (2016-17: £45,534,475) at one of four rates in the range 20.0% to 24.5% (2016-17: 20.0% to 24.5%) of pensionable earnings, based on salary bands. The scheme actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2017-18 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £215,052 (2016-17: £166,857) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and ranged from 8% to 14.75% of pensionable earnings. Employers also match employee contributions up to 3% of pensionable earnings. In addition, employer contributions of £8,747, 0.5% of pensionable pay (2016-17: £7,297, 0.5%), were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees. Contributions due to the

partnership pension providers at the balance sheet date were £20,755 (2016-17: £17,497). Contributions prepaid at that date were £Nil (2016-17: £Nil). 10 individuals (2016-17: 11) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £52,950 (2016-17: £47,252).

SICKNESS ABSENCE

There has been a decrease in Average Working Days Lost (AWDL) from 7.4 to 6.7 (as at quarter 4 2017-18), against a Civil Service average of 7.5 days.

STAFF POLICIES

The CPS has been awarded the Disability Confident standard which has replaced the Two Ticks accreditation and which all government departments are expected to attain.

To reach this standard the CPS has had to demonstrate that it has the right policies and procedures in place to provide a fully inclusive and accessible recruitment process – including:

- Identifying and addressing any barriers that may prevent or deter disabled people from applying for jobs, including advertising location, language and how people can apply;
- Offering an interview to disabled people who meet the minimum criteria for the job;
- Flexibility when assessing people so disabled job applicants have the best opportunity to demonstrate that they can do the job;
- Proactively offering and making reasonable adjustments as required; and
- Providing an environment that is inclusive and accessible for staff, clients and customers.

As a Disability Confident employer we will ensure all employees have sufficient disability equality awareness, taking into account their role.

These undertakings do not override the need for selection on merit through fair and open competition. It is essential that applicants who would be selected for interview on the basis of additional sift criteria are not displaced by disabled candidates who meet the minimum criteria. The numbers invited for interview must therefore be increased by the inclusion of those disabled candidates.

Under the Trade Union (Facility Time Publication Requirements) Regulations 2017 (SI 2017 no. 328), the CPS is required to publish information about employees acting as trade union representatives. During the 2017-18 financial year, 62 employees acted as relevant union officials with pre-approved facility time. Of these, 8 spent 0% of their working hours on trade union facility time, and 54 spent between 1-50% of their hours on trade union facility time. The total cost of facility time was £271,209, which is 0.09% of the total pay bill of £303,694,000. The time spent on paid trade union activities as a percentage of total paid facility time hours was 0%.

Expenditure on Temporary Staff

| | 2017-18 | 2016-17 |
|--------------------------------|---------|---------|
| | £000 | £000 |
| Expenditure on temporary staff | 6,282 | 7,701 |

Expenditure on Consultancy

There was no spend on consultancy.

Off Payroll Engagements

There were no off-payroll engagements in 2017-18.

Statement of Parliamentary Supply

Summary of Resource and Capital Outturn 2017-18

| £000 | SoPS Note | 2017-18 | | | | | | 2016-17 | |
|---------------------------------------|-----------|----------------|-----------|----------------|----------------|-----------|----------------|--|----------------|
| | | Estimate | | | Outturn | | | Voted outturn compared with Estimate: saving/ (excess) | Outturn |
| | | Voted | Non-Voted | Total | Voted | Non-Voted | Total | saving/ (excess) | Total |
| Departmental Expenditure Limit | | | | | | | | | |
| - Resource | 1(a) | 509,394 | - | 509,394 | 506,126 | - | 506,126 | 3,268 | 490,013 |
| - Capital | 1(b) | 10,300 | - | 10,300 | 6,209 | - | 6,209 | 4,091 | 7,364 |
| Annually Managed Expenditure | | | | | | | | | |
| - Resource | 1(a) | 11,150 | - | 11,150 | 9,768 | - | 9,768 | 1,382 | 1,223 |
| - Capital | | - | - | - | - | - | - | - | - |
| Total Budget | | 530,844 | - | 530,844 | 522,103 | - | 522,103 | 8,741 | 498,600 |
| Non-Budget | | | | | | | | | |
| - Resource | | - | - | - | - | - | - | - | - |
| Total | | 530,844 | - | 530,844 | 522,103 | - | 522,103 | 8,741 | 498,600 |

| | | | | | | | | | |
|----------------|------|----------------|---|----------------|----------------|---|----------------|--------------|----------------|
| Total Resource | 1(a) | 520,544 | - | 520,544 | 515,894 | - | 515,894 | 4,650 | 491,236 |
| Total Capital | 1(b) | 10,300 | - | 10,300 | 6,209 | - | 6,209 | 4,091 | 7,364 |
| Total | | 530,844 | - | 530,844 | 522,103 | - | 522,103 | 8,741 | 498,600 |

Net cash requirement 2017-18

| £000 | SoPS Note | 2017-18 | 2017-18 | | 2016-17 |
|------|-----------|----------|---------|--|---------|
| | | Estimate | Outturn | Outturn compared with Estimate: saving/ (excess) | Outturn |
| | 3 | 524,744 | 497,794 | 26,950 | 504,735 |

Administration Costs 2017-18

| | 2017-18 Estimate | 2017-18 Outturn | 2016-17 Outturn |
|------|------------------|-----------------|-----------------|
| 1(a) | 31,607 | 30,796 | 30,774 |

Figures in the areas outlined in bold are voted totals or other totals subject to Parliamentary control. In addition, although not a separate voted limit, any breach of the administration budget will also result in an excess vote.

Significant variances between Estimate and Outturn are explained in the Financial Management Commentary on page 11.

Notes to The Statement of Parliamentary Supply

SoPS 1 Net Outturn

1(a). Analysis of net resource outturn by section

| | | | | | | | 2017-18 £000 | 2016-17 £000 | |
|----------------|--------|-----|-----------|--------|-----|-------|-----------------|--------------------------------|---------|
| Outturn | | | | | | | Estimate | | Outturn |
| Administration | | | Programme | | | Total | Net Total | Net Total compared to Estimate | Total |
| Gross | Income | Net | Gross | Income | Net | | | | |

Spending in Departmental Expenditure Limit

Voted:

A. Administration Costs in Headquarters and on Central Services

| | | | | | | | | | |
|--------|-------|--------|---|---|---|--------|--------|-----|--------|
| 31,501 | (705) | 30,796 | - | - | - | 30,796 | 31,607 | 811 | 30,774 |
|--------|-------|--------|---|---|---|--------|--------|-----|--------|

B. Crown Prosecutions and Legal Services

| | | | | | | | | | |
|---|---|---|---------|----------|---------|---------|---------|-------|---------|
| - | - | - | 537,396 | (62,066) | 475,330 | 475,330 | 477,787 | 2,457 | 459,239 |
|---|---|---|---------|----------|---------|---------|---------|-------|---------|

| | | | | | | | | | | |
|----------|--------|-------|--------|---------|----------|---------|---------|---------|-------|---------|
| Subtotal | 31,501 | (705) | 30,796 | 537,396 | (62,066) | 475,330 | 506,126 | 509,394 | 3,268 | 490,013 |
|----------|--------|-------|--------|---------|----------|---------|---------|---------|-------|---------|

Annually Managed Expenditure

Voted:

C. CPS Voted AME Charge

| | | | | | | | | | |
|---|---|---|-------|---|-------|-------|--------|-------|-------|
| - | - | - | 9,768 | - | 9,768 | 9,768 | 11,150 | 1,382 | 1,223 |
|---|---|---|-------|---|-------|-------|--------|-------|-------|

| | | | | | | | | | | |
|--------------|---------------|--------------|---------------|----------------|-----------------|----------------|----------------|----------------|--------------|----------------|
| Total | 31,501 | (705) | 30,796 | 547,164 | (62,066) | 485,098 | 515,894 | 520,544 | 4,650 | 491,236 |
|--------------|---------------|--------------|---------------|----------------|-----------------|----------------|----------------|----------------|--------------|----------------|

1(b). Analysis of net capital outturn by section

| | | | | | 2017-18 £000 | 2016-17 £000 |
|---------|--------|-----|-----------|--------------------------------|-----------------|-----------------|
| Outturn | | | Estimate | | Outturn | |
| Gross | Income | Net | Net Total | Net Total compared to Estimate | Net | |

Spending in Departmental Expenditure Limit

Voted:

| | | | | | | |
|--|-------|-------|-------|--------|-------|-------|
| B. Crown Prosecutions and Legal Services | 6,477 | (268) | 6,209 | 10,300 | 4,091 | 7,364 |
|--|-------|-------|-------|--------|-------|-------|

| | | | | | | |
|--------------|--------------|--------------|--------------|---------------|--------------|--------------|
| Total | 6,477 | (268) | 6,209 | 10,300 | 4,091 | 7,364 |
|--------------|--------------|--------------|--------------|---------------|--------------|--------------|

SoPS 2 Reconciliation of net resource outturn to net expenditure

| | | SoPS Note | 2017-18 £000 Outturn | 2016-17 £000 Outturn |
|---|------------|--------------|----------------------------|----------------------------|
| Total resource outturn in Statement of Parliamentary Supply | Budget | 1a | 515,894 | 491,236 |
| | Non-budget | | - | - |
| Add: PFI accounting treatment adjustment (Note a) | | | - | 17,149 |
| Less: PFI budgeting treatment adjustment (Note a) | | | - | (17,725) |
| Net Expenditure in Statement of Comprehensive Net Expenditure | | | 515,894 | 490,660 |

Note a -The budgeting and accounting treatments of PFI expenditure are different. PFI costs are included in the Statement of Parliamentary Supply on the basis of ESA 10 (the National Accounts basis), but are included in the Statement of Comprehensive Net Expenditure on an IFRS basis. This adjustment is for PFI assets being on-balance sheet for IFRS accounts purposes but off-balance sheet for the basis used for the Statement of Parliamentary Supply.

SoPS 3 Reconciliation of net resource outturn to net cash requirement

| | SoPS Note | Estimate £000 | Outturn £000 | Net total outturn compared with Estimate: saving/(excess) £000 |
|--|--------------|------------------|-----------------|---|
| Resource outturn | 1(a) | 520,544 | 515,894 | 4,650 |
| Capital outturn | 1(b) | 10,300 | 6,209 | 4,091 |
| Accruals to cash adjustments: | | | | |
| <i>Adjustments to remove non-cash items:</i> | | | | |
| Depreciation and amortisation | | (5,772) | (3,384) | (2,388) |
| New provisions and adjustments to previous provisions | | (7,350) | (1,754) | (5,596) |
| Other non-cash items | | (3,800) | (16,245) | 12,445 |
| <i>Adjustments to reflect movements in working balances:</i> | | | | |
| Increase/(decrease) in receivables | | 3,000 | 6,651 | (3,651) |
| (Increase)/decrease in payables | | 7,822 | (13,447) | 21,269 |
| Use of provisions | | - | 3,870 | (3,870) |
| Net cash requirement | | 524,744 | 497,794 | 26,950 |

Parliamentary Accountability Report

LOSSES AND SPECIAL PAYMENTS

| | 2017-18 | | 2016-17 | |
|-------------------------|-----------------|--------------|-----------------|--------------|
| | Number of cases | £000 | Number of cases | £000 |
| Losses Statement | | | | |
| Total losses | 4,035 | 1,126 | 1,564 | 646 |
| Special Payments | | | | |
| Total special payments | 48 | 243 | 49 | 1,631 |
| Total of losses | 4,083 | 1,369 | 1,613 | 2,277 |

Administrative write-offs

Administrative write-offs are cases relating to costs awarded to the CPS which the magistrates' courts are responsible for collecting. Between 1 April 2017 and 31 March 2018 the magistrates' courts wrote off 3,952 (2017-18: 1,520) cases with a value of £733,000 (2017-18: £281,000) under their delegated powers. There was no individual write-off over £300,000.

A further £108,000 worth of cases were written off in 2017-18. It is not possible to quantify the number of cases which these write offs relate to.

Special payments

There were no special payments over £300,000 in 2017-18.

From 2017-18, disclosure of special payments and categories of losses involving payments has been made on the basis of actual payments made, in order to improve transparency and understandability.

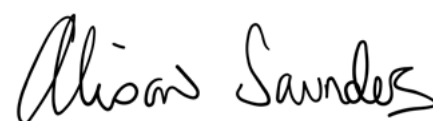
This may differ from corresponding expenditure reported in the financial statements, which is recognised on an accruals basis. However, to avoid double counting, cash payments made in 2017-18 that have been reported in previous years on an accruals basis have been excluded from the figures above. These payments comprised losses of £245,000 (1 case) and special payments of £60,000 (7 cases).

REMOTE CONTINGENT LIABILITIES

The CPS has no contingent liabilities to be disclosed under the Parliamentary reporting requirements.

FEES & CHARGES

There have been no material fees and charges income for the year requiring disclosure in accordance with Managing Public Money.



Alison Saunders CB
Director of Public Prosecutions
28 June 2018

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 Crown Prosecution Service for the year ended 31 March 2018 under the Government Resources and Accounts Act 2000. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes, including the significant accounting policies. These financial statements have been prepared under the accounting policies set out within them.

I have also audited the Statement of Parliamentary Supply and the related notes, and the information in the Accountability Report that is described in that report as having been audited.

In my opinion:

- the financial statements give a true and fair view of the state of the Department's affairs as at 31 March 2018 and of the Department's net expenditure for the year then ended; and
- the financial statements 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 Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2018 and shows that those totals have not been exceeded; and
- 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.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate. Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2016. I am independent of the Crown Prosecution Service in accordance with the ethical requirements that are relevant to my audit and 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.

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 the preparation of the financial statements and for being satisfied that they give a true and fair view.

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.

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. 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.

As part of an audit in accordance with ISAs (UK), I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Crown Prosecution Service's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Crown Prosecution Service's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I am required to obtain evidence sufficient to give reasonable assurance that the Statement of 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 also required to obtain evidence sufficient 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.

Other Information

The Accounting Officer is responsible for the other information. The other information comprises information included in the Performance Report and Accountability Report, other than the parts the Accountability Report described in that report as having been audited. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, 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 parts of the Accountability Report to be audited have been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000;
- in the light of the knowledge and understanding of the environment obtained in the course of the audit, I have not identified any material misstatements in the Performance Report or the Accountability Report; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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 or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Sir Amyas C E Morse
Comptroller and Auditor General

3 July 2018

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

Financial Statements

Statement of Comprehensive Net Expenditure

for the year ended 31 March 2018

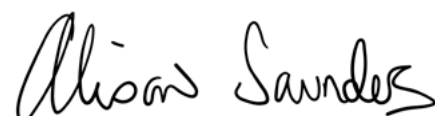
| | Note | 2017-18 £000 | 2016-17 £000 |
|---|------|-----------------|-----------------|
| Total operating income | 4 | (62,771) | (66,289) |
| Staff costs | 3a | 303,694 | 297,541 |
| Other costs | 3b | 274,971 | 259,408 |
| Total operating expenditure | | 578,665 | 556,949 |
| Net expenditure for the year | | 515,894 | 490,660 |
| Other comprehensive net expenditure | | | |
| Items that will not be reclassified to net operating costs: | | | |
| - Net (gain)/loss on revaluation of property, plant and equipment | | (245) | 39 |
| Comprehensive net expenditure for the year | | 515,649 | 490,699 |

The notes on pages 43 to 57 form part of these accounts

Statement of Financial Position

as at 31 March 2018

| | Note | 2018 £000 | 2017 £000 |
|---|------|------------------|-----------------|
| Non-current assets: | | | |
| Property, plant and equipment | 5 | 14,115 | 11,514 |
| Intangible assets | 6 | 622 | - |
| <i>Total non-current assets</i> | | 14,737 | 11,514 |
| Receivables falling due after more than one year | 8 | 113 | 148 |
| Current assets: | | | |
| Assets held for sale | 5 | - | 268 |
| Trade and other receivables | 8 | 45,744 | 55,092 |
| Cash and cash equivalents | 9 | 26,950 | 14,412 |
| <i>Total current assets</i> | | 72,694 | 69,772 |
| Total assets | | 87,544 | 81,434 |
| Current liabilities | | | |
| Trade and other payables | 10 | (12,265) | (13,113) |
| Provisions | 11 | (1,774) | (1,544) |
| Other liabilities | 10 | (88,080) | (60,800) |
| <i>Total current liabilities</i> | | (102,119) | (75,457) |
| Total assets less current liabilities | | (14,575) | 5,977 |
| Non-current liabilities | | | |
| Provisions | 11 | (6,946) | (9,292) |
| Other payables | 10 | (541) | (988) |
| <i>Total non-current liabilities</i> | | (7,487) | (10,280) |
| Total assets less total liabilities | | (22,062) | (4,303) |
| Taxpayers' equity and other reserves: | | | |
| General fund | | (24,604) | (6,730) |
| Revaluation reserve | | 2,542 | 2,427 |
| Total equity | | (22,062) | (4,303) |



Alison Saunders CB
 Director of Public Prosecutions
 28 June 2018

Statement of Cash Flows

for the year ended 31 March 2018

| | Note | 2017-18 £000 | 2016-17 £000 |
|--|------|------------------|------------------|
| Cash flows from operating activities | | | |
| Net expenditure for the year | | (515,894) | (490,660) |
| Adjustments for non-cash transactions | 3b | 21,235 | 9,838 |
| (Increase)/decrease in trade and other receivables | | (6,651) | (5,254) |
| Increase/(decrease) in trade and other payables | | 13,475 | (5,888) |
| Use of provisions | 11 | (3,870) | (2,378) |
| <i>Net cash outflow from operating activities</i> | | (491,705) | (494,342) |
| Cash flows from investing activities | | | |
| Purchase of property, plant and equipment | 5 | (5,870) | (6,948) |
| Purchase of intangible assets | | (635) | - |
| Proceeds of disposal of property, plant and equipment | | 416 | - |
| <i>Net cash outflow from investing activities</i> | | (6,089) | (6,948) |
| Cash flows from financing activities | | | |
| From the Consolidated Fund (Supply) - current year | | 510,332 | 516,615 |
| Capital element of payments in respect of finance leases and on-balance sheet (SoFP) PFI contracts | | - | (3,445) |
| <i>Net financing</i> | | 510,332 | 513,170 |
| Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund | | | |
| | | 12,538 | 11,880 |
| Payments of amounts due to the Consolidated Fund | | - | - |
| Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund | | | |
| | | 12,538 | 11,880 |
| Cash and cash equivalents at the beginning of the period | 9 | 14,412 | 2,532 |
| Cash and cash equivalents at the end of the period | 9 | 26,950 | 14,412 |

The notes on pages 43 to 57 form part of these accounts

Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2018

| | Note | General Fund £000 | Revaluation Reserve £000 | Taxpayers' Equity £000 |
|--|------|----------------------|--------------------------------|------------------------------|
| Balance at 1 April 2016 | | (21,793) | 3,358 | (18,435) |
| Net Parliamentary Funding - drawn down | | 516,615 | - | 516,615 |
| Net Parliamentary Funding - deemed | | 2,532 | - | 2,532 |
| Supply adjustment | 10 | (14,412) | - | (14,412) |
| Comprehensive net expenditure for the year | | (490,660) | (39) | (490,699) |
| Non-cash charges - auditor's remuneration | 3b | 96 | - | 96 |
| Transfers between reserves | | 892 | (892) | - |
| Balance at 31 March 2017 | | (6,730) | 2,427 | (4,303) |
| Net Parliamentary Funding - drawn down | | 510,332 | - | 510,332 |
| Net Parliamentary Funding - deemed | | 14,412 | - | 14,412 |
| Supply adjustment | 10 | (26,950) | - | (26,950) |
| Comprehensive net expenditure for the year | | (515,894) | 245 | (515,649) |
| Non-cash charges - auditor's remuneration | 3b | 96 | - | 96 |
| Transfers between reserves | | 130 | (130) | - |
| Balance at 31 March 2018 | | (24,604) | 2,542 | (22,062) |

The notes on pages 43 to 57 form part of these accounts

Notes to Departmental Accounts

1. Statement of Accounting Policies

Basis of preparation

The financial statements have been prepared on a going concern basis and in accordance with International Financial Reporting Standards (IFRS) as adapted and interpreted by the Financial Reporting Manual (FRoM) issued by HM Treasury. Where the FRoM permits a choice of accounting policy, the accounting policy which is judged to be the most appropriate to the particular circumstances of the Crown Prosecution Service for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Crown Prosecution Service are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.1. Accounting Convention

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

1.2. Non-current Assets

Property, plant and equipment

Property, plant and equipment which are capable of being used for a period which exceeds one year and have a cost equal to or greater than £2,000 are capitalised, including leasehold improvements. Where significant purchases of individual assets that are separately beneath the capitalisation threshold arise in connection with a single project, they are treated as a grouped asset. On initial recognition, assets are measured at cost, including any costs such as installation directly attributable to bringing them into working condition. Subsequently, assets that are held for their service potential and are in use are measured at current value in existing use, which is interpreted as market value for existing use.

Costs of bought-in services incurred in preparation for the implementation of ICT projects are capitalised. Internal costs incurred on the same projects are not capitalised where the work can only be carried out by in-house staff.

Property, plant and equipment, other than land and buildings, is restated at current value in existing use each year by indexation up to the year end using Producer Price Indices, published by the Office for National Statistics. The carrying values of property, plant and equipment are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

Land and buildings are restated at current value in existing use using professional valuations, in accordance with guidance set out in the FRoM, every five years. In the intervening years land and buildings are restated at current value in existing use by the use of published indices appropriate to the type of land or building.

Title to the freehold land and buildings shown in the accounts is held in the name of the Secretary of State for Communities and Local Government.

Intangible non-current assets

On initial recognition intangible non-current assets are measured at cost including any costs such as installation directly attributable to bringing them into working condition. Subsequently, intangible non-current assets are measured at current value in existing use where an active market exists, otherwise at the lower of amortised replacement cost and value in use. All expenditure on intangible non-current assets that are capable of being used for a period that exceeds one year and individually have a cost equal to or greater than £2,000 is capitalised.

1.3. Depreciation, Amortisation and Impairment

Property, plant and equipment

Property, plant and equipment are depreciated at rates calculated to write them down to estimated residual value on a straight line basis over their estimated useful lives. No depreciation is provided on freehold land since it has an unlimited useful life. Asset lives are normally in the following ranges:

| | |
|----------------------------|----------------|
| Freehold buildings | 50 to 95 years |
| Furniture and fittings | 4 to 10 years |
| Information technology | 3 to 4 years |
| Assets under PFI contracts | 10 to 15 years |

Leasehold improvements are written off over the shortest of:

- a) the remaining life of the property lease;
- b) 10 years; or
- c) where it has been established that a break clause in the lease is likely to be exercised by the CPS, the period to the first possible date of exercise of the relevant break clause.

Impairment losses that arise from a consumption of economic benefit are taken to the Statement of Comprehensive Net Expenditure, the balance on any revaluation reserve (up to the level of the impairment) being transferred to the general fund. Impairment losses that do not result from a loss of economic benefit are taken to the revaluation reserve, to the extent that the impairment does not exceed the amount in the revaluation surplus for the same asset.

Intangible non-current assets

Intangible assets are amortised on a straight line basis over their estimated useful lives. Impairment losses are charged in the same way as those arising on property, plant and equipment.

1.4. Leases

Rentals due under operating leases are charged to the Statement of Comprehensive Net Expenditure over the lease term on a straight line basis, or on the basis of actual rentals payable where this fairly reflects the usage. Future payments, disclosed in Note 12, "Commitments under Leases", are not discounted.

The CPS sub-leases properties to other tenants, including other government departments. Rentals received are recognised as revenue.

1.5. Cash

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash at bank and cash in hand.

1.6. Financial Assets and Liabilities

Financial assets consist of trade receivables and other current assets such as cash at bank and in hand. Financial liabilities consist of trade payables and other current liabilities. Financial assets and liabilities are initially recognised at fair value, which is determined by reference to the underlying contract giving rise to the debt or liability. Subsequently, they are measured at amortised cost using the effective interest method, less any impairment.

1.7. Allowance for Receivables – cost awards

The CPS receives the bulk of its income from costs awarded against convicted defendants. Her Majesty's Courts and Tribunals Service (HMCTS) is responsible for the collection of costs awarded to the CPS. The CPS writes off specific costs awards when HMCTS considers the debts will not be collected. A proportion of the remaining income will not be collected and the CPS fully provides against the risk of default on payment. The allowance provided against cost awards receivable is based on a financial model utilising historical data relating to the total costs awarded in court and the amount of cash actually received.

1.8. Operating Income

Operating income is income that relates directly to the operating activities of the CPS. Operating income is stated net of VAT.

The CPS receives awards of costs made against convicted defendants at the discretion of the judge or magistrates. In order to account for costs awards, the CPS uses returns submitted quarterly by the magistrates' courts, which are responsible for the collection of these costs. Income is recognised based on the date when the court awards costs.

Under the Proceeds of Crime Act's 'Asset Recovery Incentivisation Scheme', which is managed by the Home Office, the CPS is allocated a proportion of the total value of assets recovered in the year. For confiscation orders, receipts are shared between the Home Office and investigation, prosecution and enforcement agencies, with the CPS being entitled to an 18.75% share of total receipts. Income is recognised when the Home Office receives recovered amounts and confirms how these will be allocated to eligible bodies, which is the point at which it becomes probable that economic benefits will flow to the CPS and at which these can be measured reliably.

Income also includes rental income from other government departments and commercial subtenants that occupy space in buildings leased by the CPS.

1.9. Government Grants

The CPS benefits from government funding for apprenticeship training, financed by the Apprenticeship Levy. Under the terms of the Government's apprenticeship arrangements, the CPS has an account holding funds based on its levy payments, which it can access to pay for apprenticeship training. When these funds are drawn down, the CPS recognises government grant income along with a corresponding training expense. As payments are made directly from the apprenticeship account to approved training providers, the income and expense recognised are non-cash in nature.

The CPS may also be eligible to receive cash incentive payments where it employs apprentices aged between 16 and 18 years. Such payments are recognised as government grant income.

Government grant income is presented on a gross basis, separate from related expenses.

1.10. Expenditure

Very High Cost Cases (VHCC) are expected to last in excess of 40 days (or have three or more trial counsel instructed). Counsel are required to submit invoices covering work done as pre-determined stages in the case are reached and expenditure is recognised on an accruals basis at the completion of each stage.

Counsel fees in the majority of Crown Court cases which are those expected to last for 40 days or less are paid through the CPS 'Graduated Fee Scheme' agreed between the Bar Council and the CPS. Payment is made on completion of all work on a case. The scheme provides a formulaic approach to calculating fees taking into account a range of set cost factors including the number of defendants, type of counsel, volume of evidence, number of witnesses and length of trial. Where actual counsel fees for trials completed at the financial year end can be ascertained, they have been accrued for; in all other cases the CPS estimates such counsel fees outstanding for inclusion in these accounts. For trials partially completed at the financial year end, it is not possible to ascertain the precise value owed for counsel fees until some considerable time later. The CPS therefore accrues an estimate of the fees likely to have been incurred.

1.11. Short Term Employee Benefits

Salaries, wages and employment related benefits are recognised in the period in which the service is received from employees. Annual leave earned but not taken by the year end is recognised on an accruals basis in the financial statements. Non-consolidated performance pay is recognised when it becomes payable to the individual.

1.12. Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS). These schemes are unfunded, defined benefit schemes covering all civil servants. The schemes are not designed in a way that would enable employers to identify their share of the underlying scheme assets and liabilities, and they are therefore accounted for as though they were defined contribution schemes.

The CPS recognises the expected cost of providing pensions on a systematic and rational basis over the period during which it benefits from employees' services by payment to the Civil Service Pensions schemes of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the Civil Service Pensions schemes. For Civil Service defined contribution schemes, the CPS recognises the contributions payable for the year.

1.13. Provisions

The CPS provides for legal or constructive obligations, which are of uncertain timing or amount, at the date of the Statement of Financial Position, on the basis of the best estimate of the expenditure required to settle the obligation.

Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the real rates set by HM Treasury. As at 31 March 2018, the discount rates for general provisions were -2.42% (2016-17: -2.70%) for cash flows between 0 and 5 years, -1.85% (2016-17: -1.95%) for cash flows between 5 and 10 years, and -1.56% (2016-17: -0.80%) for cash flows exceeding 10 years.

1.14. Contingent Liabilities and Contingent Assets

A contingent liability is disclosed in the financial statements unless the possibility of a payment is remote. Where the time value of money is material, contingent liabilities are stated at discounted amounts and the amount reported to Parliament separately noted.

A contingent asset is only disclosed if an inflow of economic benefits is considered probable.

1.15. Value Added Tax

Most of the activities of the CPS are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of assets. Where output tax is charged or input tax is recoverable, the amounts are stated net of VAT.

1.16. New or amended standards issued but not yet effective and not adopted early

IFRS 9 Financial Instruments

HM Treasury has adopted IFRS 9 in the 2018-19 FReM, and it is therefore applicable from 1 April 2018. It introduces changes to the classification and measurement of financial instruments, including a new expected losses model for impairment of financial assets.

The CPS' financial instruments are limited to simple payables and receivables, which will continue to be measured at amortised cost under the new standard. Existing receivables impairments relate predominantly to the collection of cost awards. All cost awards not collected in the quarter of imposition are considered overdue, and the existing approach to impairment estimates credits losses over the lifetime of the outstanding receivables based on historic performance of similar loans. This is unlikely to differ materially from the IFRS 9 expected credit loss model. For all other receivables, the change in impairment methodology is not expected to have a significant impact.

IFRS 15 Revenue from Contracts with Customers

HM Treasury has adopted IFRS 15 in the 2018-19 FReM, and it is therefore applicable from 1 April 2018. It introduces changes to the timing of revenue recognition for contracts, matching revenue to performance obligations, and changes to revenue disclosure requirements.

The CPS receives income of around £63 million, most of which does not arise from contracts with customers. Revenue from contracts with customers arises mainly from property sub-leases. IFRS 15 is not expected to affect the timing of revenue recognition for any of these income streams.

IFRS 16 Leases

IFRS 16 will remove the distinction between operating and finance leases for lessees and will require assets and liabilities to be recognised in the Statement of Financial Position for all leases with a term of more than 12 months, unless the underlying asset is of low value. The standard is subject to further review by HM Treasury and is expected to be applicable from 1 April 2019.

Currently, the CPS recognises expenditure on operating leases (rental of land and buildings) as expenditure in the year to which the rental costs relate. Future commitments under operating leases were around £152 million in 2017-18, which would be expected to be recognised as a lease liability, with corresponding right of use assets, on adoption of IFRS 16.

The CPS currently has no finance leases. It earns less than £2.6 million in revenue from sub-leases.

1.17. Areas of judgement and key sources of estimation uncertainty

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities and the reported amounts of income and expense during the period. Actual results could differ from these estimates. Information about these judgements and estimations is detailed below.

Graduated Fees Scheme (GFS) accruals

The system for managing and paying counsel fees in Areas and Casework Divisions is complex and there is a lengthy chain between case initiation and fees payment which involves many individuals. This means that generating an accurate counsel fee accrual relies on data sent from a number of financial and non-financial sources.

The overall GFS accruals figure is informed by trend analysis of expenditure from prior periods, caseload volumes and a detailed assessment of a number of variables that tend to increase or decrease total expenditure on fees. The average payables days is calculated and compared to the reported accrual returns from Groups and Central Casework Divisions. This figure is used to adjust over and under accruals for each operational area and provides an accurate overall Departmental accrual. The accuracy of the adjustment relies on historical patterns of payment continuing into the future.

Additionally, the CPS estimates an accrual for trials that are not completed at the financial year end. Since the data required to accurately assess counsel fees for these trials is not available until some considerable time after the year end, the CPS uses data from the previous financial year end to estimate the amount of fees likely to have been incurred. This estimate is based on the assumption that allotted trial days occur immediately before the final hearing date, and that the level of activity is consistent from one year to the next.

The carrying amount of the GFS accrual at 31 March 2018 was £10.628 million.

Allowance for receivables - Cost Awards

The CPS receives awards of costs made against convicted defendants at the discretion of the judge or magistrates. The CPS is informed of the level of costs awarded in court by HMCTS and accounts for the corresponding receivables. HMCTS then pays over the cash collected, which reduces the receivable balance.

A number of these costs awarded may never be collected, for example when the individual has left the country or has died. HMCTS writes off irrecoverable debts as and when they become apparent and informs the CPS of the amounts written off. Additionally, the CPS recognises an allowance for impairment of the outstanding receivables to reflect the fact that a proportion of these will not be recovered. This impairment is based on historical information on rates of collection and relies on the assumption that similar rates will apply in future.

The CPS has changed its methodology for estimating the impairment allowance in 2017-18. The previous methodology estimated future write-offs of outstanding debt and relied on assumptions about the timing of these. HMCTS now writes off debt in more limited circumstances, and assumptions underpinning CPS' previous impairment methodology cannot be relied upon going forward. The new methodology assumes that all receivable amounts that are not forecast to be received in the future based on historical rates of collection will ultimately be irrecoverable and does not attempt to forecast the timing of write-offs. Additionally, the forecast cash flows are discounted using the HM Treasury rate for financial instruments of 3.7%. The CPS considers this to be a change in accounting estimate, required to ensure reliable estimates in future based on the information now available. Previous estimates were reasonable based on the information available at the time.

Following the introduction of this methodology, the impairment allowance has increased by £16.0 million compared with 2016-17, of which £11.2 million is attributable to the change in methodology and £4.8 million is attributable to in year movements in the receivable amount and present value of estimated future cash flows. The carrying amount of the allowance for cost award receivables at 31 March 2018 was £39.9 million.

Dilapidations

The CPS has entered into a number of rental agreements for the properties it occupies. Most of these agreements include clauses requiring the CPS, at the end of the rental period, to return the property to the landlord in its original state or to pay the landlord the cost of any necessary work to achieve this ("dilapidations"). The CPS therefore provides for the cost of removing any modifications it makes and repairing any damage or wear occurring during its tenancy.

The CPS bases its provision on a model that uses historic data for properties it has vacated previously to estimate an average cost of dilapidations per square metre occupied. This is then applied to currently occupied properties to estimate the costs for which the CPS will be liable. The model is updated each year to reflect changes in occupancy and actual costs incurred.

The estimates produced rely on the assumption that properties occupied by the CPS are similar and will be subject to similar liabilities for dilapidations. Where a property is expected to give rise to exceptional costs, it is removed from the model and any liability is estimated separately. Actual costs arising from such properties are not fed back into the model, so as not to distort estimated costs for other properties.

The carrying amount of the dilapidations provision at 31 March 2018 was £6.921 million.

2. Statement of Operating Costs by Operating Segment

CPS is organised for management purposes into operational regions and a number of corporate areas. For financial reporting purposes, the segment reporting format is determined based on the way in which financial information is presented to the senior decision makers (the Chief Executive and the Board) for monitoring performance and allocating resources.

The following table presents the operating expenditure by reportable operating segment. Income is primarily managed centrally so is reported as a single segment. Although many of the operating units are regionally defined, this does not represent a geographical analysis of expenditure because some regional expenditure is managed and reported by centralised units which operate on a national basis.

| Operating segment | 2017-18 £000 | 2016-17 £000 |
|---------------------------------|-----------------|-----------------|
| Cymru Wales | 19,775 | 19,226 |
| East of England | 18,959 | 19,799 |
| East Midlands | 25,070 | 24,601 |
| Merseyside & Cheshire | 15,988 | 14,879 |
| North East | 17,170 | 17,851 |
| North West | 30,896 | 33,677 |
| South East | 22,835 | 21,808 |
| South West | 16,675 | 16,481 |
| Thames & Chiltern | 20,734 | 21,013 |
| Wessex | 14,793 | 15,401 |
| West Midlands | 35,605 | 36,777 |
| Yorkshire & Humberside | 30,779 | 31,808 |
| London North* | 40,802 | 81,188 |
| London South* | 38,860 | 81,188 |
| National units | 81,531 | 81,800 |
| Centrally managed IT costs | 23,458 | 20,409 |
| Centrally managed Estates costs | 41,782 | 38,292 |
| Other centrally managed costs | 82,953 | 61,939 |
| Total expenditure | 578,665 | 556,949 |
| Income | (62,771) | (66,289) |
| Net expenditure | 515,894 | 490,660 |

*During 2016-17 London North and London South were a single Geographical Area with an operating cost of £81,188 million.

3a. Expenditure – Staff costs

| | 2017-18 £000 | 2017-18 £000 | 2017-18 £000 | 2016-17 £000 |
|--|----------------------------------|-----------------|-----------------|-----------------|
| | Permanently employed staff | Others | Total | Total |
| Wages and salaries | 226,043 | 6,282 | 232,325 | 228,458 |
| Social security costs | 24,817 | - | 24,817 | 23,350 |
| Other pension costs | 46,552 | - | 46,552 | 45,733 |
| Subtotal | 297,412 | 6,282 | 303,694 | 297,541 |
| Less recoveries in respect of outward secondments | (1,022) | - | (1,022) | (2,868) |
| Total net costs | 296,390 | 6,282 | 302,672 | 294,673 |

Further information on staff costs is located in the Remuneration and Staff Report on page 26.

Recoveries in respect of secondments are included in income shown in note 4 on page 51.

3b. Expenditure – other costs

| | Note | 2017-18 £000 | 2017-18 £000 | 2016-17 £000 | 2016-17 £000 |
|--|------|-----------------|-----------------|-----------------|-----------------|
| Rentals under operating leases | | | 16,770 | | 16,912 |
| Non-cash items | | | | | |
| Depreciation | 5 | 3,371 | | 3,379 | |
| Amortisation | 6 | 13 | | 1,657 | |
| Loss on disposal of property, plant and equipment and intangible assets | 5,6 | - | | 200 | |
| Loss on revaluation of property, plant and equipment | | - | | - | |
| Impairments | 5 | 115 | | - | |
| Change in bad debt provision | | 16,034 | | 4,112 | |
| Auditor's remuneration (Note a) | | 96 | | 96 | |
| Provisions: | | | | | |
| Provided in year | 11 | 2,135 | | 846 | |
| Unrequired provisions written back | 11 | (113) | | (524) | |
| Borrowing costs on provisions | 11 | (268) | | 72 | |
| | | | 21,383 | | 9,838 |
| Other expenditure | | | | | |
| Advocate fees | | 124,233 | | 133,237 | |
| Information technology | | 36,258 | | 29,286 | |
| Accommodation and associated costs | | 25,119 | | 21,058 | |
| Travel and subsistence | | 7,624 | | 6,950 | |
| Civil awards against CPS | | 5,424 | | 1,020 | |
| Expert witness fees | | 5,139 | | 4,982 | |
| Professional charges and consultancy | | 4,364 | | 3,133 | |
| Non-expert witness expenses | | 4,115 | | 4,640 | |
| Postage and carriage | | 3,694 | | 4,248 | |
| Training | | 2,790 | | 1,990 | |
| Interpreters, translators and intermediaries | | 2,604 | | 2,475 | |
| Printing and stationery | | 2,256 | | 3,344 | |
| Communications | | 2,034 | | 2,888 | |
| Costs awarded to the CPS written off/(written back) | | (4,149) | | (904) | |
| Other prosecution costs | | 7,371 | | 6,734 | |
| Other expenditure | | 7,942 | | 7,577 | |
| | | | 236,818 | | 232,658 |
| Total other costs | | | 274,971 | | 259,408 |

Note a - There has been no auditor's remuneration for non-audit work. The audit fee comprises £96k for the audit of the CPS 2017-18 accounts. The audit fee for 2016-17 comprised £96k for the audit of the 2016-17 accounts.

4. Income

| | 2017-18 £000 | 2016-17 £000 |
|---|-----------------|-----------------|
| Costs awarded to the CPS | 35,454 | 38,044 |
| Asset Recovery Incentivisation Scheme | 17,005 | 18,248 |
| Rental receivable from other government departments | 2,166 | 2,036 |
| Rental receivable from external tenants | 370 | 438 |
| Secondment and other income | 7,628 | 7,523 |
| Profit on disposal of property, plant and equipment | 148 | - |
| | 62,771 | 66,289 |

5. Property, plant and equipment

| 2017-18 | Land £000 | Buildings £000 | Leasehold Improvements £000 | Furniture and Fittings £000 | Information Technology £000 | Construction in Progress £000 | Total £000 |
|---|--------------|-------------------|-----------------------------------|-----------------------------------|-----------------------------------|-------------------------------------|---------------|
| Cost or valuation | | | | | | | |
| At 1 April 2017 | 1,104 | 1,941 | 3,149 | 12,532 | 7,208 | - | 25,934 |
| Additions | - | - | 441 | 212 | 5,156 | 33 | 5,842 |
| Disposals | - | - | (545) | (1,283) | (4) | - | (1,832) |
| Revaluation | 37 | 66 | 55 | 45 | 155 | - | 358 |
| Impairment | - | - | (312) | (427) | - | - | (739) |
| At 31 March 2018 | 1,141 | 2,007 | 2,788 | 11,079 | 12,515 | 33 | 29,563 |
| Depreciation | | | | | | | |
| At 1 April 2017 | - | 207 | 2,827 | 10,430 | 956 | - | 14,420 |
| Charged in year | - | 32 | 163 | 829 | 2,347 | - | 3,371 |
| Disposals | - | - | (545) | (1,283) | (4) | - | (1,832) |
| Revaluation | - | 8 | 48 | 36 | 21 | - | 113 |
| Impairment | - | - | (291) | (333) | - | - | (624) |
| At 31 March 2018 | - | 247 | 2,202 | 9,679 | 3,320 | - | 15,448 |
| Carrying amount at 31 March 2017 | 1,104 | 1,734 | 322 | 2,102 | 6,252 | - | 11,514 |
| Carrying amount at 31 March 2018 | 1,141 | 1,760 | 586 | 1,400 | 9,195 | 33 | 14,115 |
| Asset financing: | | | | | | | |
| Owned | 1,141 | 1,760 | 586 | 1,400 | 9,195 | 33 | 14,115 |
| Carrying amount at 31 March 2018 | 1,141 | 1,760 | 586 | 1,400 | 9,195 | 33 | 14,115 |

5. Property, plant and equipment (continued)

| 2016-17 | Land £000 | Buildings £000 | Leasehold Improvements £000 | Furniture and Fittings £000 | Information Technology £000 | Construction in Progress £000 | Total £000 |
|---|--------------|-------------------|-----------------------------------|-----------------------------------|-----------------------------------|-------------------------------------|---------------|
| Cost or valuation | | | | | | | |
| At 1 April 2016 | 1,223 | 2,271 | 3,871 | 13,249 | 39,549 | - | 60,163 |
| Additions | - | - | 121 | 339 | 6,904 | - | 7,364 |
| Disposals | - | - | (897) | (1,056) | (39,376) | - | (41,329) |
| Reclassifications | (55) | (219) | - | - | - | - | (274) |
| Revaluation | (64) | (111) | 54 | - | 131 | - | 10 |
| At 31 March 2017 | 1,104 | 1,941 | 3,149 | 12,532 | 7,208 | - | 25,934 |
| Depreciation | | | | | | | |
| At 1 April 2016 | - | 192 | 3,397 | 10,248 | 38,290 | - | 52,127 |
| Charged in year | - | 31 | 225 | 1,093 | 2,030 | - | 3,379 |
| Disposals | - | - | (843) | (911) | (39,375) | - | (41,129) |
| Reclassifications | - | (6) | - | - | - | - | (6) |
| Revaluation | - | (10) | 48 | - | 11 | - | 49 |
| At 31 March 2017 | - | 207 | 2,827 | 10,430 | 956 | - | 14,420 |
| Carrying amount at 31 March 2016 | 1,223 | 2,079 | 474 | 3,001 | 1,259 | - | 8,036 |
| Carrying amount at 31 March 2017 | 1,104 | 1,734 | 322 | 2,102 | 6,252 | - | 11,514 |
| Asset financing: | | | | | | | |
| Owned | 1,104 | 1,734 | 322 | 2,102 | 6,252 | - | 11,514 |
| Carrying amount at 31 March 2017 | 1,104 | 1,734 | 322 | 2,102 | 6,252 | - | 11,514 |

Reconciliation of additions to cash flows from investing activities shown in the Statement of Cash Flows

| | Note | 2017-18 £000 | 2016-17 £000 |
|---|------|-----------------|-----------------|
| Additions of property, plant and equipment | 5 | 5,842 | 7,364 |
| Additions of intangible assets | 6 | 635 | - |
| Movement in capital creditors | | (81) | (4) |
| Movement in capital accruals | | 109 | (412) |
| Less: Proceeds of disposal | | (416) | - |
| Net cash outflow from investing activities | | 6,089 | 6,948 |

Freehold land and buildings were valued at 31 December 2014 at £3,255,000 on the basis of existing use value by an independent firm of Chartered Surveyors, Cushman & Wakefield (formerly known as DTZ). Between professional valuations, carrying values are adjusted by the application of indices.

Asset held for sale

In 2017-18 the CPS completed the sale of one freehold property which was held for sale as at 31 March 2017 with a carrying value of £268,000. The property was sold for £415,638.

6. Intangible assets

Intangible assets comprise Case Management System (CMS) software.

Intangible assets are stated at cost less accumulated amortisation.

| | 2017-18 £000 | 2016-17 £000 |
|------------------------------------|-----------------|-----------------|
| Net book value 1 April | - | 1,657 |
| Additions | 635 | |
| Amortisation charged in year | (13) | (1,657) |
| Net book value 31 March | 622 | - |
| Asset financing | | |
| Owned | 622 | - |
| Carrying amount at 31 March | 622 | - |

7. Financial Instruments

As the cash requirements of the CPS are met through the 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. The majority of financial instruments relate to contracts for non-financial items in line with the CPS' expected purchase and usage requirements and the CPS is therefore exposed to little credit, liquidity or market risk.

8. Trade and other receivables

| | 2017-18 £000 | 2016-17 £000 |
|--|-----------------|-----------------|
| Amounts falling due within one year: | | |
| VAT | 1,300 | 1,566 |
| Trade receivables | 61,377 | 53,481 |
| Doubtful debt provision (Note a) | (39,900) | (23,866) |
| Deposits and advances | 450 | 533 |
| Other receivables | 2,157 | 1,056 |
| Prepayments and accrued income | 20,360 | 22,322 |
| | 45,744 | 55,092 |
| Amounts falling due after more than one year: | | |
| Prepayments and accrued income | 113 | 148 |
| | 45,857 | 55,240 |

Note a - The CPS provides against the risk of default on payment of costs awarded against convicted defendants, £39.900 million (2016-17: £23.866 million), and against default on payment of other receipts £Nil (2015-16: Nil).

8.1. Cost awards receivable and doubtful debt provision

The following are amounts receivable in respect of costs awarded against convicted defendants, and are included in the overall receivables above:

| | 2017-18 £000 | 2016-17 £000 |
|---|-----------------|-----------------|
| Cost awards receivable at 1 April | 53,189 | 49,274 |
| Costs awarded in year | 37,574 | 38,888 |
| Cash received | (32,741) | (33,747) |
| Bad debts (written off)/written back | 3,185 | (1,226) |
| Cost awards receivable at 31 March | 61,207 | 53,189 |
| Accrued cost awards income | 9,372 | 10,699 |
| Provision for cost awards doubtful debt | (39,900) | (23,866) |

The provision for doubtful debt is based on a forecast of future cash flows, using historic receipts data, discounted at the HM Treasury rate of 3.7% for financial instruments.

9. Cash and cash equivalents

| | 2017-18 £000 | 2016-17 £000 |
|--|-----------------|-----------------|
| Balance at 1 April | 14,412 | 2,532 |
| Net change in cash and cash equivalent balances | 12,538 | 11,880 |
| Balance at 31 March | 26,950 | 14,412 |
| The following balances at 31 March were held at: | | |
| Government Banking Service | 26,945 | 14,407 |
| Commercial banks and cash in hand | 5 | 5 |
| Balance at 31 March | 26,950 | 14,412 |

10. Trade and other payables

| | 2017-18 £000 | 2016-17 £000 |
|--|-----------------------|----------------------|
| Amounts falling due within one year: | | |
| Other taxation and social security | 6,190 | 6,118 |
| Trade payables | 7,131 | 8,020 |
| Other payables | 5,134 | 5,093 |
| Accruals and deferred income | 54,940 | 40,270 |
| | <u>73,395</u> | <u>59,501</u> |
| Amounts issued from the Consolidated Fund for supply but not spent at year end | 26,950 | 14,412 |
| | <u>100,345</u> | <u>73,913</u> |
| Amounts falling due after more than one year: | | |
| Accruals and deferred income | 541 | 988 |
| | <u>100,886</u> | <u>74,901</u> |

11. Provisions for liabilities and charges

| 2017-18 | Early departure costs £000 | Dilapidations £000 | Other £000 | Total £000 |
|--|----------------------------------|-----------------------|---------------------|----------------------|
| Balance at 1 April 2017 | 795 | 9,595 | 446 | 10,836 |
| Provided in the year | 3 | 705 | 1,427 | 2,135 |
| Provisions not required written back | (5) | (105) | (3) | (113) |
| Provisions utilised in the year | (482) | (3,006) | (382) | (3,870) |
| Borrowing costs (unwinding of discounts) | - | (268) | - | (268) |
| Balance at 31 March 2018 | <u>311</u> | <u>6,921</u> | <u>1,488</u> | <u>8,720</u> |
| 2016-17 | Early departure costs £000 | Dilapidations £000 | Other £000 | Total £000 |
| Balance at 1 April 2016 | 1,752 | 10,145 | 923 | 12,820 |
| Provided in the year | - | 768 | 78 | 846 |
| Provisions not required written back | (12) | (328) | (184) | (524) |
| Provisions utilised in the year | (945) | (1,062) | (371) | (2,378) |
| Borrowing costs (unwinding of discounts) | - | 72 | - | 72 |
| Balance at 31 March 2017 | <u>795</u> | <u>9,595</u> | <u>446</u> | <u>10,836</u> |

Analysis of expected timing of discounted flows 2017-18

| | Early departure costs £000 | Dilapidations £000 | Other £000 | Total £000 |
|---|----------------------------------|-----------------------|---------------------|---------------------|
| Not later than one year | 259 | 27 | 1,488 | 1,774 |
| Later than one year and not later than five years | 52 | 6,159 | - | 6,211 |
| Later than five years | - | 735 | - | 735 |
| Balance at 31 March 2018 | <u>311</u> | <u>6,921</u> | <u>1,488</u> | <u>8,720</u> |

Analysis of expected timing of discounted flows 2016-17

| 2017-18 | Early departure costs £000 | Dilapidations £000 | Other £000 | Total £000 |
|---|-------------------------------|-----------------------|---------------|---------------|
| Not later than one year | 487 | 611 | 446 | 1,544 |
| Later than one year and not later than five years | 308 | 7,911 | - | 8,219 |
| Later than five years | - | 1,073 | - | 1,073 |
| Balance at 31 March 2017 | 795 | 9,595 | 446 | 10,836 |

Early departure costs

The CPS meets the additional costs beyond the normal PCSPS benefits in respect of employees who retired early and who left the CPS before December 2010 when other arrangements were introduced by central government. The CPS provides for the full cost of the future estimated payments.

Dilapidations

The dilapidations provision relates to dilapidation claims served by landlords at the expiry of a lease on a property occupied by CPS. A provision is made against all anticipated dilapidation claims at a rate per square metre which reflects actual dilapidations discounted to reflect the time value of money.

Other provisions

Other provisions comprise outstanding compensation claims for personal injury, employment tribunal and civil legal claims. In respect of compensation claims, provision has been made for the litigation against the Department. The provision reflects all known legal claims where legal advice indicates that it is more than 50 per cent probable that the claim will be successful and the amount of the claim can be reliably estimated.

Legal claims which may succeed but are less likely to do so or cannot be estimated are disclosed as contingent liabilities in Note 14.

12. Commitments under leases**Operating Leases**

Total future minimum lease payments under operating leases are given in the table below for each of the following periods.

| | 2017-18 £000 | 2016-17 £000 |
|---|-----------------|-----------------|
| <i>Land and Buildings</i> | | |
| Not later than one year | 22,237 | 15,152 |
| Later than one year and not later than five years | 59,116 | 56,970 |
| Later than five years | 71,113 | 70,538 |
| | 152,466 | 142,660 |

13. Other financial commitments

As at 31 March 2018, the CPS had an estimated minimum financial commitment of £13 million payable within one year (2016-17: £6 million) and £1 million payable between one and five years (2016-17: £Nil). These commitments are predominantly for ICT services and software.

14. Contingent assets and liabilities

As at 31 March 2018 the CPS was involved in 8 personal injury claims, 11 employment tribunal cases and 8 other legal proceedings in addition to those for which a provision (note 11) or accrual has been made. Of these, 4 personal injury claims may result in settlements totalling £260,489, 4 employment tribunal cases may result in settlements totalling £77,050 and 3 civil cases may result in settlements totalling £509,500. There are a further 4 cases outstanding with the Information Commissioner's Office (ICO) which may result in penalties totalling £655,000. It is not possible to estimate the value of the remaining contingent liabilities.

15. Related-party transactions

The CPS has close working relationships with all agencies within the criminal justice system and particularly with HM Courts and Tribunals Service (HMCTS), their ultimate controlling party being the Ministry of Justice. HMCTS is regarded as a related party with which the department has had material transactions, being mainly cost awards collected by HMCTS acting as an agent for CPS (see Note 4) less amounts written off (or written back) (see Note 3(b)). In addition CPS has had material transactions with a number of other government departments.

Jeremy Newman, Non-executive Director and Chair of the Audit and Risk Committee of CPS, is also a Non-executive Director and Chair of the Audit and Risk Committee of the Government Legal Department.

No Board member, key manager or other related party has undertaken any material transactions with the CPS during the year.

16. Events after the reporting period

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the accounts are authorised for issue. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General.

The Director of Public Prosecutions, Alison Saunders, confirmed in April 2018 that she will be leaving the CPS at the end of her five year term on 31 October 2018.

The Chief Executive, Lesley Longstone, left the CPS at the end of May 2018 when her secondment came to an end. The Director of Corporate Services, Paul Staff, has been appointed as temporary Chief Executive from the start of June 2018 for a period of 12 months, pending a permanent appointment to the role.

Annexes

Annex A - Regulatory Reporting

| | 2012-13 Outturn | 2013-14 Outturn | 2014-15 Outturn | 2015-16 Outturn | 2016-17 Outturn | 2017-18 Outturn | 2018-19 Plans | £000 2019-20 Plans |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|--------------------------|
| Resource DEL | | | | | | | | |
| Administration Costs in HQ and on Central Services | 32,308 | 30,428 | 30,057 | 31,563 | 30,774 | 30,796 | 31,600 | 31,600 |
| Crown Prosecutions and Legal Services | 524,594 | 516,479 | 476,622 | 454,704 | 459,239 | 475,330 | 490,241 | 481,908 |
| Total Resource DEL | 556,902 | 546,907 | 506,679 | 486,267 | 490,013 | 506,126 | 521,841 | 513,508 |
| Of which: | | | | | | | | |
| Staff costs | 367,009 | 349,849 | 318,060 | 293,758 | 297,541 | 302,596 | 305,390 | 303,387 |
| Purchase of goods and services | 223,556 | 233,924 | 228,813 | 238,361 | 239,633 | 245,997 | 249,144 | 244,457 |
| Income from sales of goods and services | (65,533) | (64,075) | (61,784) | (68,797) | (66,289) | (62,771) | (62,000) | (64,000) |
| Rentals | 26,839 | 24,215 | 19,255 | 18,030 | 16,909 | 16,857 | 20,437 | 20,437 |
| Depreciation ¹ | 4,935 | 2,898 | 2,239 | 4,819 | 2,123 | 3,351 | 8,774 | 9,131 |
| Other resource | 96 | 96 | 96 | 96 | 96 | 96 | 96 | 96 |
| Resource AME | | | | | | | | |
| CPS voted AME charges | 4,092 | 5,360 | 1,789 | 1,822 | 1,223 | 9,768 | 3,050 | 2,950 |
| Total Resource AME | 4,092 | 5,360 | 1,789 | 1,822 | 1,223 | 9,768 | 3,050 | 2,950 |
| Of which: | | | | | | | | |
| Staff costs | (634) | - | - | - | - | - | - | - |
| Take up of provisions | 3,316 | 2,941 | 2,310 | 1,931 | 393 | (3,818) | (750) | (850) |
| Release of provision | (3,048) | (1,718) | (4,565) | (3,373) | (2,378) | (3,870) | - | - |
| Other resource | 4,458 | 4,137 | 4,044 | 3,264 | 3,208 | 17,456 | 3,800 | 3,800 |
| Total Resource Budget | 560,994 | 552,267 | 508,468 | 488,089 | 491,236 | 515,894 | 524,891 | 516,458 |
| Capital DEL | | | | | | | | |
| Crown Prosecutions and Legal Services | (595) | (672) | 46 | 90 | 7,364 | 6,209 | 9,600 | 2,800 |
| Total Capital DEL | (595) | (672) | 46 | 90 | 7,364 | 6,209 | 9,600 | 2,800 |
| Of which: | | | | | | | | |
| Purchase of assets | (595) | (672) | 46 | 90 | 7,364 | 6,209 | 9,600 | 2,800 |
| Total Capital Budget | (595) | (672) | 46 | 90 | 7,364 | 6,209 | 9,600 | 2,800 |
| Total departmental spending³ | 555,464 | 548,697 | 506,275 | 483,360 | 496,477 | 518,752 | 525,717 | 510,127 |
| Of which: | | | | | | | | |
| Total DEL | 551,372 | 543,337 | 504,486 | 481,538 | 495,254 | 508,984 | 522,667 | 507,177 |
| Total AME | 4,092 | 5,360 | 1,789 | 1,822 | 1,223 | 9,768 | 3,050 | 2,950 |

¹ Includes impairments

² Pension schemes report under FRS 17 accounting requirements. These figures therefore include cash payments made and contributions received, as well as certain non-cash items

³ Total departmental spending is the sum of the resource budget and the capital budget less depreciation. Similarly, total DEL is the sum of the resource budget DEL and capital budget DEL less depreciation in DEL, and total AME is the sum of resource budget AME and capital budget AME less depreciation in AME.

Administrative budget 2012-13 to 2019-20

| | 2012-13 Outturn | 2013-14 Outturn | 2014-15 Outturn | 2015-16 Outturn | 2016-17 Outturn | 2017-18 Outturn | 2018-19 Plans | 2019-20 Plans |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|------------------|------------------|
| Resource DEL | | | | | | | | |
| Administration Costs in HQ and on Central Services | 32,308 | 30,428 | 30,057 | 31,563 | 30,774 | 30,796 | 31,600 | 31,600 |
| Total administration budget | 32,308 | 30,428 | 30,057 | 31,563 | 30,774 | 30,796 | 31,600 | 31,600 |
| Of which: | | | | | | | | |
| Staff costs | 19,065 | 18,151 | 18,797 | 19,617 | 19,399 | 19,118 | 24,000 | 24,000 |
| Purchase of goods and services | 13,588 | 10,504 | 10,255 | 11,148 | 10,582 | 11,191 | 6,058 | 6,058 |
| Income from sales of goods and services | (441) | - | (276) | (1,026) | (1,015) | (705) | (1,000) | (1,000) |
| Rentals | - | 1,170 | 1,185 | 1,728 | 1,712 | 1,096 | 2,446 | 2,446 |
| Other resource | 96 | 603 | 96 | 96 | 96 | 96 | 96 | 96 |

Annex B - Glossary

| | | | |
|---------------|--|--------------|---|
| ABM | Area Business Manager | HQ | Headquarters (London) |
| AME | Annually Managed Expenditure | IAMM | International Assurance Maturity Model |
| AMR | Automatic Meter Readers | IAS | International Account Standards |
| AP | Associate Prosecutor | ICT | Information and Communications Technology |
| APR | Area Performance Report/Review | IICSA | Independent Inquiry into Child Sexual Abuse |
| ARC | Audit and Risk Committee | IFRIC | International Financial Reporting Interpretations Committee |
| AWDL | Average Working Days Lost | IFRS | International Financial Reporting Standards |
| BCM | Better Case Management | ILA | Individual Learning Account |
| BDF | Business Disability Forum | IPD | Investment Property Databank |
| CCP | Chief Crown Prosecutor | IQA | Individual Quality Assessment |
| CETV | Cash Equivalent Transfer Value | LDP | Legal Development Programme |
| CJS | Criminal Justice System | LOD | Law Officers Department |
| CJSEP | Criminal Justice System Efficiency Programme | MDP | Management Development Programme |
| CMS | Case Management System | MoJ | Ministry of Justice |
| CPS | Crown Prosecution Service | NAO | National Audit Office |
| CQS | Casework Quality Standards | NGC | Nominations and Governance Committee |
| CSOPS | Civil Servant and Other Pension Scheme | PCSPS | Principal Civil Service Pension Scheme |
| DCS | Digital Case System | PFI | Private Finance Initiative |
| DDA | Disability Discrimination Act | PRP | Performance Related Pay |
| DEFRA | Department for Environment, Food and Rural Affairs | RaSSO | Rape and Serious Sexual Offence |
| DEL | Departmental Expenditure Limit | REM | Resource and Efficiency Measures |
| DoH | Department of Health | SCS | Senior Civil Servant |
| DPP | Director of Public Prosecutions | SIRO | Senior Information Risk Owner |
| DSHC | Departmental Security Health Check | SLA | Service Level Agreement |
| DWP | Department of Work and Pensions | SLM | Senior Legal Manager |
| EEI | Employee Engagement Index | SME | Small or Medium Enterprises |
| EG | Executive Group | SoCNE | Statement of Comprehensive Net Expenditure |
| ESA | European System of Accounts | SoFP | Statement of Financial Position |
| FReM | Financial Reporting Manual | SOP | Standard Operating Procedure/Policies |
| FRS | Financial Reporting Standard | SoPS | Statement of Parliamentary Supply |
| FTE | Full Time Equivalent | SPF | Security Policy Framework |
| GBS | Government Buying Standards | SSRB | Senior Salary Review Body |
| GFS | Graduated Fees Scheme | TsfJ | Tools and Skills for the Job |
| GGC | Greening Government Commitment | TSJ | Transforming Summary Justice |
| GDPR | General Data Protection Regulation | VAT | Value Added Tax |
| HMCPSI | Her Majesty's Crown Prosecution Service Inspectorate | VAWG | Violence Against Women and Girls |
| HMCTS | Her Majesty's Courts and Tribunals Service | VHCC | Very High Cost Cases |
| HMRC | Her Majesty's Revenue and Customs | VLU | Victim Liaison Unit |
| HMT | Her Majesty's Treasury | VRR | Victims' Right to Review |

About the Crown Prosecution Service

The CPS is responsible for prosecuting most cases heard in the criminal courts in England and Wales. It is led by the Director of Public Prosecutions and acts independently on criminal cases investigated by the police and other agencies. The CPS is responsible for deciding the appropriate charge in more serious or complex cases and provides information, assistance and support to victims and witnesses.

ISBN 978-1-5286-0677-6
CCS0418342198

cps.gov.uk
@cpsuk