



Crown Prosecution Service Annual Report and Accounts 2014-15

(for the period April 2014–March 2015)

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by Command of Her Majesty

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Contents

	Page
1. Director's letter to the Attorney General	3
2. About the CPS	4
Who we are	4
What we do	4
How we do it	5
3. Strategic Report	6
Our Performance	6
Casework Quality	6
Service to Victims & Witnesses	7
Tools and Skills for the Job	9
Efficiency and Innovation	10
Other Information	13
4. Financial Review	15
5. Statement of Accounting Officer's Responsibilities	17
6. Governance Statement	18
7. Non-Executive Director's Report	22
8. Departmental Remuneration Report	24
9. The Certificate and Report of the Comptroller and Auditor General to the House of Commons	29
10. Accounts	31
Statement of Parliamentary Supply	31
Notes to the Departmental Accounts (Statement of Parliamentary Supply (SoPS))	32
Statement of Comprehensive Net Expenditure	36
Statement of Financial Position	37
Statement of Cash Flows	38
Statement of Changes in Taxpayers' Equity	39
Notes to Departmental Accounts	40
Annex A – Sustainability Report	59
Annex B – Board Membership/Attendance	63
Annex C – Security	65
Annex D – Casework Statistics	67
Annex E – Associate Prosecutors' Training and Selection	71
Annex F – Director's Guidance	72
Annex G – Common Core Tables	73
Annex H – Complaints to the Parliamentary Ombudsman	78
Annex I – CPS Area/Police Force Boundary Map	79
Annex J – List of Acronyms	80

1. Director's letter to the Attorney General

I am pleased to present the annual report on Crown Prosecution Service (CPS) performance for 2014-15.

The CPS exists to deliver justice for the public we serve. In doing this our work is guided by a set of core values: be independent and fair; treat everyone with respect; be honest and open; and behave professionally and strive for excellence.

In my report to you last year I set out four strategic objectives that would provide the focus for our effort and activity over the course of the financial year. Below is a summary of our key achievements in relation to each of these:

- To make our **Service to Victims and Witnesses** central to everything we do:

We introduced dedicated Victim Liaison Units across all CPS Areas to improve our interactions with victims. Communications are coordinated by trained staff who ensure that clear explanations are provided for our decisions and tailored to the victim's needs. We also undertook a major national survey aimed at capturing the views of victims and witnesses and this valuable work will be used to inform the development of our future victims' strategy. New draft guidance was also developed to help improve the at-court experience for witnesses.

- To ensure the highest standard of **Casework Quality**:

Individual Quality Assessments were developed to support our Casework Quality Standards. These will serve as a mechanism to assess performance and drive improvements where needed to ensure that standards are consistently met.

- To provide our people with the **Tools and Skills For The Job** to deliver the highest quality service:

We delivered a set of key initiatives to support our staff in carrying out their day-to-day work. This included the introduction of Individual Learning Accounts to assist development, Team Accounts to help teams access the tools that they need, and development programmes focused on both legal and managerial skills.

- To maximise **Efficiency** through a resilient long-term business model:

We continued to embed digital working so that we can deliver a more efficient and improved service. This included further advancements through the Criminal Justice System (CJS) Efficiency Programme and Common Platform Programme. We also led the way on fundamental changes to the administration of justice through Transforming Summary Justice, aimed at delivering real improvements to how cases are processed in the magistrates' courts, to reduce delays and unnecessary distress to victims and witnesses.

A restructure of our Headquarters was also carried out to ensure that the essential functions for our organisation are delivered in the most efficient and effective way.

As an organisation the CPS has experienced considerable change and challenge. However, we have evolved as a service to meet those challenges and keep pace with changes around us – to our caseload, our resources and to the wider CJS – as well as to lead change across the system.

It is only through the professionalism and hard work of our staff that we have been able to achieve these things. I would like to recognise their continued commitment to providing an efficient, independent and high quality prosecution service.

Challenges remain but we will continue to strive for improvement, working with our criminal justice partners to bring about reforms across the system.

Alison Saunders CB
Director of Public Prosecutions

22 June 2015

2. About the CPS

Who we are

The CPS is the principal prosecuting authority for England and Wales, acting independently in criminal cases investigated by the police and other investigators including HM Revenue and Customs (HMRC) and Department for Work and Pensions (DWP). The CPS was established in 1986.

The Director of Public Prosecutions (DPP) is the head of the CPS and operates independently, under the superintendence of the Attorney General. As a government minister, the Attorney is accountable to Parliament for the work of the CPS.

The CPS comprises 13 geographical Areas in England and Wales, and CPS Direct which provides advice on prosecution charges to the police and other investigators.

A Chief Crown Prosecutor (CCP) leads each Area and is responsible for working with the courts and the police to provide a high quality prosecution service in their Area. CPS Areas deal with a wide range of cases, from the less serious – the majority – which are heard in the magistrates’ courts, through to the most serious including homicide which are heard in the Crown Court.

There are also four central Casework Divisions that handle the most complex prosecutions, covering Specialist Fraud, Special Crime & Counter Terrorism, Organised Crime and Proceeds of Crime, as well as corporate Headquarters.

What we do

The CPS:

- decides which cases should be prosecuted for those cases referred to us – keeping them all under continuous review;
- determines the appropriate charges in more serious or complex cases – advising the police during the early stages of investigations;
- prepares cases and presents them at court – using a range of in-house advocates, self-employed advocates or agents in court; and
- provides information, assistance and support to victims and prosecution witnesses.

This role is governed by two key documents that are available from our website (www.cps.gov.uk):

- The Code for Crown Prosecutors; and
- Casework Quality Standards (CQS).

Our four strategic objectives in 2014-15 were:

- to make our **Service To Victims and Witnesses** central to everything we do – by ensuring that the way we explain our decisions and interact with victims and witnesses takes account of their needs, is more open and direct, and shows empathy;
- to ensure the highest standard of **Casework Quality** – using revised Casework Quality Standards that place more emphasis on ‘core quality’, the quality that should be at the heart of the work that everyone in the CPS performs;
- to provide our people with the **Tools and Skills For The Job** to deliver the highest quality service built on CPS values and our People Strategy – ensuring they have the right technology, systems and skills, and that decisions are made fairly at the right time and at an appropriate level;
- to maximise **Efficiency** through a resilient long-term business model – using **Digital Working** and a culture of continuous improvement to transform our processes to deliver with fewer resources.



How we do it

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.

3. Strategic Report

Our Performance

Overview

The CPS continues to improve performance while delivering increasing cumulative savings each year. We are achieving better outcomes for victims and witnesses, while also leading work with other criminal justice agencies to improve the efficiency and effectiveness of the criminal justice system as a whole.

This year the CPS secured 554,784 convictions, 83.5% of all cases. In magistrates' courts our conviction rate was 84.22%, compared with 79.41% in the Crown Court.

At the same time the Service has experienced a significantly changing caseload. While the overall number of cases we prosecuted continues to fall – to 664,493 this year (from 738,064 in 2013-14) – we have seen an exceptional and unexpected growth in cases involving rape, child sex abuse and domestic violence. We believe these trends will continue into the year to come. Such case types are often more evidentially complex, having implications for the quality of casework and the amount of effort needed to bring successful prosecutions.

Despite working within funding that continues to reduce each year, CPS expenditure came in within budget, as detailed in the Financial Review section.

Area Performance Review

CPS has continued to operate the Area Performance Review (APR) framework.

APR meetings are chaired by the Chief Operating Officer, supported by the Head of Operations and the CQS Performance Management Unit and are held each quarter with the CCP, the Area Business Manager (ABM) and other members of the Area senior management team. APR meetings provide a structured basis to review Area performance. CCPs and ABMs are asked to report to the CPS Board on corrective actions when performance fails to meet the required standard.

From the APR process, the CPS produces a corporate performance trend. This shows quarter-on-quarter changes to performance across a weighted basket of CPS measures since mid-2010-11. Over the last year, performance improved in all but one quarter.

Casework Quality

Casework Quality Standards

The imperative to achieve high quality in the day-to-day work of the service is enshrined in our new Casework Quality Standards (CQS), which replace the previous Core Quality Standards document. The CQS set out benchmarks of quality that we strive to deliver in prosecuting crime for the public. The standards are consistent with our values.

There are four Casework Quality Standards:

- Standard 1: Victims, witnesses and communities
- Standard 2: Legal decision-making
- Standard 3: Casework preparation
- Standard 4: Presentation

To ensure compliance with CQS a new system of Individual Quality Assessments (IQA) has been developed and is currently in pilot phase. IQA will be fully implemented throughout the CPS in 2015-16 and the results of the assessments will form part of the Charging Unit.

Since April 2013 CPS Direct (CPSD) has provided a unified 24-hour charging advice service to the police in all volume cases irrespective of whether these are daytime or out of hours. CPSD dealt with 285,000 charging decisions in 2014-15. Domestic abuse now comprises a significant proportion of CPSD work and we are working jointly with the police to improve our service to vulnerable victims. CPSD receives charging requests by telephone and e-mail, with the aim of producing a seamless service to the police. The electronic transfer of information between the police and the CPS is critical to the effective operation of this service.

Alongside standard telephone advice, 18 Police areas operate digital charging in appropriate cases (where investigators submit material electronically without requiring a telephone call), and 2014-15 has seen increased usage. This has increased flexibility for both prosecutors and police officers generating time savings for both organisations. The streaming of electronic media is currently being piloted, including Body Worn Video footage, to allow prosecutors first hand access to material and better inform decision-making at as early a stage in the process as possible.

Advocacy

The CPS uses both in-house and external advocates. The Advocate Panel for external advocates has four levels of general criminal advocate and lists of specialist advocates, for example for Rape and Child Sexual Abuse. The Panel was implemented in 2012 following an application and selection process whereby advocates (barristers and solicitors) were assessed against a range of competencies. The Panel is time-limited and is due to be refreshed in 2016.

To ensure quality CPS monitors its advocates through an advocacy assessment programme. Over the last two years, we have made more than 1,000 assessments and over 95% of advocates assessed have been marked as being competent. Where necessary, advocates are provided with further training and development in order to improve their skills.

Asset Recovery

Restraining assets and confiscating the proceeds of crime is an important part of disrupting serious and organised crime, and in turn disrupts, deters and reduces other less serious criminal activity.

In 2014-15, the CPS obtained 1,059 restraint orders, 5,524 confiscation orders, and successfully recovered £75.9 million from criminals by enforcing the confiscation orders we had obtained.

The CPS also enhanced its asset recovery operations by creating a national Proceeds of Crime service. We have introduced Standard Operating Practices (SOPs) ensuring consistency of approach in all our cases, delivering high quality casework decisions and the right outcome in an efficient and effective way. During 2014-15 we made improvements to our Case Management System so that it provides additional performance data, ensuring we target our resources in the right areas, which includes an increased focus on restraining assets and recovering assets held overseas. We are building stronger relationships with our international colleagues and improving joint investigations abroad, so that we secure the best evidence needed to confiscate assets. We have established positive and effective relationships with criminal justice partners at a national and local level and structured our delivery to enhance cross-CJS working.

CPS Appeals and Review Unit

The CPS Appeals and Review Unit provides a high quality service to the three most senior appellate

courts in England and Wales – the Court of Appeal, the Administrative Court and the Supreme Court – as well as being responsible for conducting all formal reviews of cases referred to it under the Victims' Right to Review (VRR) scheme. The cases it deals with range greatly in type, complexity and sensitivity and involve the practice of specialist civil, as well as criminal law and procedure. They are often of high public profile and their outcomes frequently have an impact upon the development of case law and the wider criminal justice system, as well as on the lives of the individuals directly involved.

The Unit currently receives around 550 new appeal notifications and around 46 VRR cases each month. On 31 December 2014, the Unit had a total live caseload of around 4,070 appellate court cases and 135 VRR referrals.

As well as expert legal decision-making and specialist paralegal support, appellate court cases demand high quality written and oral advocacy.

Between 1 April 2014 and 31 March 2015, of the 126,589 qualifying decisions the CPS made, we reviewed 1,674 cases and decisions in 1,464 of those cases were found to be the right one. In total, 210 decisions have been overturned, which accounts for 0.17% of all qualifying decisions finalised in the period.

The Unit also uses its unique position to identify cases and legal issues that require clarification for the benefit of CPS prosecutors and the wider criminal justice system, keeping the Director and the AGO informed of all such matters on a regular basis.

Service to Victims & Witnesses

Overview of progress

The focus on improving the quality of services to victims and witnesses continued during 2014-15 in accordance with the priorities of the DPP and the Board.

We set up eleven dedicated Victim Liaison Units to serve victims across all of England and Wales. These units coordinate all communications with victims in cases where the CPS has had to change the charges or stop the case, as well as managing feedback, complaints and the VRR scheme. All of the staff in the units undertook training (provided by Victim Support) to ensure they were aware of each victim's journey and how to treat victims with empathy and respect. The units have already had a positive effect on the quality and numbers of communications sent to victims.

Victims' Right to Review

The Victims' Right to Review scheme has been fully embedded and continues to operate well, with steady uptake by victims and statistics indicating that the number of decisions being overturned remains low.

'At Court' Service

As part of our commitment to improving the 'at court' experience for victims, we have developed proposals to give better support to victims and witnesses at court by meeting them, explaining the role of the prosecution, involving them where possible in key decisions about how to proceed in the case, and providing them with more information on the nature of the defence case before they give evidence. The proposals were launched in January 2015 and were subject to a public consultation which ran until 16 March 2015. We anticipate launch of the policy in the next business year, alongside a package of training for prosecutors.

In addition, during this business year, with our criminal justice partners and the judiciary, we agreed and implemented a protocol to ensure that more victims are given the opportunity to make and read out a Victim Personal Statement in court, ensuring that they are able to make the court aware of the impact of the crime on their life and wellbeing. In addition, we have been working closely with our CJS partners to ensure an effective transition of the Witness Service from Victim Support to Citizens Advice by April 2015.

Victims and Witnesses Survey

In order to track the success of these and any future reforms and in line with commitments made in our departmental improvement plan for 2014-15, we have also developed a national survey of victim and witness satisfaction. The fieldwork for the survey has been conducted on our behalf by a professional polling organisation and has captured the views of around 8,000 victims across England and Wales. Analysis of the findings is underway and will be published formally in the next business year (expected summer 2015).

Following our contribution to the Government's cross-CJS Commitment to Victims published in September 2014, we will be setting a victim-focused objective for all relevant staff from next business year (2015-16).

Violence against Women and Girls

The effective prosecution of violence against women and girls (VAWG) cases continues to be a priority for the CPS and we remain a key contributor to the cross-Government Strategy developed to address this issue.

CPS will publish the 2014-15 VAWG Crime Report in the summer, providing detailed information on performance.

Key CPS activity in the VAWG arena over 2014-15 included:

- Publication of a joint CPS/Police National Rape Action Plan in June 2014, to address issues preventing the progress of rape cases;
- Implementation of new legislation on forced marriage and breaches of forced marriage protection orders, in June 2014, with updated Legal guidance;
- Finalising Legal Guidance in December 2014 on domestic abuse to address controlling and coercive behaviours, including those who may be involved with gangs, and older victims, as well as on new issues such as 'revenge pornography';
- Commissioning an independent review of rape investigations and prosecutions in London together with the Metropolitan Police Service, and led by Dame Elish Angiolini QC, which has now been published;
- The launch of joint protocols with the police on the investigation and prosecution of stalking and female genital mutilation;
- Contributing to pilots at Kingston, Leeds and Liverpool Crown Court allowing vulnerable victims in rape and sexual assault cases to pre-record their cross examination.

The Government published a VAWG Progress Report in March 2015, setting out key achievements over the course of the parliament. It recognises CPS prioritisation of these prosecutions stating that CPS has 'placed supporting victims of VAWG at the heart of their approach'. This prioritisation is reaffirmed by the End Violence Against Women Coalition which states:

"For several years now the CPS has been a leader among state agencies in showing how making a clear strategic priority of tackling violence against women in all its forms can improve justice for women and girls".

Tools and Skills for the Job

Overview

Building on the foundations laid in the first three years of the People Strategy, the CPS strategic objective to provide our people with the Tools and Skills for the Job (TSfJ) has delivered a number of development programmes for all staff in the CPS.

The TSfJ Board oversees both legal and generic development needs, ensuring it is effective in identifying priorities and interdependencies. The development programme to support Transforming Summary Justice, introduction of Individual Learning Accounts and the Team Account are illustrative of what has been achieved through this new way of working where Leadership and Development has collaborated with the business to deliver engaging and proportionate solutions to build the capability of our people.

The Strategy puts people centre stage of our business and aims to send an unambiguous signal to all of our stakeholders – but especially to our managers and our staff – that the CPS is serious about the development of its people and is determined to build their capability.

Progress and Measures for the People Strategy

The Strategy's initial three year period concluded with an internal audit of the governance and work projects arising from the strategy. The audit gave a positive rating for all aspects and made only one recommendation which was to evaluate each of the individual work streams over the next 12 months.

Progress is also measured against our Civil Service People Survey Results. While there was a slight fall (1 percentage point) in the 'Employee Engagement Index' (EEI) in 2014 to 53%, over the last 3 years there has been a 4 percentage point improvement in the EEI, 'Learning and Development' has improved by 9% and 'My Manager' has also improved by 9% over the same period.

During 2015-16 we will be using the recommendations from the Opinion Research Corporation (ORC) field visits to Areas to determine the key actions required at organisational level to improve our EEI and we will be focusing our efforts towards diversity and inclusion in the workplace and undertaking further work to support staff to stay in work, through our Health, Wellbeing and Attendance Strategy.

The People Strategy provides a key platform for the promotion and delivery of the organisational priority of providing our staff with the necessary Tools and Skills for the Job.

Learning & Development

The CPS Capabilities Framework supports the CPS Improvement Plan, bringing together the various development activities within the CPS, and is designed to provide an overview of the available opportunities. These activities aim to build staff skills to help meet our priorities and result in a better service to the public.

The Management Development Programme (MDP) has now been attended by approximately 1,000 managers in the organisation with a significant number of these progressing towards accreditation. Over 400 people have now achieved either a Level 3 or Level 4 Certificate in Operational Management, verified by Skills for Justice.

The Legal Development Programme (LDP) provides a framework through which the CPS can identify its legal development priorities and commission the delivery of training to meet those needs. A suite of learning products that support CPS's strategic objectives, including Casework Quality, Victims and Witnesses and Transforming Summary Justice, has been developed over the year and, to help prosecutors get the most from their learning, a new tool was launched that helped prosecutors identify their individual legal development needs against the departmental priorities.

Key objectives achieved in 2014-15 included:

- Launch of the Legal Development Programme, with a major focus on supporting Transforming Summary Justice;
- Accreditation of line managers participating in the MDP;
- Achievement of Investors in People Silver Award;
- Successful launch of the Individual Learning Account.

The Prosecution College

The Prosecution College offers bespoke and business specific learning and development opportunities for CPS employees. During 2014 a number of products were published in support of new legislation, HMCPSI recommendations and the CPS People Strategy. The College supports

the Legal Development Programme by enabling prosecutors to identify the most relevant solutions for their needs. The College's quality was recognised at the Brandon Hall Excellence in Learning 2014 awards where it won a bronze medal in recognition of how it was effectively deployed to support the CPS Management Development Programme.

HR Policies

Key and enabling HR policies were updated and launched during the business year that incorporated legislative changes and Civil Service best practice and reflected CPS values and business priorities. In particular new policies on Attendance Management Strategy, and Shared Parental Leave, to reflect new legislation, were introduced, plus revisions to policies on annual leave, Reservists and Whistleblowing that contribute to employee engagement and individual commitment. In addition a range of new pay policies have been introduced that underpin the Service's substantial Pay Reform programme during 2014-15. This programme of reform included the removal of automatic time served pay progression arrangements, the introduction of a new Prosecutor Structure, revised pay, grading and deployment arrangements for prosecutors and removal of allowances that no longer supported business needs or goals.

Diverse Workforce

With an aim of improving the working lives of our colleagues who live with a disability, we have formulated and launched a 7 point plan on disability at work with the personal involvement of our Chief Executive and Equality Champion, Peter Lewis. The plan has been developed in partnership with our Disabled Staff Network and the Business Disability Forum to ensure it leads the way for best practice. The plan covers the aspects identified above, with additional focus upon improving reasonable adjustments, the application of performance measures and accessibility.

We believe that bringing this plan to fruition will continue to keep the CPS at the forefront in relation to diversity and inclusion in the workplace.

Social and Community Matters

The CPS works in partnership with the other criminal justice agencies to respond to the concerns of local communities. We have a programme of community engagement, both nationally and in our operational Areas, to ensure that we work with communities to determine priorities. This commitment is expressed

in our Community Engagement Quality Standard and performance is assessed on a biannual basis.

There is a national Community Accountability Forum (CAF), as well as a Violence against Women and Girls external consultation group and a Hate Crime consultation group. These groups include partners from national community organisations, through which we engage, involve and consult on a range of priorities.

Area Local Involvement and Scrutiny Panels involve communities in planning, scrutiny of cases and the analysis of local performance data.

Efficiency and Innovation

Joint Performance Measures

We are part of a Joint National Improvement and Performance (JNIP) Board with senior managers in HM Courts and Tribunals Service (HMCTS). The JNIP Board reviews performance in areas of mutual interest and identifies new and innovative ways to achieve greater efficiency and effectiveness across the criminal justice system, including the support of reform programmes.

The Civil Service Reform Plan recognises the need for common sets of data to ensure consistent reporting and to enable comparisons. Over the course of the past year, we have made significant progress in developing a joint Transforming Summary Justice (TSJ) dashboard containing both CPS and HMCTS performance measures. The TSJ dashboard has been designed to report performance by CPS Area, HMCTS region and by the 42 Local Criminal Justice Board (LCJB) areas, on the TSJ reform programme for the magistrates' court. Using the dashboard, senior managers are able to assess the impact of TSJ and to identify both good and poor performance across the various organisations.

Digital Business Programme

To remain at the forefront of driving digital working across the CJS, the CPS is working with its CJS partners and more specifically with the Criminal Justice System Efficiency Programme (CJSEP) which plans to get the criminal courts working digitally – breaking the reliance on inefficient paper-dependent working, and the Common Platform Programme (CPP) which aims to deliver a unified way of working for HMCTS and CPS staff and others in the criminal case management process.

The Digital Business Programme (DBP) is a key business change initiative for the CPS which is

aimed at making digital working the norm for all staff. Good progress has been made to date, with most police forces now preparing non-custody cases using an electronic case file; CPS prosecutors are regularly using tablet devices to prosecute cases in open court; and all magistrates' courts are able to receive digital case files from the CPS.

A Digital Case File (DCF) is being developed by the CJS Efficiency Programme, working closely with the police. It will provide a simple, straightforward digital file for all first hearing cases, designed in such a way as to reduce unnecessary information in the case file and ensure no key evidence is left out.

Installation of Professional Court User Wi-Fi in courts around the country has commenced. Part of the CJSEP, the roll-out schedule is due to complete by March 2016, by which almost all courthouses will be connected. Prosecutors will be able to work more productively from within the court environment using the web connectivity provided, sharing information with the defence digitally via the courts' secure Wi-Fi directly to the defence's secure email account.

Prosecutors, defence providers and others presenting in court will also be able directly to share evidential material within the courtroom using the Magistrates' In Court Prosecution (MICP) solution, provided by the ClickShare equipment, which will be installed in 750 courtrooms by July this year.

The HMCTS Court Store is being tested. It allows the legal adviser to record decisions in real time in the courtroom, and it will include a one-way interface from the CPS Case Management System to enable CPS staff to send case information directly to the relevant case folder.

There is also ongoing work to drive up the use of video testimony, particularly by police and expert witnesses. This will deliver increased efficiencies with police officers able to continue to carry out administrative functions until called to give evidence from live link equipment within the police station. It should reduce travel time and cost for both police and expert witnesses.

The CPS is also working with HMCTS on the Common Platform Programme to deliver a significant change to the end to end criminal justice administration process. During 2014-15 the CPP delivered:

- A new unified crime business process which was jointly developed by CPS and HMCTS, from pre-charge to disposal, making the most of the opportunities for data sharing, automation and standardisation;
- Make A Plea, an online portal allowing users to submit pleas online, which has been

developed and tested in Manchester and Salford Magistrates' Court in partnership with the local HMCTS team, MoJ Digital Services and Greater Manchester Police. This will form the template for further user access to the criminal justice system;

- Magistrates' Rota system, which allows magistrates to submit and manage their availability online. The system will be further developed and rolled out to the entire business during 2015-16;
- Work has also begun on a range of other products, starting with the development of core areas of the process, such as case progression, defence portal and Crown Court scheduling.

Transforming Summary Justice

Transforming Summary Justice is a programme designed to deliver a more streamlined process in the magistrates' court, overhauling the way we deal with summary justice by creating a faster, more effective and efficient system with fewer hearings. It sets out to achieve this by:

- providing swifter justice, meaning less distress for victims and witnesses;
- helping all parties in the criminal justice system play their part most effectively, helping them work in a more joined-up way;
- reducing the number of hearings, saving time and resources for all agencies involved in the process.

Critical to the programme is the way the police, CPS, courts, magistracy, judiciary and the defence are working together to ensure its success. The programme itself is based on ten characteristics of delivering a more effective and efficient approach to summary justice drawn from best practice identified across the country. All CPS Areas have fully implemented most of the ten components during 2014-15, with outstanding components being dependent on external factors. An agreed high level cross-agency dashboard enables the agencies to monitor improvements in performance on five TSJ measurable outcomes.

Estates Strategy

The CPS launched its first national estate strategy in September 2010. The objective of the strategy was to reduce the size and cost of the estate, relocating from properties as leases allowed and consolidating teams into our larger properties and sharing space with the wider public sector wherever possible.

The transition to regional hubs has supported the delivery of the Refocusing Programme and has realised significant financial savings through the reduction of the estate and related services.

The CPS continues to work closely with the MoJ and HMCTS to develop joint estate plans, establishing local contact facilities in Crown Courts as well as ensuring alignment with the Courts Reform Programme.

During 2014-15 we have:

- Closed a further 8 offices;
- Reduced our occupied estate to 42 buildings from the 92 occupied in 2010;
- Established a new hub in Exeter – relocating staff from 4 offices in Devon;
- Cut our estate running costs by £4.67m, a 10% saving;
- Reduced the size of our estate by 9,520 square metres.

Case study – Sheffield

The CPS owns the freehold at Greenfield House, Sheffield. In 2014 we reviewed our occupation of the building. The resulting moves freed up 1,700 square metres of space and in April the Valuation Office Agency agreed to take one floor of the site.

The opening up of Greenfield House to other government departments has realised savings for the taxpayer of £180,000 per annum.

We are continuing to work with Government Procurement Unit (GPU) and Greenfield House is now classed as a civil estate 'hub'. As well as marketing further space to the wider public sector, consideration is being given to use some of the building as a drop in centre for other government departments.

Since 2010 we have reduced our estate from 156,000 square metres to 86,000 square metres.



We will complete our estate rationalisation in 2016. A priority for 2015 is to develop a new 5 year estate strategy that will build on our achievements and

take us through to 2020. It is our strategic intent to work even more closely together and to share space in new major court centres wherever it makes business sense to do so. This work will ensure that the department continues to have a sustainable and fit for purpose estate and will consider:

- Continued alignment with HMCTS Courts Reform Programme;
- Further advances in technology and digital working across the CJS;
- Increases in remote and flexible working;
- Increased use of shared government hubs;
- Our future operating model.

Shared Services

The Civil Service Reform Plan recognises that as departments reduce in size they may no longer be able to maintain high quality services in many expert and advisory services and will need to share services with others. Responding to this challenge, we have developed a Service Level Agreement (SLA) with the Ministry of Justice, for the provision of Internal Audit Services.

Our Human Resources (HR) team has forged links with HMCTS to derive efficiencies and provide HR services more effectively. Next Generation HR has agreed the approach to improve centralised services and we are working with the Ministry of Justice, the Government Legal Department and the Serious Fraud Office to develop a proposal that shares Departmental HR expertise and grows capability.

Since August 2012 the CPS has provided a procurement service to the Government Legal Department, the Attorney General's Office and HMCPSI. The arrangement has enabled the deployment of procurement resources across four of the Law Officers' Departments (LODs), ensuring greater resilience and the sharing of best practice. It has also reduced the need to conduct multiple procurement exercises and the administrative burden on departments and suppliers. We continue to explore options to share transactional finance and payroll services.

We are in discussion with MoJ about sharing other corporate services including Records Management and Security.

The CPS will continue to remain a ready customer throughout the process and work collaboratively with other government departments on cross-CJS initiatives.

Other Information

Sickness Absence

There has been a slight increase in Average Working Days Lost (AWDL) from 8.8 to 9.0 days (as at Q3 14-15), against a Civil Service average of 7.3 days.

Increased focus has been given to identifying the level and reasons associated with both long term sickness absence and short term sickness absence. This approach involved:

- Detailed analysis of CPS data;
- Raising awareness across the organisation of the level of the Department's AWDL;
- Establishing the support managers require to effectively manage sickness absence and to support employees to stay in work or return to work as soon as possible;
- Ensuring effective case management of long term sickness cases from the outset and the introduction of mandatory occupational health case conferences at 8 weeks of absence.

This approach has resulted in an improvement to case management in long term sickness cases and in Q3 2014-15 long term absence accounted for 58% of all absences, a drop of 3% since Q1 2014-15.

In March/April 2015, to support the implementation of the new attendance management policy, a mandatory e-learning package for managers has been launched.

The CPS is expecting to see positive results through the increased focus on sickness absence by a decrease in the overall AWDL during 2015-16.

Sustainability performance

The CPS is committed to government policy to improve sustainability and as stated in our latest business plan is reporting on the Greening Government Commitment (GGC) targets which started on 1 April 2011 with a baseline period of 2009-10. The data in Annex A (page 59-62) reflects our present position for the financial year ending March 2015.

Payment to Suppliers and 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 2014-15 the CPS settled 92% of undisputed invoices and staff and witness expense claims within 10 days of receipt (2013-14 89%). The CPS paid nil (2013-14 £364.96) in interest due under the Late Payment of Commercial Debts (Interest) Act 1998.

Off-Payroll contracts

The CPS paid an average of 7.1 Full Time Equivalent individuals off-payroll each month throughout 2014-15. None of the relevant individuals was a board member or senior official with significant financial responsibility.

Reporting Cycle

The CPS produces a three-year Corporate Business strategy and an Annual Business Plan. The Annual Business Plan is submitted by the Chief Executive to the Attorney General in April and sets out the Department's priorities, objectives and annual performance targets. It is the definitive document against which the Department's annual performance is measured.

The CPS's 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 to 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.

They may be accessed at www.cps.gov.uk

Reconciliation of Main Estimates to Outturn

Please refer to page 31.

Auditors

These Accounts have been audited by the National Audit Office on behalf of the Comptroller and Auditor General at a notional cost of £96k (see Note 4). No other external audit services were commissioned by the CPS.

Statement on disclosure to auditors

As far as the Accounting Officer is aware, there is no relevant audit information of which the National Audit Office is unaware, and the Accounting Officer has taken all the steps that she ought to have taken to make herself aware of any relevant audit information and to establish that the CPS's auditors are aware of that information.

Alison Saunders CB
Director of Public Prosecutions

22 June 2015

4. Financial Review

Introduction

Since 2009-10 total net expenditure has fallen sharply (see table below) and further reductions in expenditure are planned in the coming years.

Although shrinking budgets present challenges they also represent a powerful mandate for change. CPS planned well ahead of the 2010 Spending Review and designed a package of measures to preserve front line resources as far as possible. Headquarters budgets were reduced by 50% and a strategic plan was implemented to change the way we deploy people, digitise casework and introduce new streamlined processes.

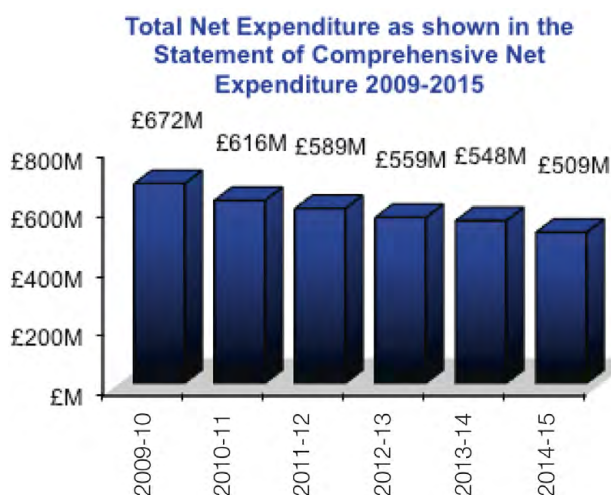
Financial Results

The financial results for the year are shown in the Statement of Parliamentary Supply and the related notes on pages 31-35. The CPS's net funding, as voted by Parliament, for the year to 31 March 2015 was £518.0 million.

In delivering the public prosecution service the Department spent a total of £572.4 million. After taking into account £63.9 million income, the total net resource requirement (including capital) as shown in the Statement of Parliamentary Supply was £508.5 million which was £9.5 million or 1.8% less than the sum Voted to the CPS by Parliament.

Net expenditure

The table below shows the CPS's net expenditure since 2009-10. It indicates that in 2014-15 we spent less than in any other year in this period and that between 2009-10 and 2014-15 net expenditure fell by £163 million or 24.3%.



Income

When costs are awarded by courts, the CPS recovers some of the costs of its prosecutions from defendants and is allowed to recognise these cost awards as income.

In addition, the CPS recovers criminal assets through its confiscation, restraint and enforcement activity and under the Asset Recovery Incentivisation Scheme the department retains a proportion of the value of the assets so recovered.

Over the year the CPS received income of £63.9 million – a decrease of 4.2% over the equivalent figure from 2013-14 of £66.7 million. There were no individually significant changes in the amounts of income received.

The CPS's resources and expenditure are analysed between Administration Costs and Crown Prosecutions and Legal Services.

Administration Costs represents the costs of running the Department and includes only those costs not attributed to front line services directly associated with the prosecution of criminal cases. It includes staff salaries, other staff-related expenditure, accommodation and related costs for administrative staff based in the CPS Headquarters and accounts for just 5.4% of total resource expenditure.

Overall, the CPS's net outturn against its Administration budget was £30.1 million compared to net provision of £32.5 million. The outturn represents a decrease of £0.3 million or 1.0% against the equivalent figure of £30.4 million for 2013-14. The decrease was the result of a range of cost savings including on staff costs.

Crown Prosecutions and Legal Services covers the direct and indirect costs of taking cases to court and makes up approximately 94.6% of the CPS's total resource expenditure. After the cost of front line staff salaries, most of the expenditure is associated with the costs of the more serious cases, which are heard in the Crown Court and comprise the costs of employing barristers as advocates, paying allowances and expenses to prosecution witnesses who attend court, the cost of expert testimony and a number of other less significant costs associated with the prosecution process.

In 2014-15 net expenditure on Crown Prosecutions and Legal Services was £476.6 million compared with provision of £477.0 million representing an underspend of £0.4 million.

Crown Court Advocacy

The CPS uses two fees schemes for the payment of self-employed advocates' fees. The majority of cases in the Crown Court handled by external advocates are paid under the graduated fee scheme (GFS). GFS is a formulaic scheme using a range of measures to determine the fee, and measures include offence category, pages of evidence, numbers of witnesses, outcome type, etc. In March 2012 a new, simplified scheme (Scheme C) was launched that is simpler to administer and which introduced revised rates.

Capital Expenditure

Capital expenditure is focused on improving the Department's estate and office environment and investment in IT through the PFI arrangement with CGI.

The Department spent a total of £0.05 million on the purchase of fixed assets and of this the great majority was for purchases of furniture and fittings.

Movements in Working Capital other than Cash

The closing balance on trade receivables and other current assets due within one year decreased from £57.9 million in 2013-14 to £47.9 million in 2014-15. In the same period trade payables and other current liabilities fell from £91.2 million to £78.9 million.

Provisions for liabilities and charges

At the end of the financial year the CPS held total provisions of £14.3 million. Of this, £2.9 million was to cover the future cost of early departures, £10.0 million was for dilapidations of leased properties and £1.4 million was for other expenses including relatively small amounts to cover personal injury and employment tribunal claims.

Non-current assets

At £14.3 million property, plant and equipment and intangible assets showed a fall of £6.6 million over the equivalent figure for 2013-14 of £20.9 million. In the case of property, plant and equipment the reduction was largely accounted for by disposals and depreciation. In the case of intangible assets a decrease in net values of £1.7 million was due to amortisation charged in year.

Cash and cash equivalents

The CPS held £3.08 million in cash and cash equivalents at the end of the reporting year – a decrease of £4.91 million from the 2013-14 balance of £7.99 million. This fall was caused by cash flows that were greater than the CPS's Supply from the Consolidated Fund of £500.99 million and the capital element of payments for on balance sheet PFI contracts (£3.48 million).

Net cash outflow from operating activities amounted to £502.38 million (£532.16 million in 2013-14), cash outflow from investing activities was £0.05 million (£0.03 million in 2013-14) and cash outflow from financing activities was £3.48 million (£9.97 million in 2013-14).

Reconciliation of resource expenditure between Estimates, Accounts and Budgets

	2014-15	2013-14
	£000	£000
Net Resource Outturn (Estimates)	508,468	552,267
<i>Adjustments to remove non-budget elements:</i>		
Consolidated Fund Extra Receipts in the resource budget (a)	–	–
Total Resource Budget Outturn	508,468	552,267
<i>of which:</i>		
Departmental Expenditure Limits (DEL)	506,679	546,907
Annually Managed Expenditure (AME)	1,789	5,360
<i>Adjustments to include:</i>		
Voted expenditure outside the budget (b)	18,409	13,938
<i>Adjustments to remove:</i>		
Non-voted expenditure in the budget (c)	(18,726)	(18,803)
Net Operating Cost (Accounts)	508,151	547,402

This table reconciles the outturn as reported in the Resource Accounts to the Resource Budget Outturn.

(a) Consolidated Fund Extra Receipts (CFERs) are miscellaneous amounts that the CPS is not able to recognise as income and which are surrendered directly to the Consolidated Fund.

(b) Voted expenditure outside the budget relates to charges in respect of the CPS's two PFI contracts arising from the adoption of IFRS.

(c) Non-voted expenditure in the budget relates to nominal payments under operating leases which are recognised in the European System of Accounts (ESA) which underpins the Government's budgeting framework but not the accounting framework, which reflects International Financial Reporting Standards (IFRS).

5. Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act 2000, HM Treasury has directed the Crown Prosecution Service 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 Crown Prosecution Service 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;
- 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; and

- Prepare the accounts on a going concern basis.

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, with 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 Crown Prosecution Service's 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.

6. Governance Statement

This Governance Statement sets out the Crown Prosecution Service’s governance, risk and compliance framework and our management of the major risks to the achievement of our strategic objectives from 1 April 2014 to 31 March 2015.

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 sets and communicates the direction, mission, values, 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.



Audit and Risk Committee

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 report detailing the Committee’s activities is submitted to the Board annually. A positive annual internal audit opinion was awarded for 2014-15.

Nominations and Governance Committee

The Nominations and Governance Committee has delegated responsibility and authority for advising 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. An annual report is submitted to the Board.

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; CPS Casework Quality Standards; and efficiencies supporting the operational delivery of the business. It owns the corporate change agenda through the Planning and Change Portfolio and gives regular scrutiny to the financial management of the business.

Operational Delivery Group

The Operational Delivery Group brings together the organisation’s most senior prosecutors and is responsible for the implementation and embedding of CPS change programmes and wider CJS initiatives; delivery of Casework Quality Standards;

efficiency in front line operations; and coordination of engagement with key stakeholders. It provides feedback to the Executive Group and CPS Board through the Chief Operating Officer on strategic operational proposals.

Details of membership and attendance of the CPS Board and its sub-Committees are shown on pages 63-64. Terms of Reference are publicly available on the CPS website.

During 2014-15 the arrangements for the operation of the CPS Board were reviewed to identify opportunities to improve its functioning. This was supported by a Board effectiveness questionnaire completed by each member at the end of this financial year. The findings of these exercises indicated that there is a strong sense of the Board's purpose and that overall it discharges its roles and responsibilities effectively. The Board feels that it fosters a collaborative and inclusive culture allowing for honest, open and robust contributions to be made by members.

The outcomes of these reviews will be used to strengthen the future working of the Board over the course of the next year, with a particular focus on the following key areas: maximising opportunities to engage the expertise of the Non-executive Directors outside of formal meetings; increasing access to training and development activities for Board members; ensuring good flows of information on key matters between Board meetings; and improving the quality of papers submitted to the Board.

The Board terms of reference were revised during 2014-15 and are publicly available on the CPS website.

The appointment and termination of staff who are members of the Board, excluding the Non-executive Directors, who are not employed by the CPS, is undertaken in accordance with the Civil Service Management Code. Where appropriate their remuneration, details of which can be found in the Remuneration Report, is determined by reference to the Senior Salaries Review Body. In line with the Code of Good Practice for corporate governance in central government departments, a process is in place to record and manage any conflicts of interest of Board members. No specific action was required at Board level due to a declaration of interest in 2014-15.

Risk Management and Risk Profile

The CPS has 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.

At present, there are eight corporate/strategic risks and each one has an owner who is a member of the Executive Group (EG). Risk management has continued to be enhanced over the course of the current financial year. During 2014-15, 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. They reflect the consequences of a significant reduction in resources across the criminal justice system extending into 2015-16 and beyond, and they identify how we should engage with our criminal justice partners to face these challenges.

Risk continues to feature prominently on the CPS Board agenda. Risks are formally reported on a quarterly basis. Senior management engagement in the process continues to increase.

The strategic risks currently facing the CPS are:

- The CPS will not have an engaged and energised workforce, with the right numbers of people in the right roles with the necessary skills and knowledge, to be able to deliver services in an effective and agile manner over the coming Spending Review Period;
- Failure to identify and implement the new business model effectively;
- Inconsistent application of the quality and timeliness of decision making across the operational areas, affecting our overall delivery;
- We do not fully engage or influence key stakeholders in a clear and coherent way, leading to failure to influence, reduce inefficiencies or deliver desired change;
- Failure to respond effectively to further changes to our spending profile by HMT over the next 5 years to 2020;
- We do not transform our business environment quickly enough, because we are not able to build a capable IT infrastructure and equip staff with the right tools, and at the right speed, to meet the demands set for them in carrying out their role;
- We do not deliver an effective service to victims and witnesses;
- There is a risk that our data and infrastructure could become compromised or damaged.

Assurance Framework

During 2014-15 the assurance framework was enhanced significantly. The framework now gathers information on effective management against six key

management categories across the organisation. The framework covers all operational activities of the CPS and has been adopted by each CPS Area and headquarters (HQ) directorates.

HQ directorates play a dual role in providing assurance, i.e. firstly they provide assurance on internal management of the directorate and secondly they provide assurance at an organisational level based on their corporate role.

The information gathered through this process is reviewed by an Assurance Group that reports to the CPS Board via the Executive Group. The review process also includes an appropriate level of challenge to ensure that assurance ratings across the operational business are appropriate and are supported by evidence.

Significant change programmes and other non-routine activities either report directly to the CPS Board or report via other governance arrangements in place.

We operate a quarterly reporting cycle that is aligned to risk reporting across the organisation.

Security

In June 2014, the SIRO formally reported the CPS compliance against the Security Policy Framework (SPF) and Information Assurance Maturity Model (IAMM) (including the compliance of its third party supplier (Logica CGI) for its business critical system) to the Cabinet Office through the submission of the annual Security Risk Management Overview (SRMO). The 2014-15 report is due for submission in June 2015. This report has been rebranded as the Departmental Security Health Check (DSHC) and encompasses the departmental response to the '10 Steps to Cyber Security'.

Departmental Security, Information Management and Records Management continue to maintain and develop strong links with all aspects of the business but particularly those that are procuring and developing digital services. The security and information assurance challenges posed by the transition to digital working remains a key priority. Procedures for the secure and lawful management, sharing, storage and destruction of digital information are underpinned by policy and user guidance, which is reviewed and updated in line with business change.

Improvements in the following areas have been implemented over the financial year:

- Security Governance
- Information Security

- Vetting
- Breach reporting
- Training, Education & Awareness
- IT Security
- Incident Management

Records Management

As from 2013 all government departments were required to move towards releasing records when they are 20 years old, instead of 30 (known as the 30-year rule). From 2013, two years' worth of government records need to be transferred to The National Archives (TNA) over a ten-year transition period until a new '20-year rule' is reached in 2023. After this point, government will revert to transferring a single year's worth of 20-year-old records to TNA each year. The CPS is making steady progress towards meeting the '20-year rule'.

Tables of data-related incidents can be found in Annex C on pages 65-66.

HMCPIS

Her Majesty's Crown Prosecution Service Inspectorate (HMCPIS) 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.

HMCPIS priorities for inspection are set out in an annual Business Plan and it reports annually to the Attorney on the performance of the CPS in addition to other individual and thematic inspection reports.

The CPS takes account of HMCPIS's findings and seeks to ensure that its recommendations are implemented as appropriate.

Review of Effectiveness

As Accounting Officer, the Director of Public Prosecutions has responsibility for reviewing the effectiveness of the system of internal control in the CPS. Her review is informed by the work of Internal Audit and members of the Executive Group who have 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;
- A newly introduced assurance framework that gains assurance around six key management categories covering CPS;
- The work of Internal Audit which provides an independent and objective opinion on the adequacy of processes on risk, control, governance and finance systems;
- HM Crown Prosecution Service Inspectorate who provide an independent review of business efficiency and effectiveness;
- The Information Assurance Maturity Model (IAMM) and Major Supplier 3rd Party Assurance assessments;
- The results of the CQSM assessments and validation measures being discussed in quarterly APR meetings which are led by the Chief Operating Officer and held with CCPs and ABMs;
- Case auditors who are aligned to Areas and Casework Groups to provide support, training and advice on counsel fee and prosecution cost issues;
- The alignment of the CQSM and APR performance framework with that of HMCPSP;
- The work of the National Audit Office, as external auditors, in forming an opinion on the financial statements.

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 2014-15.

Alison Saunders CB
Director of Public Prosecutions

22 June 2015

7. Non-Executive Director's Report

Introduction

Despite continuing financial challenges, with our budget reduced by £45m to £518m, this year has seen the CPS show further improvements in our national performance data. We recognise that our success is reliant on us attracting and retaining a highly professional and committed workforce that is at the forefront of reform in the Criminal Justice System, is focused on delivering high quality prosecutions and has a strong commitment to the needs of victims and witnesses.

Strategic Clarity

Our three key strategic priorities continue to be to:

- make our service to victims and witnesses central to everything we do;
- ensure the highest standards of casework quality; and
- provide our people with the right tools and skills for the job;

in a fiscally responsible manner and within a reducing budget.

The CPS continues to play a leading role in change and innovation across the wider criminal justice system. However, our ability to deliver further strategic change within the CPS is dependent on change in other organisations involved in the criminal justice system including the police and the courts. The CPS seeks to manage and mitigate these dependencies by taking an active leadership role in key projects, including the delivery of a Common Platform across the criminal justice system and in the project to Transform Summary Justice. Whilst what has been delivered so far is impressive much still remains to be done.

As promised last year, there has been an increased focus on the CPS's role in supporting both victims and witnesses of crime. Where the CPS gets its service to victims and witnesses right, it can make a tremendous difference not only to the individuals involved, but also to achieving a successful outcome to a case. Victim Liaison Units were rolled out to every Area in 2014-15 and whilst it is early days there is evidence that they are succeeding in their aim of giving additional support to victims throughout the prosecution process.

The CPS conducted the first ever, large scale survey of the views of victims and witnesses during the

year. The results of this survey, which should be published soon, will enable us to ensure we focus our efforts in the areas most important to victims and witnesses.

The focus on quality is reflected in everything we do and many key initiatives and measures to improve efficiency are dependent on us delivering a quality service. We introduced Independent Quality Assessment this year although it is too early to assess how successful this new approach will be.

The CPS strategy has been well communicated and it is well-understood and accepted. It is widely supported by the external stakeholders with whom it has been developed including ministers, Ministry of Justice, Cabinet Office and HM Treasury.

Commercial Sense

The importance of financial management is widely recognised throughout the CPS as is the need to deliver improved services within a reduced budget. The CPS has introduced tailored training to support and encourage a commercial approach amongst managers in key roles; the financial assurance regime has been reviewed and updated; and Area Business Managers recognise their role in helping to deliver savings.

In preparation for the forthcoming spending review, the CPS has been working closely with HM Treasury to demonstrate the potential impact on the level of service that can be delivered if there is a further reduction in the CPS budget, taking into account the increasing complexity of cases.

A key element of future delivery will be the ability to work flexibly, matching resources to workload on a national basis. Two initiatives that were delivered in 2014-15 are key enablers of this capability. The first is a new Resource and Efficiency Model which has been developed to show how much time is being taken by each task in the prosecution process and allows comparison between Areas. The second is a new Resource Allocation Model that replaces Activity Based Costing and supports zero-based budgeting to incentivise efficiency. These build on the significant increase in digital working and the development of Standard Operating Practices, which are helping transform the way people work and which are an essential enabler of a more flexible, and efficient approach to our work.

Two other initiatives underline the CPS commitment to commercial effectiveness: the renegotiation of

ICT infrastructure contracts which will save around £15m each year from 2015-16 and rationalisation of the estate, a programme which is now delivering savings of £20m each year against the 2009-10 baseline of £60m.

Talented People

The CPS recognises that good performance relies on having talented, engaged people.

Despite a number of initiatives it was disappointing that the CPS overall engagement score, as measured by the annual People Survey, fell by 1 percentage point to 53%. The Board has worked hard to understand the reasons for this.

Whilst it seems clear that people in the CPS understand and accept the need for reform in the Criminal Justice System, for evolving working practices and for the developments taking place in their workplace, enthusiasm about the reform agenda is muted and strong leadership will be needed at all levels in order to achieve the necessary change. There has been a significant investment in developing management and leadership to support this, tailored to meet the specific needs of the CPS and the necessary change in culture and engagement.

The profound structural and technological reforms underway need time to bear fruit and in the short term they can be disruptive, particularly where the future benefits are not yet apparent to all our people and the perceived impact is to make their day-to-day tasks more challenging. This is an inevitable consequence of a major change programme, particularly one involving a substantial reduction in people numbers and office locations as well as in working practices.

The Board will continue to drive the CPS people agenda and it is committed to communicating the need for reform and the benefits that will ensue.

Results Focus

The CPS recognises the importance of achieving results and, as noted above, in 2014-15, our national performance data improved whilst we met our reduced level of funding.

The Board reviews performance on a regular basis and meets with the leadership of underperforming Areas to help identify issues and the support needed in order to improve performance.

Management Information

The Board receives detailed and appropriate management information which provides a good picture of performance across the organisation. This performance data is combined with financial information to provide a complete picture of the business and to inform decisions.

The Board is actively engaged in the review of high level risks and the Audit and Risk Committee reviews a specific risk in depth at every meeting. We are also engaging with individual areas on how they identify and manage their key risks. This is part of a continuing programme to ensure that risk management is dealt with in an appropriate manner across the CPS.

Board Impact and Effectiveness

The Board has both a strategic and forward-looking role as well as an assurance role and is fully engaged in all key strategic issues as well as in specific matters that arise from time to time.

We are confident that the Board, which includes four non executives whose varied experience is put to good use in specific areas of the business, has people with the right mix of skills and that it operates in an effective manner in support of the Director of Public Prosecutions, her senior leadership team and the entire CPS.

Jeremy Newman
Chair, Audit and Risk Committee

June 2015

8. Departmental Remuneration Report

Remuneration Policy

The Nominations and Governance Committee (NGC) acts as the Remuneration Committee for the CPS.

In 2014-15 this committee was made up of the following:

Derek Manuel	Non-Executive Board Member (Chair)
Alison Porter	Non-Executive Board Member
Alison Saunders	Director of Public Prosecutions
Peter Lewis	Chief Executive
Jim Brisbane	Chief Operating Officer
Mark Summerfield	Director of Human Resources

The remuneration of senior civil servants is set according to guidance provided by the Cabinet Office, following the recommendations made by the independent Senior Salary Review Body (SSRB) to the Prime Minister.

The Review Body also advises the Prime Minister from time to time on the pay and pensions of Members of Parliament and their allowances; on Peers' allowances; and on the pay, pensions and allowances of Ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975.

In reaching its recommendations, the Review Body is required to have regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- Government policies for improving 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; and
- the Government's inflation target.

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

Further information about the work of the Review Body can be found at <https://www.gov.uk/government/organisations/review-body-on-senior-salaries>

In addition, the Nominations and Governance Committee is tasked with considering the relative contributions of the Department's senior employees within each pay band. Paying due regard to completed performance reports, consistency and scope of objectives and the effects of external factors, the Committee will then consider individual awards in line with Cabinet Office guidance.

The pay settlement for Senior Civil Service staff for 2014-15 adhered to Government policy for senior pay which limited consolidated pay increases to an average award of 1 per cent. For other staff below the SCS, the pay award for 2014-15 was also limited to an average increase of 1 per cent.

In respect of Performance Related Pay (PRP) a scheme operated in 2014-15 authorised by and following Cabinet Office policy on pay for senior staff. A budget of 3.3 per cent of the total eligible SCS pay bill was available to be paid to the top 25 per cent of SCS staff who qualified. The actual distribution of payments was 1.61 per cent of the SCS pay bill.

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.

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.

With the exception of Non-executive Directors, all other officials covered by this report hold appointments which are open-ended. Notice periods are set according to guidance provided by the Cabinet Office. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Non-executive Directors

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

Derek Manuel	6 July 2011 to 5 July 2014 renewed 6 July 2014 to 5 July 2017
Alan Jenkins	6 July 2011 to 5 July 2014 renewed 6 July 2014 to 5 July 2017
Alison Porter	3 December 2012 to 2 December 2015
Jeremy Newman	3 December 2012 to 2 December 2015

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 (Including Salary) and Pension Entitlements

The following sections provide details of the remuneration and pension interests of the most senior officials of the Department.

Remuneration (audited)

	2014-15					2013-14				
	Salary £000	Bonus Payments £000	Benefits in kind £ (to nearest £100)	Pension Benefits £000*	Total £000	Salary £000	Bonus Payments £000	Benefits in kind £ (to nearest £100)	Pension Benefits £000*	Total £000
Officials										
Alison Saunders <i>Director of Public Prosecutions (from 1 November 2013)</i>	200-205	-	-	393	590-595	80-85 (fye 195-200)	-	-	250	330-335
Peter Lewis <i>Chief Executive</i>	160-165	10-15	-	-	175-180	160-165	10-15	-	9	185-190
Paul Staff <i>Director Finance (until 28 October 2014) Director Corporate Services (from 29 October 2014)</i>	105-110	-	-	59	165-170	100-105	5-10	-	65	175-180
Jim Brisbane <i>Chief Operating Officer</i>	120-125	-	21,500	23	165-170	145-150	5-10	61,300	89	305-310
Alison Porter <i>Non-executive Director</i>	10-15	-	1,600	-	10-15	10-15	-	1,000	-	10-15
Jeremy Newman <i>Non-executive Director</i>	10-15	-	500	-	10-15	10-15	-	300	-	10-15
Derek Manuel <i>Non-executive Director</i>	10-15	-	200	-	10-15	10-15	-	200	-	10-15
Alan Jenkins <i>Non-executive Director</i>	10-15	-	-	-	10-15	10-15	-	-	-	10-15
Band of highest paid Director's total remuneration (£000)		200-205					215-220			
Median total remuneration		30,922					30,616			
Ratio		6.5:1					7.1:1			

fye = full year equivalent salary

* The Pension Benefits figure above does not represent a cash payment, but is a calculation, provided by the pension administrator, of the value of pension benefits accrued during the year under the pension scheme.

Non-executive Directors are paid £13,044 per annum.

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. Expenses are paid to all Non-executive Directors. Where the expense is 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 relate to the performance in the year previous to that in which they become payable to the individual. The bonuses reported in 2014-15 relate to performance in 2013-14 and the comparative bonuses reported for 2013-14 relate to performance in 2012-13.

Pension Benefits

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

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 2014-15 was £200-£205k (2013-14: £215-£220k). This was 6.5 times (2013-14: 7.1) the median remuneration of the workforce, which was £30,922 (2013-14: £30,616).

In 2014-15, no (2013-14: no) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £16k to £205k (2013-14: £14k-£220k).

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.

The change in the median salary reflects the average 1 per cent pay award for staff below the SCS.

Pension Benefits

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes: either a final salary scheme (**classic**, **premium** or **classic plus**); or a whole career scheme (**nuvos**). 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** and **nuvos** are increased annually in line with Pensions Increase legislation. 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 1.5 per cent and 6.85 per cent of pensionable earnings for **classic** and 3.5 per cent and 8.85 per cent for **premium**, **classic plus** and **nuvos**. 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 his pensionable earnings during the period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3 per cent of their pensionable earnings in that scheme year, and the accrued pension is uprated in line with Pensions Increase legislation. 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 3 per cent and 12.5 per cent (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three 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 per cent of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8 per cent 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** and 65 for members of **nuvos**.

Further details about the Civil Service pension arrangements can be found at the website <http://www.civilservice.gov.uk/pensions>

New Career Average pension arrangements will be introduced from 1 April 2015 and the majority of **classic**, **premium**, **classic plus** and **nuvos** members will join the new scheme. Further details of this new scheme are available at <http://www.civilservicepensionscheme.org.uk/members/the-new-pension-scheme-alpha/>

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 pension 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.

Pension benefits (audited):

Officials	Accrued pension at pension age as at 31 March 2015 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at 31 March 2015 £000	CETV at 31 March 2014 £000	Real increase in CETV £000
Alison Saunders <i>Director of Public Prosecutions</i> <i>(from 1 November 2013)</i>	pension 75-80 lump sum 235-240	pension 17.5-20 lump sum 55-57.5	1,532	1,122	325
Paul Staff <i>Director Finance (until 28 October 2014)</i> <i>Director Corporate Services (from 29 October 2014)</i>	pension 55-60 lump sum 165-170	pension 2.5-5 lump sum 7.5-10	1,232	1,120*	57
Jim Brisbane <i>Chief Operating Officer</i>	pension 40-45 lump sum 120-125	pension 0-2.5 lump sum 2.5-5	936	909*	22

Peter Lewis chose not to be covered by the Civil Service pension arrangement during the reporting year. No pension contributions were made on his behalf to other pension providers.

*Revised figures received from MyCSP.

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.

Alison Saunders CB
Accounting Officer

22 June 2015

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

I certify that I have audited the financial statements of the Crown Prosecution Service for the year ended 31 March 2015 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. I have also audited the Statement of Parliamentary Supply and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

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. My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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. This includes an assessment of: whether the accounting policies are appropriate to the Department's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accounting Officer; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially

inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

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.

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 2015 and shows that those totals have not been exceeded;
- 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.

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Department's affairs as at 31 March 2015 and of its net operating cost 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 other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000; and
- the information given in the Strategic Report, Financial Review and Non-Executive Director's 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 part of the Remuneration 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

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

24 June 2015

10. Accounts

Statement of Parliamentary Supply

Summary of Resource and Capital Outturn 2014-15

£000	SoPS Note							2014-15	2013-14
		Estimate			Outturn			Voted outturn compared with Estimate: saving/ (excess)	Outturn Total
		Voted	Non Voted	Total	Voted	Non Voted	Total		
Departmental Expenditure Limit									
– Resource	2a	509,504	–	509,504	506,679	–	506,679	2,825	546,907
– Capital	2b	3,280	–	3,280	46	–	46	3,234	(672)
Annually Managed Expenditure									
– Resource	2a	5,264	–	5,264	1,789	–	1,789	3,475	5,360
– Capital		–	–	–	–	–	–	–	–
Total Budget		518,048	–	518,048	508,514	–	508,514	9,534	551,595
Non Budget									
– Resource		–	–	–	–	–	–	–	–
Total		518,048	–	518,048	508,514	–	508,514	9,534	551,595

Total Resource	2a	514,768	–	514,768	508,468	–	508,468	6,300	552,267
Total Capital	2b	3,280	–	3,280	46	–	46	3,234	(672)
Total		518,048	–	518,048	508,514	–	508,514	9,534	551,595

Net cash requirement 2014-15

£000	SoPS Note	2014-15	2014-15		2013-14
		Estimate	Outturn	Outturn compared with Estimate: saving/ (excess)	Outturn
	4	508,984	505,905	3,079	542,159

Administration Costs 2014-15

	2014-15	2014-15	2013-14
	Estimate	Outturn	Outturn
3b	32,460	30,057	30,428

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.

Explanations of variances between Estimate and Outturn are given in SoPS Note 2 and in the Financial Review on pages 15-16.

The SoPS notes on pages 32-35 form part of these accounts.

Notes to the Departmental Accounts (Statement of Parliamentary Supply (SoPS))

SoPS 1 Statement of accounting policies

The Statement of Parliamentary Supply and supporting notes have been prepared in accordance with the 2014-15 *Government Financial Reporting Manual (FReM)* issued by HM Treasury. The Statement of Parliamentary Supply accounting policies contained in the FReM are consistent with the requirements set out in the 2014-15 *Consolidated Budgeting Guidance and Supply Estimates Guidance Manual*.

SoPS 1.1 Accounting convention

The Statement of Parliamentary Supply and related notes are presented consistently with Treasury budget control and Supply Estimates. The aggregates across government are measured using National Accounts, prepared in accordance with the internationally agreed framework 'European System of Accounts' (ESA10). ESA10 is in turn consistent with the System of National Accounts (SNA2008), which is prepared under the auspices of the United Nations.

The budgeting system and the consequential presentation of Supply Estimates and the Statement of Parliamentary Supply and related notes have different objectives to IFRS-based accounts. The system supports the achievement of macro-economic stability by ensuring that public expenditure is controlled, with relevant Parliamentary authority, in support of the Government's fiscal framework. The system provides incentives to departments to manage spending well so as to provide high quality public services that offer value for money to the taxpayer.

The Government's objectives for fiscal policy are set out in the Charter for Budget Responsibility. These are to:

- ensure sustainable public finances that support confidence in the economy, promote intergenerational fairness, and ensure the effectiveness of wider government policy; and
- support and improve the effectiveness of monetary policy in stabilising economic fluctuations.

SoPS 1.2 Comparison with IFRS-based accounts

Many transactions are treated in the same way in National Accounts and IFRS-based accounts, but there are a number of differences as explained in SoPS notes 1.2a and 1.2b. A reconciliation of CPS's outturn as recorded in the SoPS compared to IFRS-based Statement of Comprehensive Net Expenditure (SoCNE) is provided in SoPS note 3(a).

SoPS 1.2a PFI and other Service Concession arrangements

The National Accounts basis for recognising service concession arrangements is broadly similar to UK-GAAP, applying a risk-based test to determine the financial reporting. IFRS-based recognition of service concession arrangements (IFRIC 12) is determined using control tests, which can result in a different on/off balance sheet treatment.

SoPS 1.2b Provisions – Administration and Programme expenditure

Provisions recognised in IFRS-based accounts are not recognised as expenditure for national accounts purposes until the actual payment of cash (or accrual liability) is recognised. To meet the requirements of both resource accounting and national accounts, additional data entries are made in the Statement of Parliamentary Supply across Annually Managed Expenditure (AME) and Departmental Expenditure Limit (DEL) control totals, which do not affect the Statement of Comprehensive Net Expenditure. As the Administration control total is a sub-category of DEL, Administration and Programme expenditure reported in the Statement of Parliamentary Supply will differ from that reported in the IFRS-based accounts. A reconciliation is provided in SoPS note 3(b).

SoPS 2. Net Outturn

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

							2014-15 £000	2013-14 £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

31,021	(964)	30,057	-	-	-	30,057	32,460	2,403	30,428
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B. Crown Prosecutions and Legal Services

-	-	-	539,544	(62,922)	476,622	476,622	477,044	422	516,479
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Subtotal	31,021	(964)	30,057	539,544	(62,922)	476,622	506,679	509,504	2,825	546,907
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Annually Managed Expenditure:

Voted:

C. CPS Voted AME Charges (Note a)

-	-	-	1,789	-	1,789	1,789	5,264	3,475	5,360
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Total	31,021	(964)	30,057	541,333	(62,922)	478,411	508,468	514,768	6,300	552,267
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The CPS has not required any virements in 2014-15.

Note a – Annually Managed Expenditure comprises the following items charged to the Statement of Comprehensive Net Expenditure: new provisions for staff early departure costs and claims made against the CPS, cost awards written off and changes to bad debt provisions made during the year. AME is credited with the value of provisions utilised in the year for staff early departure costs and claims made against the CPS.

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

					2014-15 £000	2013-14 £000
Outturn			Estimate		Outturn	
Gross	Income	Net	Net Total	Net Total compared to Estimate	Total	

Spending in Departmental Expenditure Limit

Voted:

B. Crown Prosecutions and Legal Services	46	-	46	3,280	3,234	(672)
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Total	46	-	46	3,280	3,234	(672)
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The CPS has not required any virements in 2014-15.

Explanation of the variation between Estimate and outturn (net total resources and capital):

DEL Administration net expenditure was £2.403 million below the Estimate. This was due to lower than expected administrative staff costs and other administrative costs. As well as expenditure in these categories being below budget the outturn figures were lower than their equivalents in 2013-14 by £0.371 million.

DEL Programme net expenditure was £0.422 million below the Estimate and £39.857 million lower than in 2013-14. This was due to reductions in most areas of programme expenditure, including reductions in staff costs following staff taking Voluntary Exit terms.

AME net expenditure was £3.475 million below the Estimate and included the write back and use of provisions in respect of early retirements, dilapidations, costs awards, employment tribunals and personal injury cases.

DEL Capital net expenditure was £3.234 million below the Estimate due to reductions in the CPS estate.

Additional information relating to these variances is provided in the Financial Review on pages 15-16.

SoPS 3. Reconciliation of outturn to net operating cost and against Administration Budget

3(a). Reconciliation of net resource outturn to net operating cost

	SoPS Note	2014-15 £000	2013-14 £000
Total resource outturn in Statement of Parliamentary Supply	Budget Non-budget	2a 508,468	552,267
Add: PFI accounting treatment adjustment (Note a)		18,409	13,938
Less: Income payable to Consolidated Fund		–	–
PFI budgeting treatment adjustment (Note a)		(18,726)	(18,803)
Net Operating Costs in Statement of Comprehensive Net Expenditure		<u>508,151</u>	<u>547,402</u>

Note a – Under Clear Line of Sight, the budgeting and accounting treatment of PFI expenditure is 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.

3(b). Outturn against final Administration Budget and Administration net operating cost

	SoPS Note	2014-15 £000	2013-14 £000
Estimate – Administration costs limit		32,460	37,470
Outturn – Gross Administration costs	2a	31,021	31,599
Outturn – Gross Income relating to Administration costs	2a	(964)	(1,171)
Outturn – Net Administration costs		<u>30,057</u>	<u>30,428</u>
Reconciliation to operating costs:			
Administration Net Operating Costs		<u>30,057</u>	<u>30,428</u>

SoPS 4. 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	2a	514,768	508,468	6,300
Capital outturn	2b	3,280	46	3,234
Accruals to cash adjustments:				
<i>Adjustments to remove non-cash items:</i>				
Depreciation and amortisation		(3,800)	(5,353)	1,553
New provisions and adjustments to previous provisions		(4,505)	(855)	(3,650)
Capital element of payments in respect of finance leases and on-balance sheet (SoFP) PFI contracts		–	3,479	(3,479)
Adjustment between PFI budgeting and accounting treatments		–	(317)	317
Other non-cash items		(3,000)	(2,108)	(892)
<i>Adjustments to reflect movements in working balances:</i>				
Increase/(decrease) in receivables		–	(8,536)	8,536
(Increase)/decrease in payables		–	6,584	(6,584)
Use of provisions		2,241	4,497	(2,256)
Net cash requirement		<u>508,984</u>	<u>505,905</u>	<u>3,079</u>

Statement of Comprehensive Net Expenditure

for the year ended 31 March 2015

		2014-15 £000	2013-14 £000
Administration costs:	Note		
Staff costs	3 (a)	18,940	18,347
Other costs	4	12,081	13,252
Income	6	(964)	(1,171)
Programme expenditure:			
Staff costs	3 (a)	296,900	331,512
Other costs	5	244,116	250,988
Income	6	(62,922)	(65,526)
Net Operating Costs for the year ended 31 March		508,151	547,402
Total expenditure		572,037	614,099
Total Income		(63,886)	(66,697)
Net Operating Costs for the year ended 31 March		508,151	547,402
Other Comprehensive Net Expenditure			
Items that will not be reclassified to net operating costs:			
Net (gain)/loss on:			
– revaluation of property, plant and equipment		746	198
– revaluation of intangible assets		–	–
Total Comprehensive Net Expenditure for the year ended 31 March		508,897	547,600

The notes on pages 40 to 58 form part of these accounts.

Statement of Financial Position

as at 31 March 2015

			2015 £000	2014 £000
Non-current assets:	Note			
Property, plant and equipment	7	10,989	15,945	
Intangible assets	8	3,313	4,969	
Total non-current assets			14,302	20,914
Receivables falling due after more than one year	10		2	8
Current assets:				
Trade and other receivables	10	47,942	57,925	
Cash and cash equivalents	11	3,079	7,990	
Total current assets			51,021	65,915
Total assets			65,325	86,837
Current liabilities				
Trade and other payables	12	(22,633)	(17,824)	
Provisions	13	(4,548)	(8,222)	
Other liabilities	12	(56,221)	(73,402)	
Total current liabilities			(83,402)	(99,448)
Non-current assets less net current liabilities			(18,077)	(12,611)
Non-current liabilities				
Provisions	13	(9,714)	(9,682)	
Other payables	12	(7,075)	(9,677)	
Total non-current liabilities			(16,789)	(19,359)
Total assets less liabilities			(34,866)	(31,970)
Taxpayers' equity and other reserves:				
General fund			(38,241)	(36,269)
Revaluation reserve			3,375	4,299
Total equity			(34,866)	(31,970)

Alison Saunders CB
Accounting Officer

22 June 2015

The notes on pages 40 to 58 form part of these accounts.

Statement of Cash Flows

for the year ended 31 March 2015

		2014-15 £000	2013-14 £000
Cash flows from operating activities	Note		
Net operating cost		(508,151)	(547,402)
Adjustments for non-cash transactions	4 and 5	8,316	11,855
Decrease/(increase) in trade and other receivables		8,536	(2,224)
Decrease in trade and other payables		(13,823)	(9,666)
<i>add movements in payables relating to items not passing through the Statement of Comprehensive Net Expenditure</i>		7,242	18,566
Use of provisions	13	(4,497)	(3,284)
Net cash outflow from operating activities		(502,377)	(532,155)
Cash flows from investing activities			
Purchase of property, plant and equipment	7	(49)	(31)
Net cash outflow from investing activities		(49)	(31)
Cash flows from financing activities			
From the Consolidated Fund (Supply) – current year		500,994	527,758
Capital element of payments in respect of finance leases and on-balance sheet (SoFP) PFI contracts		(3,479)	(9,973)
Net financing		497,515	517,785
Net decrease in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		(4,911)	(14,401)
Payments of amounts due to the Consolidated Fund		–	–
Net decrease in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		(4,911)	(14,401)
Cash and cash equivalents at the beginning of the period	11	7,990	22,391
Cash and cash equivalents at the end of the period	11	3,079	7,990

The notes on pages 40 to 58 form part of these accounts.

Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2015

		General Fund £000	Revaluation Reserve £000	Total Reserves £000
Balance at 1 April 2013	Note	(31,387)	4,762	(26,625)
Net Parliamentary Funding – drawn down		527,758	–	527,758
Net Parliamentary Funding – deemed		22,391	–	22,391
Supply payable adjustment	12	(7,990)	–	(7,990)
Comprehensive Net Expenditure for the year		(547,402)	(198)	(547,600)
Non-cash charges – auditor's remuneration	4	96	–	96
Transfers between reserves		265	(265)	–
Balance at 31 March 2014		(36,269)	4,299	(31,970)
Net Parliamentary Funding – drawn down		500,994	–	500,994
Net Parliamentary Funding – deemed		7,990	–	7,990
Supply payable adjustment	12	(3,079)	–	(3,079)
Comprehensive Net Expenditure for the year		(508,151)	(746)	(508,897)
Non-cash charges – auditor's remuneration	4	96	–	96
Transfers between reserves		178	(178)	–
Balance at 31 March 2015		(38,241)	3,375	(34,866)

The notes on pages 40 to 58 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 the 2014-15 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM 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.

In addition to the primary statements prepared under IFRS, the FReM also requires the CPS to prepare an additional primary statement. The Statement of Parliamentary Supply and supporting notes show outturn against Estimate in terms of the net resource requirement and the net cash requirement.

The accounts have been prepared under the Government Resources and Accounts Act 2000.

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 individually have a cost equal to or greater than £2,000 are capitalised, including leasehold improvements. Assets are stated at the lower of replacement cost and recoverable amount. On initial recognition they are measured at cost (for leased assets, fair value) including any costs such as installation directly attributable to bringing them into working condition.

Property, plant and equipment, other than land and buildings, is restated at fair 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 fair value using professional valuations, in accordance with guidance set out in the FReM, every five years. In the intervening years land and buildings are restated at fair value by the use of published indices appropriate to the type of land or building. The Investment Property Databank (IPD) supplies the indices used.

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.

Costs of bought-in services incurred in preparation for the implementation of IT 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.

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. Intangible non-current assets are stated at the lower of replacement cost and recoverable amount. All expenditure on intangible non-current assets which are capable of being used for a period which 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	At least 20 years
Furniture and fittings	4 to 10 years
Information technology	4 years
Assets under PFI contracts	10 to 15 years.

The CPS's PFI contracts were extended during 2009-10 and in 2013-14 and one of the contracts again in 2014-15. The original contracts were for 10 years in the case of the IT infrastructure, 9 years for the Case Management System (CMS) and 6 years for the telecommunications system. Following extension, the contract for the telecommunications system is due to expire on 30 November 2015 and the contracts for IT infrastructure and CMS are due to expire on 31 March 2017.

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

CMS is amortised from the date of the initial software release, over the term of the contract, on a straight line basis. 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 at Note 14, "Commitments under Leases", are not discounted.

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.

1.7 Operating Income

The Statement of Comprehensive Net Expenditure is analysed between administration and programme income and expenditure. The classification of expenditure and income as administration or as programme follows the definition of administration costs set out in the Consolidated Budgeting Guidance issued by HM Treasury.

Operating income is income which relates directly to the operating activities of the CPS, and consists of administration and programme income. Operating income is stated net of VAT.

Administration income

Administration income is primarily rental income from the subletting of buildings occupied in part by the CPS. Staff salary income is collected in respect of CPS staff on secondment to other government departments and organisations, and is recognised as it is earned.

Programme income

The majority of programme income is costs awarded to the CPS. 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, who are responsible for the collection of these costs. The CPS recognises income immediately after these returns are received. In interim months, when no returns are received, income is accrued on the basis of historical data.

Programme income also includes rental income from other government departments and commercial subtenants who occupy space in buildings leased by the CPS. Under the Proceeds of Crime Act's 'Asset Recovery Incentivisation Scheme', the CPS is allowed to retain a proportion of the total value of assets recovered in the year. The scheme is managed by the Home Office. Income generated from this scheme is recognised in the CPS's accounts when the Home Office recognises it

in their accounts with estimated accruals in the intervening months.

Income is also received from the Home Office to fund the Regional Asset Recovery Teams working in the CPS and is recognised quarterly in arrears.

1.8 Administration and Programme Expenditure

The Statement of Comprehensive Net Expenditure is analysed between administration and programme income and expenditure.

Administration costs

Administration costs are the costs of providing services which are not directly associated with front line service delivery.

Programme costs

Programme costs reflect non-administration costs being the direct cost and associated overheads of front line activities. These costs include the employment of counsel and reimbursements paid to witnesses for costs incurred through their attendance at court.

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 their receipt.

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. For practical purposes, since on average most trials are started and completed within the same day (save for the sentence hearing which may occur a short time later), it is considered prudent to recognise expenditure on counsel fees only as trials are completed. It is not possible to ascertain the full value owed on all such cases at year-end until some considerable time later. Where actual counsel fees can be ascertained they have been accrued for; in all other cases the CPS estimates such counsel fees outstanding for inclusion in these accounts.

1.9 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). This is a defined benefit scheme and is unfunded and non-contributory except in respect of dependants' benefits. 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 PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution scheme, the CPS recognises the contributions payable for the year.

1.10 Private Finance Initiative (PFI) Transactions

IT Infrastructure Managed Service and CMS Software

The CPS signed a contract entering into a PFI transaction with CGI (previously called Logica plc) on 31 December 2001 for a 10 year period commencing 1 April 2002 with an option to extend. During 2009-10 the CPS exercised its option to extend the contract to 31 March 2015. During 2013-14 CPS extended until 30 November 2015. In 2014-15 the contract was further extended until 31 March 2017. The extensions have included some renegotiation of terms, but none that materially affect the service concession arrangements.

Under IFRS it has been determined that the contract contains two service concession arrangements: one covering the supply of an ICT infrastructure (including standard operating software), and one covering the design, creation and operation of a case management system. The infrastructure assets provided for use by the CPS, and the CMS software designed by the contractor and provided for use by the CPS, have been treated as non-current assets.

The infrastructure asset has been recognised as property, plant and equipment, and has been capitalised at the minimum lease payments less the best estimate of the supplier's service charges within those payments. The valuation of the asset has been informed by data provided by the supplier including the estimated costs of technological refreshment or updating which is a condition of the contract and the asset is being depreciated over the life of the contract on a straight line basis.

The CMS software has been recognised as an intangible asset and, as there is no active market, it has been valued at cost less accumulated amortisation less any impairment. The asset is

amortised from the date of the initial software release, over the remaining life of the contract on a straight line basis. The remaining costs incurred under the contract (that is, costs in excess of the minimum lease payments) are charged to the Statement of Comprehensive Net Expenditure in the period in which they arise.

The assets are not considered to have any residual value at the end of the lease period.

Additional rentals arising because of increased users of the systems, together with charges for additional facilities which have been introduced during the currency of the contract, are charged directly to the Statement of Comprehensive Net Expenditure in the period to which they relate.

As a result of the renegotiation of the contract the capitalised values of the underlying assets have been recalculated, and those assets are now depreciated (in the case of the CMS software, amortised) over their new remaining lives on a straight line basis.

Communications Managed Service

The CPS signed a contract on 1 April 2006 with Level 3 (previously called Global Crossing) for the provision of a managed telecommunications system for a 6 year period, with an option to extend. During 2009-10 the CPS exercised its option to extend the contract to 31 March 2015. During 2013-14 CPS extended the contract further and the contract now runs until 30 November 2015. The extension has included some renegotiation of terms but none that materially affect the service concession arrangements.

This has been accounted for in accordance with IFRIC 12, Service Concession Arrangements, as required by the FReM. The infrastructure asset provided for use by the CPS has been treated as property, plant and equipment, and has been capitalised at the minimum lease payments less the best estimate of the supplier's service charges within those payments, and the asset is being depreciated over the life of the contract on a straight line basis. The assets are not considered to have any residual value at the end of the primary lease period.

As with the contract with CGI, additional rentals arising because of increased users of the systems, together with charges for additional facilities which have been introduced during the currency of the contract, are charged directly to the Statement of Comprehensive Net Expenditure in the period to which they relate.

The depreciation, amortisation, impairment and restatement to current value in existing use by

indexation up to the year-end of the assets arising out of these contracts all follow the principles governing the treatment of similar, owned assets.

1.11 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 rate set by HM Treasury. With effect from 31 March 2015 the discount rate for post-employment benefits was 1.3% and the discount rates for general provisions were: -1.5% (for cash flows 0-5 years); -1.05% (5-10 years); 2.2% (more than 10 years).

1.12 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.

1.13 Contingent Liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37, the CPS discloses for parliamentary reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to Parliament in accordance with the requirements of *Managing Public Money*.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to Parliament separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to Parliament.

1.14 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.

1.15 Accounting Standards and other FReM changes issued and effective in 2014-15 for the first time

There were no IFRS or FReM changes giving rise to changes in accounting policy and applied for the first time in the current period.

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

IFRS 13 – Fair value measurement

IFRS 13 has been prepared to provide consistent guidance on fair value measurement for all relevant balances and transactions covered by IFRS (except where IFRS 13 explicitly states otherwise). The standard defines fair value, provides guidance on fair value measurement techniques and sets out the disclosure requirements. The standard requires fair value to be measured using the most reliable data and inputs available to determine the exit price for an asset or liability. This exit price is taken to be the price that two market participants (a buyer and seller) would settle on. IFRS 13 will apply in full from 2015-16. IFRS 13 will not have a material impact on the CPS's accounts.

Currently, the CPS restates property, plant and equipment at fair value each year using indices published by the Office for National Statistics. Land and Buildings are restated at fair value using professional valuations every five years and by using indices supplied by IPD in the intervening years. The case management system is valued at cost less accumulated amortisation less any impairment. Trade receivables, other current assets, trade payables and other current liabilities are all initially recognised at fair value.

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 and calls on both judgement and a degree of skill.

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. The inclusion of higher cost cases into the GFS has made expenditure more volatile and consequently increased the difficulty in capturing accrued expenditure.

The carrying amount of the GFS accrual at 31 March 2015 was £15.569 million.

PFI liabilities

The CPS is a party to two Private Finance Initiative (PFI) contracts, one with CGI for the provision of IT equipment and services and one with Level 3 for the provision of telephony equipment and services.

Under IFRS the CPS's IT and telephony infrastructure and specialist Case Management System software are deemed to be controlled by the CPS and therefore defined as assets. Consequently the contracts are accounted for as capital assets on the CPS's Statement of Financial Position with a corresponding liability to fulfill the payments to the suppliers for the remainder of the contract period.

The quarterly service payments made to CGI and Level 3 are replaced by notional capital expenditure recorded at the outset of the contract and when infrastructure is subsequently refreshed. Charges depreciating the assets and an imputed interest charge, reflecting the fact that a proportion of the

payments relates to the suppliers' cost of borrowing, are recorded throughout the life of the contracts. The adjustments are purely to the accounting treatment and there is no effect on the cash requirement of the CPS.

The asset values recorded reflect the providers' assessments of the value of the infrastructure necessary to provide the service.

The total contract costs are based on the number of users and number of items of equipment supplied, with a base level of users and equipment specified, under which the costs would remain the same. Costs relating to additional users in excess of the base level are not included in the value of the asset and liability, as they are discretionary, and are accounted for as standard running costs.

The total obligations of the capitalised elements of the PFI contracts at 31 March 2015 was £7.313 million.

Allowance for Receivables – Cost Awards

The CPS receives awards of costs made against convicted defendants at the discretion of the judge or magistrates. 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.

It is prudent for CPS to account for an allowance for receivables to reflect the fact that a proportion of outstanding receivables recognised are likely to require writing off in the future.

The calculation of the allowance is as described in Note 1.12.

The carrying amount of the allowance for cost award receivables at 31 March 2015 was £19.436 million.

2. Statement of Operating Costs by Operating Segment

Detailed segmental information is not reported to the Board. The Board receives financial performance reports which are not disaggregated but which show the CPS as a single unit. As such, no segmental information is disclosed.

3(a). Staff numbers and related costs

	2014-15 £000	2014-15 £000	2014-15 £000	2013-14 £000
	Permanently employed staff	Others	Total	Total
Staff costs comprise:				
Wages and salaries	242,954	7,535	250,489	280,561
Social security costs	20,214	–	20,214	21,697
Other pension costs	45,137	–	45,137	47,601
Sub total	308,305	7,535	315,840	349,859
Less recoveries in respect of outward secondments	(2,671)	–	(2,671)	(2,599)
Total net costs	305,634	7,535	313,169	347,260

£296.9 million of staff costs were attributed to programme expenditure (2013-14: £331.512 million).

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme but the Crown Prosecution Service is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2012. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice.gov.uk/pensions).

For 2014-15, employers' contributions of £44,983,882 were payable to the PCSPS (2013-14: £47,468,052) at one of four rates in the range 16.7 to 24.3 per cent of pensionable pay, 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 2014-15 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Average number of persons employed

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

	2014-15	2014-15	2014-15	2013-14
	Permanent			
	Total	staff	Others	Total
	6,135	6,009	126	6,611
Total	6,135	6,009	126	6,611

3(b). Reporting of Civil Service and other compensation schemes – exit packages

The figures shown are for 2014-15. Figures in brackets are for the prior year, 2013-14.

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
< £10,000	- (-)	6 (20)	6 (20)
£10,000 – £25,000	- (-)	38 (167)	38 (167)
£25,000 – £50,000	- (-)	82 (249)	82 (249)
£50,000 – £100,000	- (-)	43 (104)	43 (104)
£100,000 – £150,000	- (-)	21 (29)	21 (29)
> £150,000	- (-)	3 (6)	3 (6)
Total number of exit packages	- (-)	193 (575)	193 (575)
Total resource cost 2014-15 (£000)	-	9,340	9,340
Total resource cost 2013-14 (£000)	-	23,525	23,525

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.

4. Other Administration Costs

	2014-15 £000	2013-14 £000
Rentals under operating leases:		
Hire of office equipment	3	1
Other operating leases	1,728	1,911
	1,731	1,912
Non cash items		
Auditor's remuneration (Note a)	96	96
Other expenditure		
Other staff costs	1,949	2,193
Consultancy and professional charges	1,570	1,332
Information Technology	1,429	1,742
Accommodation and associated costs	1,421	1,647
Travel and subsistence	1,035	949
Training	952	1,662
Other expenditure	1,898	1,719
	10,254	11,244
	12,081	13,252

Note a – There has been no auditor's remuneration for non-audit work. The audit fee comprises £96k for the audit of the CPS 2014-15 accounts. The audit fee for 2013-14 comprised £96k for the audit of the 2013-14 accounts.

5. Programme Costs

		2014-15 £000	2013-14 £000
Rentals under operating leases:	Note		
Hire of office equipment	759	1,129	
Other operating leases	19,082	22,712	
		19,841	23,841
Interest Charges on imputed finance leases		421	723
PFI service charges		14,788	7,992
Non cash items			
Depreciation	7 3,697	5,269	
Amortisation	8 1,656	2,844	
Loss on disposal of property, plant and equipment and intangible assets	7, 8 473	699	
Loss on revaluation of property, plant and equipment	86	5	
Change in bad debt provision	1,453	(1,676)	
Provisions:			
Provided in year	13 3,542	5,653	
Unrequired provision written back	13 (2,626)	(1,086)	
Borrowing costs on provisions	13 (61)	51	
		8,220	11,759
Other expenditure			
Advocate fees	118,557	114,607	
Information Technology	17,566	20,436	
Accommodation and associated costs	16,862	22,061	
Expert witness fees	5,385	5,710	
Non-expert witness expenses	5,137	5,207	
Travel and subsistence	4,963	4,785	
Postage and carriage	4,627	4,867	
Costs awarded to the CPS written off	17 3,976	5,702	
Prosecution transcripts and translations	3,605	3,385	
Printing and stationery	3,188	3,264	
Communications	3,112	3,583	
Prosecution presentational equipment	2,488	2,519	
Consultancy and professional charges	1,908	1,508	
Interpreters and translators	1,448	1,412	
Costs awarded against the CPS	1,009	1,235	
Other expenditure	7,015	6,392	
		200,846	206,673
		244,116	250,988

6. Income

	2014-15 £000	2013-14 £000
Administration income:		
Rental receivable from other departments	507	651
Rental receivable from external tenants	30	131
Other income	427	389
	<u>964</u>	<u>1,171</u>
Programme income:		
Costs awarded to the CPS	35,295	37,656
Asset Recovery Incentivisation Scheme	18,017	18,469
Rental receivable from other departments	1,594	1,971
Rental receivable from external tenants	228	685
Secondment and other income	7,788	6,745
	<u>62,922</u>	<u>65,526</u>
Total	<u>63,886</u>	<u>66,697</u>

7. Property, plant and equipment

2014-15	Land £000	Buildings excluding dwellings £000	Leasehold Improve- ments £000	Furniture and Fittings £000	Information Technology £000	Total £000
Cost or valuation						
At 1 April 2014	873	3,367	4,121	20,263	38,640	67,264
Additions	–	–	–	46	–	46
Disposals	–	–	(259)	(3,728)	(6)	(3,993)
Revaluation	275	(1,238)	19	–	400	(544)
At 31 March 2015	<u>1,148</u>	<u>2,129</u>	<u>3,881</u>	<u>16,581</u>	<u>39,034</u>	<u>62,773</u>
Depreciation						
At 1 April 2014	–	181	2,945	13,733	34,460	51,319
Charged in year	–	30	377	1,740	1,550	3,697
Disposals	–	–	(259)	(3,255)	(6)	(3,520)
Revaluation	–	(64)	13	–	339	288
At 31 March 2015	<u>–</u>	<u>147</u>	<u>3,076</u>	<u>12,218</u>	<u>36,343</u>	<u>51,784</u>
Carrying amount at 31 March 2014	<u>873</u>	<u>3,186</u>	<u>1,176</u>	<u>6,530</u>	<u>4,180</u>	<u>15,945</u>
Carrying amount at 31 March 2015	<u>1,148</u>	<u>1,982</u>	<u>805</u>	<u>4,363</u>	<u>2,691</u>	<u>10,989</u>
Asset financing:						
Owned	1,148	1,982	805	4,363	2	8,300
On-balance sheet PFI contracts	–	–	–	–	2,689	2,689
Carrying amount at 31 March 2015	<u>1,148</u>	<u>1,982</u>	<u>805</u>	<u>4,363</u>	<u>2,691</u>	<u>10,989</u>

8. Intangible assets

Intangible assets comprise Case Management System (CMS) software and software licences.

Intangible assets are stated at cost less accumulated amortisation, as detailed in Note 1.10. The movement in net book value is the amortisation charged in the year.

2014-15	CMS £000	Software Licences £000	Total £000
Cost or valuation			
At 1 April 2014	55,598	–	55,598
Additions	–	–	–
Disposals	–	–	–
Revaluation	–	–	–
At 31 March 2015	55,598	–	55,598
Amortisation			
At 1 April 2014	50,629	–	50,629
Charged in year	1,656	–	1,656
Disposals	–	–	–
Revaluation	–	–	–
At 31 March 2015	52,285	–	52,285
Carrying amount at 31 March 2014	4,969	–	4,969
Carrying amount at 31 March 2015	3,313	–	3,313
Asset financing:			
Owned	–	–	–
Finance Leased	–	–	–
On-balance sheet PFI contracts	3,313	–	3,313
Carrying amount at 31 March 2015	3,313	–	3,313
<hr/>			
2013-14	CMS £000	Software Licences £000	Total £000
Cost or valuation			
At 1 April 2013	55,598	42	55,640
Additions	–	–	–
Disposals	–	(42)	(42)
Revaluation	–	–	–
At 31 March 2014	55,598	–	55,598
Amortisation			
At 1 April 2013	47,788	24	47,812
Charged in year	2,841	3	2,844
Disposals	–	(27)	(27)
Revaluation	–	–	–
At 31 March 2014	50,629	–	50,629
Carrying amount at 31 March 2013	7,810	18	7,828
Carrying amount at 31 March 2014	4,969	–	4,969

2013-14	CMS £000	Software Licences £000	Total £000
Asset financing:			
Owned	–	–	–
Finance Leased	–	–	–
On-balance sheet PFI contracts	4,969	–	4,969
Carrying amount at 31 March 2014	4,969	–	4,969

9. 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's expected purchase and usage requirements and the CPS is therefore exposed to little credit, liquidity or market risk.

10. Trade and other receivables

	2014-15 £000	2013-14 £000
Amounts falling due within one year:		
VAT	1,798	1,574
Trade receivables	44,185	48,413
Doubtful debt provision (Note a)	(19,436)	(17,983)
Deposits and advances	665	679
Other receivables	620	4,397
Prepayments	6,154	7,416
Accrued income	13,956	13,429
	47,942	57,925
Amounts falling due after more than one year:		
Prepayments	2	8
	47,944	57,933

Note a – The CPS provides against the risk of default on payment of costs awarded against convicted defendants, £19.436 million (2013-14: £17.983 million) and against default on payment of other income, £Nil (2013-14: £Nil).

10(a). Intra-Government Balances

	Amounts falling due within one year £000		Amounts falling due after more than one year £000	
	2014-15	2013-14	2014-15	2013-14
Balances with other central government bodies	7,979	10,127	–	–
Balances with local authorities	188	391	–	–
Balances with NHS bodies	5	4	–	–
Balances with public corporations and trading funds	140	153	–	–
Subtotal: intra-government balances	8,312	10,675	–	–
Balances with bodies external to government	39,630	47,250	2	8
Total receivables at 31 March	47,942	57,925	2	8

11. Cash and cash equivalents

	2014-15 £000	2013-14 £000
Balance at 1 April	7,990	22,391
Net change in cash and cash equivalent balances	(4,911)	(14,401)
Balance at 31 March	3,079	7,990
The following balances at 31 March were held at:		
Government Banking Service	3,070	7,968
Commercial banks and cash in hand	9	22
Balance at 31 March	3,079	7,990

In addition to the above, £28.719 million (2013-14: £Nil) of third-party assets was held in the CPS's bank account with the Government Banking Service. See note 19 for further information.

12. Trade payables and other current liabilities

	2014-15 £000	2013-14 £000
Amounts falling due within one year:		
Other taxation and social security	5,872	6,601
Trade payables	17,590	12,710
Other payables	5,043	5,114
Accruals and deferred income	43,665	52,878
Current part of imputed finance lease element of on balance sheet (SoFP) PFI contracts	3,605	5,933
	75,775	83,236
Amounts issued from the Consolidated Fund for supply but not spent at year end	3,079	7,990
	78,854	91,226
Amounts falling due after more than one year:		
Other payables, accruals and deferred income	3,672	5,123
Imputed finance lease element of on balance sheet (SoFP) PFI contracts	3,403	4,554
	7,075	9,677

12(a). Intra-Government Balances

	Amounts falling due within one year £000		Amounts falling due after more than one year £000	
	2014-15	2013-14	2014-15	2013-14
Balances with other central government bodies	15,818	21,766	–	–
Balances with local authorities	108	16	–	–
Balances with NHS bodies	–	–	–	–
Balances with public corporations and trading funds	–	–	–	–
Subtotal: intra-government balances	15,926	21,782	–	–
Balances with bodies external to government	62,928	69,444	7,075	9,677
Total payables at 31 March	78,854	91,226	7,075	9,677

13. Provisions for liabilities and charges

2014-15	Early departure costs £000	Dilapidations £000	Other £000	Total £000
Balance at 1 April 2014	4,268	10,789	2,847	17,904
Provided in the year	146	2,476	920	3,542
Provisions not required written back	(148)	(1,070)	(1,408)	(2,626)
Provisions utilised in the year	(1,468)	(2,068)	(961)	(4,497)
Borrowing costs	90	(151)	–	(61)
Balance at 31 March 2015	2,888	9,976	1,398	14,262

2013-14	Early departure costs £000	Dilapidations £000	Other £000	Total £000
Balance at 1 April 2013	5,922	8,594	2,054	16,570
Provided in the year	187	3,461	2,005	5,653
Provisions not required written back	(248)	(80)	(758)	(1,086)
Provisions utilised in the year	(1,718)	(1,112)	(454)	(3,284)
Borrowing costs	125	(74)	–	51
Balance at 31 March 2014	4,268	10,789	2,847	17,904

Analysis of expected timing of discounted flows 2014-15

	Early departure costs £000	Dilapidations £000	Other £000	Total £000
Not later than one year	1,279	1,871	1,398	4,548
Later than one year and not later than five years	1,609	6,663	–	8,272
Later than five years	–	1,442	–	1,442
Balance at 31 March 2015	2,888	9,976	1,398	14,262

Analysis of expected timing of discounted flows 2013-14

	Early departure costs £000	Dilapidations £000	Other £000	Total £000
Not later than one year	1,537	4,091	2,594	8,222
Later than one year and not later than five years	2,690	4,399	253	7,342
Later than five years	41	2,299	–	2,340
Balance at 31 March 2014	4,268	10,789	2,847	17,904

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 discounted by the HM Treasury discount rate of 1.30 (2013-14: 1.80) per cent in real terms with effect from 31 March 2015.

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 16.

14. Commitments under leases*Operating Leases*

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

Obligations under operating leases for the following periods comprise:

	2014-15 £000	2013-14 £000
Land and Buildings		
Not later than one year	17,410	18,421
Later than one year and not later than five years	39,178	48,122
Later than five years	3,903	5,000
	<u>60,491</u>	<u>71,543</u>

The total future minimum sublease payments expected to be received under non-cancellable subleases as at 31 March 2015 is £1.964 million (2013-14: £2.112 million).

15. Commitments under PFI contracts

The Department has entered into two PFI contracts.

Information Technology (IT) managed service

The Department's IT service is provided through a managed service contract which was originally for a term of 10 years from 1 April 2002 with an option to extend. During 2009-10 the Department exercised its option to extend the contract to 31 March 2015. During 2013-14 CPS extended the contract to 30 November 2015, and in 2014-15 the contract was further extended to 31 March 2017. The extension has included some renegotiation of terms, but none that materially affect the service concession arrangements.

Communications managed service

The Department's communications are provided through a managed service contract which was originally for a term of 6 years from 1 April 2006, with an option to extend. During 2009-10 the Department exercised its option to extend the contract to 31 March 2015. During 2013-14 CPS extended the contract further and the contract now runs until 30 November 2015. The extension has included some renegotiation of terms, but none that materially affect the service concession arrangements.

Contractual payments therefore comprise two elements: imputed finance lease charges and service charges. The imputed finance lease obligation is as follows:

Total obligations under on-balance sheet (SoFP) PFI contracts for the following periods comprise:

	2014-15 £000	2013-14 £000
Not later than one year	3,803	6,227
Later than one year and not later than five years	3,510	4,670
Later than five years	–	–
	7,313	10,897
Less interest element	(305)	(410)
Present value of obligations	7,008	10,487

All minimum lease payments due under PFI contracts have been included in the calculation of the value of the assets taken onto the balance sheet in respect of those contracts; while payments may arise in future years as a result of there being more users than the minima stipulated in the contracts, the Department is not committed to make such payments unless and until such a liability arises.

The contracts covering these managed services allow for a number of improvements and enhancements to systems over the lifetime of the projects. As such changes are successfully introduced there may be changes in the charges levied by the Service Providers. These changes will only be recognised in the accounts once the relevant changes have been properly tested and fully accepted as fit for purpose by the CPS.

Present value of obligations under on-balance sheet (SoFP) PFI contracts for the following periods comprise:

	2014-15 £000	2013-14 £000
Not later than one year	3,605	5,933
Later than one year and not later than five years	3,403	4,554
Later than five years	–	–
	7,008	10,487

Charge to the Statement of Comprehensive Net Expenditure and future commitments

The total amount charged to the Statement of Comprehensive Net Expenditure in respect of the service element of on-balance sheet PFI transactions was £14.787 million (2013-14: £7.992 million); and the payments to which the department is committed are as follows.

	2014-15 £000	2013-14 £000
Not later than one year	15,033	12,529
Later than one year and not later than five years	14,215	9,399
Later than five years	–	–
	29,248	21,928

16. Contingent Liabilities

16(a). Contingent Liabilities disclosed under IAS 37

As at 31 March 2015 the CPS was involved in 11 personal injury claims, 9 employment tribunal cases and 1 other legal proceeding in addition to those for which a provision has been made (note 13). 9 personal injury claims may result in settlements totalling £382,700. It is not possible to estimate the value of the remaining 2 claims. 3 employment tribunal cases may result in settlements totalling £25,500. It is not possible to estimate the value of the remaining 6 employment tribunal cases. With respect to the other legal proceeding, this relates to an outstanding contested claim against the CPS for costs under s19 of the Prosecution of Offences Act 1985. No provision has been made in these financial statements for any order which may ultimately be made as there is insufficient certainty as to the likelihood or amount of any such order.

16(b). Contingent Liabilities reported to Parliament in accordance with Annex 5.5 of Managing Public Money

The CPS has not given any guarantees, indemnities or letters of comfort which would require disclosure however remote the possibility of their realisation (2013-14: Nil).

17. Losses and special payments

Included within the Statement of Comprehensive Net Expenditure are losses and special payments as follows:

	Number of cases	2014-15 £000	Number of cases	2013-14 £000
17(a) Losses Statement				
Total losses	52,758	5,639	99,273	7,578
17(b) Special Payments				
Total special payments	30	1,124	47	902
Total	52,788	6,763	99,320	8,480

Details of cases over £300,000

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 2014 and 31 March 2015 the magistrates' courts wrote off 52,729 (2013-14: 99,243) cases with a value of £3.976 million (2013-14: £5.702 million) under their delegated powers. There was no individual write-off over £300,000.

Constructive losses

As part of the CPS Estates Rationalisation Programme CPS took the decision in 2014-15 to vacate 7 (2013-14: 3) properties prior to their lease end dates. The cost of these lease surrenders was £1.625 million (2013-14: £1.865 million). One of these surrenders was over £300,000, with a payment of £1,025,160.

Special Payments

The CPS made payments totalling £726,520 in respect of one civil case.

18. 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 costs awarded by HMCTS to the CPS (see Note 6) less amounts written off (see Note 5).

Details of salary, benefits in kind and pension benefits paid to key management personnel are given in the Remuneration Report. The CPS requests that each Board member completes a declaration, stating whether they or their spouse and close family members have been in a position of influence or control in organisations with which the CPS has transactions. All Board members, including any who left the CPS during the year, completed a declaration.

The declarations advised no material transactions had taken place.

19. Third-party assets

At 31 March 2015 the CPS held cash relating to proceeds of crime. This is not a departmental asset and has not been included in the Statement of Financial Position. The CPS will pay this to a third party in 2015-16. The assets held at the reporting period date comprised:

	2014-15	2013-14
	£000	£000
Monetary assets	28,719	–
Total	28,719	–

20. 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.

Annex A – Sustainability Report

The CPS continues to reduce its gas and electricity emissions against the baseline of 2009-10. The same can be said for our overall business travel emissions.

The CPS Headquarters building at Rose Court receives 100% renewable electricity and the majority of our buildings are also supplied with renewable energy.

The CPS has set up the following actions to improve sustainability:

- Estate rationalisation has continued this year and our estate is now smaller than in previous years;
- Our waste figures have reduced below our baseline figure this year and the majority of it is recycled. However it continues to be high as we continue with our Estate rationalisation plans;
- We have continued to monitor our energy consumption using Automatic Meter Readers (AMR) to support our move to using less energy;
- Work is continuing to take place as a result of the Sustainability Surveys completed previously on some of our major energy usage buildings;
- The replacement and upgrade of our IT equipment as part of a set programme of technology refreshes and changes in working methods, continues to support the reduction in our CO₂e emissions. Any equipment removed is disposed of under the WEEE Directive;
- We continue to use the Closed Loop Procedure for purchasing paper as mentioned in the Greening Government Commitments Guidance Document;
- Our utility invoice paying mechanisms are continuously under review with a view to making them completely electronic;
- Our travel data is now more detailed;
- Using the Water AMR (Automatic Meter Readers) supplied by Thames Water in our HQ building at Rose Court alongside assistance from a project called the Rippleffect under WRAP's (Waste and Resources Action Programme) lead. The three further sub-meters installed have allowed us to further investigate the site's water consumption. The data now available has shown that we have been supplying water to the Rose Theatre,

which is beneath our building and is a National Heritage site;

- We, along with the other Law Officers' Departments (LODs) members, signed up to the Carbon Trust's Carbon Management Programme and have a joint LOD Carbon Management plan, which covers the period until 2015. Our latest data has shown that by implementing the programmed works our LOD combined carbon footprint has reduced below the proposed target levels;
- The CPS is a member of and the secretariat to the LOD Sustainable Development Steering Group.

Governance

The Solicitor General represents the LODs on Sustainable Development matters.

The minister is supported by the LOD SD Steering Group chaired by the CPS Finance Director. The CPS is the Secretariat to this Group and represents the LODs on any relevant SD committees.

Our results against the GGC targets will be reported annually.

Procurement

The CPS is making increasing use of mandated centralised procurement contracts where appropriate, that embed the Government Buying Standards (GBS) within them. However, if there are no centralised contracts then any contract entered into will be required to meet the GBS requirements.

We have also been in discussions with our major suppliers to establish their supply chain impacts in relation to our contract.

Performance Data

The tables on pages 61-62 set out the CPS's performance against the key sustainability targets.

Greenhouse Gas Emissions

Scope 1 and 2 emissions include energy used by the department and its government subtenants and Fleet emissions. The GGC targets require a 25% reduction on Estate and travel emissions by 2015 (excluding short and long haul flights). These figures show a 47% reduction to date.

The CPS's electricity supply is made up of approximately 98% renewable energy and 1.5% brown energy.

The expenditure and emissions figures shown reflect this breakdown. The information above is from the CPS's controlled estate where it pays the utility invoices direct to the supplier. It does not show the utility use paid directly to our landlords as part of the service charges incurred.

Emissions for scope 3 relate to recorded business travel including staff-owned cars and hire cars, air travel and train travel, as well as electricity transmission and distribution emissions.

Our travel emissions have generally reduced against baseline, although the areas of use have changed. Rail travel has increased. Our area and grey fleet including hire cars' emissions have reduced. Domestic flights have reduced but both short and long haul emissions have increased. The number of leased vehicle fleets we have across the estate stands at 8. This number should reduce as CPS becomes less reliant on paper files.

The expenditure data shows all of the recorded expenditure on business travel.

Waste

The CPS is part of the closed loop procedure for the removal and secure destruction of paper waste.

Waste removal continues under our national contract and the communal waste points facilitate the segregation of our waste and facilitate the better use of our cleaners' time.

Some buildings have waste collection services provided by the Landlord and are re-charged through a service charge.

The data reported here reflects actual figures received and is not extrapolated as in previous years.

Water

The data shown demonstrates our recorded water consumption and our water costs. The consumption figures, which continue to reduce, relate to the metered water supply in m³. The costs include metered water, rated water and water cooler costs. We have considered installing water meters at our non-metered sites but the majority of the sites are not suitable for meter installation.

The new sub-meters installed in Rose Court have allowed further investigation into water consumption on this site. We have now established how much water is being supplied to the Rose Theatre, an

English Heritage site beneath our Headquarters building.

The target refers to the commitment to reduce water consumption by 2015 against the 2009-10 baseline.

Transparency Commitments as part of the GGC Reporting Requirements

These include the following areas:

- Climate change adaptation;
- Biodiversity and the natural environment;
- Procurement of food and catering services;
- Sustainable construction; and
- People.

Climate Change Adaptation

We are continuing the process of reviewing our working methods and introducing best practice procedures across the department, which is supporting us in reducing the number of offices across our estate and the setting up of "centralised hubs". All of our sites have contingency plans in place to address any major disruptions through weather or transport.

Biodiversity and the Natural Environment

As our estate is Office based we do not have any sites of Special Scientific Interest, which require a Biodiversity Action Plan.

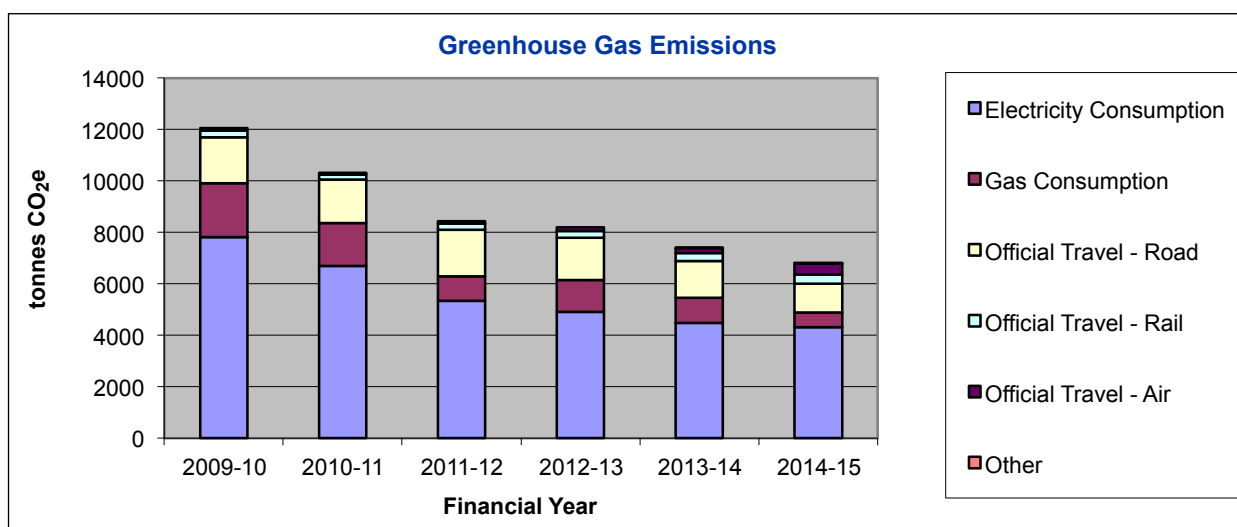
Procurement of Food and Catering Services

Our Facilities Management contract includes an element for meeting our catering requirements. Our main requirement is for our Staff Restaurant, which is situated in our headquarters at Rose Court. There are ongoing discussions around the requirements of the Government Buying Standards (GBS) for Food and Catering Services, which is mandatory for all departments to follow.

Sustainable Construction

The CPS is not involved with any new construction. We do however occasionally have some refurbishment carried out on properties we plan to occupy. We do not procure timber direct but if procured by our agents it meets the government's sustainable timber procurement policy.

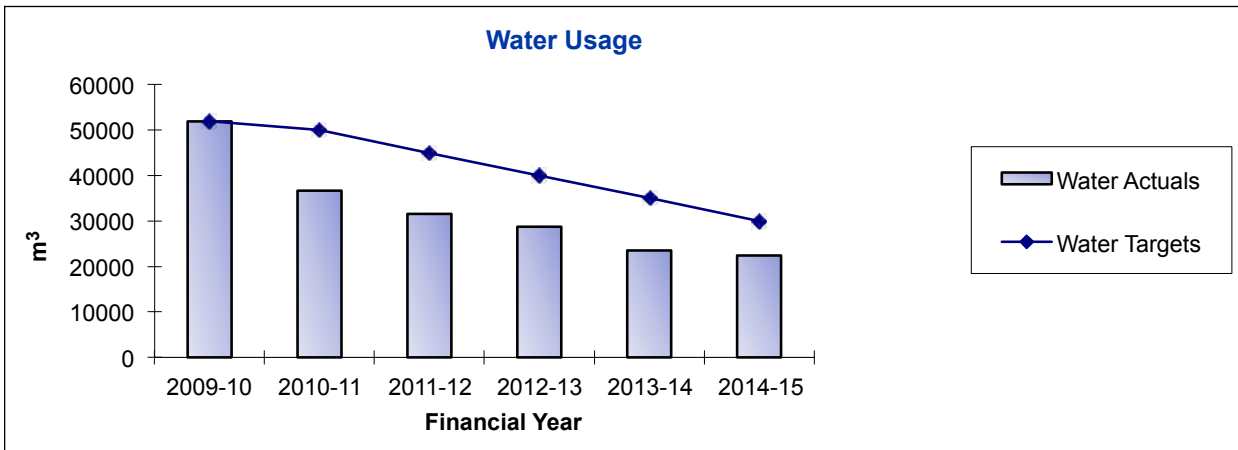
Greenhouse Gas Emissions		2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Non-financial indicators (tCO ₂ e)	Total Gross Emissions for Scopes 1 & 2	9483	7983	5984	5862	5174	4599
	Total Net Emission for Scopes 1 & 2	9483	7983	5984	5862	5174	4599
	Gross Emissions Scope 3 Business Travel	2008	1829	2028	1979	1870	1860
	Other Scope 3 Emissions Measured	574	500	420	360	353	347
Related Energy Consumption (kWh,000s)	Electricity: Non Renewable (kWh)	4931	5864	5143	4909	93	120
	Electricity: Renewable (kWh)	9751	6918	5726	5000	9173	7911
	Gas	11364	8993	5163	6628	5302	3061
Financial Indicators (£k)	Expenditure on Energy	2328	1602	1551	1457	1552	1145
	CRC Licence Expenditure	0	2	1	1	1	1
	Expenditure on Accredited Offsets	0	3	2	0	0	0
	Expenditure on Official Business Travel	5661	3947	3755	4101	4331	4437



Waste			2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Non-financial indicators (t)	Non Hazardous Waste	Landfill	210	376	611	477	111	76
		Reused/Recycled	2682	2966	2792	2041	2154	2391
		Incinerated/ Energy from waste	0	79	139	115	0	0



Finite Resource Consumption		2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Non-financial indicators (m ³)	Water Consumption	51907	36672	31563	28741	23518	22414
Financial Indicators (£k)	Water Supply Costs	166	113	115	95	81	105



Notes:

1. Every year's CO₂e data presented using Defra's latest GHG conversion tables 2013.
2. 2012-13 data as reported for GGC. Estimated data for fleet and Waste.
3. 2011-12 data as reported for GGC. The only estimated data is the Fleet data.
4. 2010-11 data updated as per SOGE reporting data.
5. 2009-10 year is GGC baseline year.

Annex B – Board Membership/Attendance

The membership of the CPS Board and its sub-committees, including attendance, during 2014-15 was as follows:

CPS Board, Audit and Risk Committee and Nominations and Governance Committee Membership & Attendance

Meetings attended out of those eligible to attend
1 April 2014 – 31 March 2015

	CPS Board	Audit & Risk Committee	Nominations & Governance Committee
Non-Executive or Independent Member			
Alan Jenkins Non-executive Director and member of Audit & Risk Committee	5/6	3/4	–
Derek Manuel Non-executive Director and Chair of Nominations & Governance Committee	5/6	–	2/2
Jeremy Newman Non-executive Director and Chair of Audit & Risk Committee	6/6	4/4	–
Alison Porter Non-executive Director and member of Nominations & Governance Committee	5/6	–	2/2
Caroline Johnstone Independent Member of Audit & Risk Committee	–	3/4	–
Richard Szadziewski Independent Member of Audit & Risk Committee	–	4/4	–
Executive			
Alison Saunders Director of Public Prosecutions	5/6	–	2/2
Peter Lewis Chief Executive	4/6	1/4*	2/2
Jim Brisbane Chief Operating Officer	5/6	–	2/2
Paul Staff Director of Corporate Services	6/6	4/4*	–

* Officers are not members of the Audit and Risk Committee but attend meetings.

Executive Group Membership	
Position	Period
Chief Executive (Chair)	2014-15
Chief Operating Officer	2014-15
Head of Operations	2014-15
Director Communications	2014-15
Director Equality & Diversity	Until July 2014
Director of Finance	2014-15
Director of Human Resources	2014-15
Director of Strategy & Policy	Until December 2014
Director's Strategic Policy & Accountability Advisor	From January 2015
Operational Delivery Group Membership	
Position	Period
Chief Operating Officer (Chair)	2014-15
Head of Operations	2014-15
CCP Cymru/Wales	2014-15
CCP CPS Direct	2014-15
CCP East of England	2014-15
CCP East Midlands	2014-15
CCP London	2014-15
CCP Mersey/Cheshire	2014-15
CCP North East	2014-15
CCP North West	2014-15
CCP South East	2014-15
CCP South West	2014-15
CCP Thames & Chiltern	2014-15
CCP Wessex	2014-15
CCP West Midlands	2014-15
CCP Yorkshire & Humberside	2014-15
Head of Specialist Fraud Division	2014-15
Head of Organised Crime Division	2014-15
Head of Special Crime and Counter Terrorism Division	2014-15
Head of CPS Proceeds of Crime Service	From July 2014
Director of Public Prosecutions	2014-15
Chief Executive	2014-15
Director, Strategy & Policy	2014-15
Director Communications	2014-15
Digital Business Programme Director	2014-15
CJS Common Platform Programme Senior CPS Business User	2014-15

Annex C – Security

Summary of protected personal data related incidents formally reported to the Information Commissioner's Office in 2014-15

Date of Incident (Month)	Nature of incident	Nature of data involved	Number of people potentially affected	Notification steps
January – March 2014	Unauthorised disclosure	Name(s) Addresses	1	Department notified of error and reported to ICO. No further action taken by the ICO.
April – June 2014	Nil	Not applicable	Not applicable	Not applicable.
July – September 2014	Unauthorised disclosure	Name Address Other sensitive personal data	Three breaches affecting (2), (1) and number unknown respectively	Department notified of error and reported to ICO. Matters being considered by the ICO at present.
October – December 2014	Unauthorised disclosure	Name(s) Other sensitive personal data	Two breaches affecting (1) and number unknown respectively	Department notified of error and reported to the ICO. Matters being considered by the ICO at present.
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.			

Reporting of Personal Data Related Incidents 2014-15			
1. Total Included Data Loss Incidents			
Category Types	I	Loss of inadequately protected electronic equipment, devices or paper documents from secured Government premises	54
	II	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured Government premises	8
	III	Insecure disposal of inadequately protected electronic equipment, devices or paper documents	2
	IV	Unauthorised disclosure	59
	V	Other	0
	Total		
2. Lost/Stolen Laptops/Tablets			24
<p>Explanatory Note: The majority of incidents relating to loss of information have involved details from a single case file. To put the losses into context the CPS handles approximately 730,000 defendant cases in a year. Most of these files make at least one journey to court and in addition the CPS serves evidence on both the Court and solicitors/barristers (both defence and prosecution). All CPS staff must complete and pass the Civil Service e-learning 'Responsible for Information'. The CPS continues to produce guidance and awareness material reminding staff of the data handling measures needing to be adhered to when handling and sharing CPS information.</p>			
<p>Included – 123 personal data incidents have been included as losses for the purposes of this report. The majority of these incidents involved poor handling of the data leading to inadvertent unauthorised disclosures to others.</p>			
<p>Excluded – 77 incidents have been excluded from the report because the loss was very minor concerning a limited amount of personal data which was not compromised.</p>			
<p>Lost/Stolen Laptops/Blackberries: All devices were encrypted to the government standard. Therefore no CPS data has been compromised. It should also be noted that the CPS has approximately 5,000 mobile user devices.</p>			

Annex D – Casework Statistics

In these statistics, a **defendant** represents one person in a single set of proceedings, which may involve one or more charges. A set of proceedings usually relates to an incident or series of related incidents that are the subject of a police file. If a set of proceedings relates to more than one person then each is counted as a defendant. Sometimes one person is involved in several sets of proceedings during the same year: if so, he or she is counted as a defendant on each occasion.

The annual casework statistics in this Report comprise defendants dealt with by the 13 Areas of the Service, the specialised casework handled by the central Casework Divisions which include those proceedings previously conducted by the Department for Environment, Food and Rural Affairs (Defra), the Department for Work and Pensions (DWP), the Department of Health (DoH) and the former Revenue and Customs Prosecution Office.

Data reported in previous years have excluded the specialised casework handled by the central Casework Divisions from the volumes and proportions reported. The historical figures in the present report have been amended to include these data and hence provide consistency of reporting. Data will therefore differ from previous publications.

The CPS collects data to assist in the effective management of its prosecution functions. The CPS does not collect data which constitutes official statistics as defined in the Statistics and Registration Service Act 2007. This data has been drawn from the CPS's administrative IT systems, which (as with any large scale recording system) is subject to possible errors with data entry and processing. The figures are provisional and subject to change as more information is recorded by the CPS.

The official statistics relating to crime and policing are maintained by the Home Office and the official statistics relating to sentencing, criminal court proceedings, offenders brought to justice, the courts and the judiciary are maintained by the Ministry of Justice.

Chart 1: Magistrates' courts caseload

Chart 1 shows the number of cases dealt with by the CPS in 2014-15 and in the two preceding years.

The number of defendants prosecuted by the CPS in magistrates' courts fell by 12.1% 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.

	2012-13	2013-14	2014-15
Pre-charge decisions	309,315	309,295	314,835
Out of court disposals	7,502	3,645	3,409
Prosecuted by CPS	707,995	640,919	563,625
Other proceedings	1,692	1,605	1,119

Pre-charge decisions: In around one third of cases, Crown Prosecutors are responsible for deciding whether a person should be charged with a criminal offence and, if so, what that offence should be in accordance with the Director's Guidelines. The figures shown here comprise all such decisions, regardless of whether the decision was to prosecute or not. Many pre-charge decisions will have been made in cases subsequently prosecuted by the CPS.

Out-of-court disposals: A simple caution, conditional caution, reprimand, final warning or TIC (taken into consideration) issued by the CPS at pre-charge stage.

Prosecuted by the CPS: This figure comprises all defendants charged or summonsed whose case was completed in magistrates' courts during the period, including those proceeding to a trial or guilty plea, those discontinued, and those which could not proceed. Cases committed or sent for trial in the Crown Court are not included in magistrates' caseload data. Further information on the type of finalisations is shown at chart 3.

Other proceedings: Non-criminal matters, such as forfeiture proceedings under the Obscene Publications Acts.

Counting rules for the presentation of case volumes and outcomes were amended with effect from April 2007. Cases involving mixed pleas of guilty to some charges while other charges proceeded to contest were formerly double counted, but are now treated as a single defendant case. Figures in the present report have been produced in accordance with the revised rules.

Chart 2: Magistrates' courts types of cases

Chart 2 shows the different types of cases dealt with by the CPS in magistrates' courts. They are:

Summary: Cases which can be tried only in the magistrates' courts.
 Indictable only/either way: Indictable only cases can be tried only in the Crown Court, but either way cases may be tried either in magistrates' courts or in the Crown Court.

	2012-13	%	2013-14	%	2014-15	%
Summary	424,175	52.8	322,313	42.7	257,149	38.3
Indictable only/either way	379,863	47.2	432,934	57.3	414,199	61.7
Total	804,038		755,247		671,348	

The above figures include cases committed or sent for trial in the Crown Court as well as prosecutions completed in magistrates' courts.

Chart 3: Magistrates' courts case outcomes

Chart 3 shows the outcome of defendant cases completed during the year. These are cases where a decision has been made by the police or CPS to charge or summons. Cases may proceed to prosecution or be discontinued at any stage of the proceedings up to the start of trial.

Discontinuances: Consideration of the evidence and of the public interest may lead the CPS to discontinue or drop proceedings at any time before the start of the trial. The figures include both cases discontinued in advance of the hearing, where the CPS offered no evidence and those withdrawn at court. Also included are cases in which the defendant was bound over to keep the peace.

Warrants etc: When the prosecution cannot proceed because the defendant has failed to appear at court and a Bench Warrant has been issued for his or her arrest; or the defendant has died; or where proceedings are adjourned indefinitely.

Discharges: Committal proceedings in which the defendant is discharged.

Dismissals no case to answer: Cases in which the defendant pleads not guilty and prosecution evidence is heard, but proceedings are dismissed by the magistrates without hearing the defence case.

Dismissals after trial: Cases in which the defendant pleads not guilty and proceedings are dismissed by the magistrates after hearing the defence case – a not guilty verdict.

Proofs in absence: These are mostly minor motoring matters which are heard by the court in the absence of the defendant.

Guilty pleas: Where the defendant pleads guilty.

Convictions after trial: Cases in which the defendant pleads not guilty but is convicted after the evidence is heard.

	2012-13	%	2013-14	%	2014-15	%
Discontinuances (including bind overs)	68,128	9.6	62,227	9.7	59,146	10.5
Warrants etc.	9,679	1.4	9,718	1.5	9,256	1.6
Discharges	1,272	0.2	313	0.0	39	0.0
Dismissals no case to answer	1,234	0.2	1,451	0.2	1,635	0.3
Dismissals after trial	17,320	2.4	17,980	2.8	18,862	3.3
Guilty pleas	484,130	68.4	462,930	72.2	432,033	76.7
Convictions after trial	28,538	4.0	28,127	4.4	27,316	4.8
Proofs in absence	97,694	13.8	58,173	9.1	15,338	2.7
Total	707,995		640,919		563,625	

The rate of discontinuance rose slightly to 10.5% in the three year period ending March 2015.

Convictions rose from 80.6% in 2004-05 to 84.2% in 2014-15.

The extension of police-led prosecutions during the three years ending March 2015 has resulted in a decrease in the number of summary-only offences prosecuted by the CPS, many of which were proved in the absence of the defendant.

During 2014-15, a total of 6,767 defendants pleaded guilty to some charges, and were either convicted or dismissed 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.

Chart 4: Magistrates' courts committals to the Crown Court

In addition to the above cases, which were completed in magistrates' courts, the following numbers of defendants were committed or sent for trial in the Crown Court:

	2012-13	2013-14	2014-15
Committals for trial	96,092	114,370	107,764

Chart 5: Crown Court caseload

Chart 5 shows the number of defendants whose case was completed in the Crown Court:

Prosecuted by the CPS: This figure comprises all cases proceeding to trial or guilty plea in the Crown Court, together with those discontinued or dropped by the CPS after having been committed or sent for trial. The outcome of these proceedings is shown at chart 7.

Appeals: Defendants tried in magistrates' courts or at the Crown Court may appeal to the Crown Court or Higher Appeal Courts (respectively) against their conviction and/or sentence.

Committals for sentence: Some defendants tried and convicted by the magistrates are committed to the Crown Court for sentence, if the magistrates decide that greater punishment is needed than they can impose.

	2012-13	2013-14	2014-15
Prosecuted by the CPS	98,463	95,777	100,865
Appeals	18,272	17,162	17,896
Committals for sentence	21,049	19,910	17,493

The number of defendants prosecuted increased by 5.3% during 2014-15.

The central Casework Divisions handled 7,719 appeals against conviction and/or sentence or extradition.

Counting rules for the presentation of case volumes and outcomes were amended with effect from April 2007. Cases involving mixed pleas of guilty to some charges while other charges proceeded to contest were formerly double counted, but are now treated as a single defendant case. Figures in the present report have been produced in accordance with the revised rules.

Chart 6: Crown Court source of committals for trial

Magistrates' directions: These are either way proceedings which the magistrates thought were serious enough to call for trial in the Crown Court.

Defendants' elections: These are either way proceedings in which the defendant chose Crown Court trial.

Indictable only: These are more serious cases which can only be tried in the Crown Court.

	2012-13	%	2013-14	%	2014-15	%
Magistrates' directions:	55,485	56.6	57,091	59.8	62,494	62.2
Defendants' elections:	3,958	4.0	2,400	2.5	1,837	1.8
Indictable only:	38,560	39.3	35,908	37.6	36,099	35.9
Total:	98,003		95,399		100,430	

Chart 7: Crown Court: case outcomes

Cases against defendants committed for trial in the Crown Court can be completed in several ways:

Judge ordered acquittals: These are cases where problems are identified after a case is committed or sent to the Crown Court, the prosecution offers no evidence, and the judge orders a formal acquittal of the defendant. These include cases where an evidential deficiency has been identified; where the defendant has serious medical problems; or has already been dealt with for other offences; or when witnesses are missing. Cases sent to the Crown Court under s51 Crime and Disorder Act 1998 and subsequently discontinued are also included in this total. Also included are cases in which charges do not proceed to a trial, and the defendant is bound over to keep the peace.

Warrants etc: When the prosecution cannot proceed because the defendant fails to attend court and a Bench Warrant has been issued for his or her arrest; or the defendant has died; or is found unfit to plead. If the police trace a missing defendant, then proceedings can continue.

Judge directed acquittals: These are cases where, at the close of the prosecution case against the defendant, a successful submission of 'no case' or 'unsafe' is made on behalf of the defendant, and the judge directs an acquittal rather than allow the case to be determined by the jury.

Acquittals after trial: When the defendant pleads not guilty and, following a trial, is acquitted by the jury.

Guilty pleas: Where the defendant pleads guilty.

Convictions after trial: Cases in which the defendant pleads not guilty but, following a trial, is convicted by the jury.

	2012-13	%	2013-14	%	2014-15	%
Judge ordered acquittals (including bind overs)	11,338	11.5	10,916	11.4	12,615	12.5
Warrants etc	785	0.8	902	0.9	978	1.0
Judge directed acquittals	798	0.8	632	0.7	654	0.6
Acquittal after trial	6,151	6.2	5,668	5.9	6,523	6.5
Guilty pleas	70,743	71.8	69,684	72.8	72,527	71.9
Convictions after trial	8,648	8.8	7,975	8.3	7,568	7.5
Total	98,463		95,777		100,865	

Convictions rose from 75.1% in 2004-05 to 79.4% during 2014-15.

During 2014-15, a total of 2,611 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.

Agent usage

The proportion of half day sessions in magistrates' courts covered by lawyers in private practice acting as agents in 2014-15 was 27.6% compared with 25.6% in 2013-14.

Annex E – Associate Prosecutors’ Training and Selection

Criteria for designation

All persons designated under section 7A (1) of the Prosecution of Offences Act 1985 are generally known as Associate Prosecutors (APs).

All persons are selected for the AP role through fair and open competition or appointed in accordance with published CPS policy on “Staff movements within the CPS, including retirement, redundancy, promotion and transfer”.

In order to be designated as an AP all persons must meet the criteria and satisfy the personal competencies for the role. These competencies include having experience of casework within the criminal justice system or of lay presentation, and having a working knowledge of criminal law and its application, magistrates’ courts procedure and the criminal justice system.

Training

All prospective APs undertake an internal training programme which involves assimilating a comprehensive resource pack through distance learning and attending both a foundation course (legal principles) and a separate advocacy course, unless by virtue of their being a practising Crown Prosecutor immediately prior to re-grading as an AP, it is determined that they already possess the knowledge and experience necessary to exercise the designated powers.

The training equips the applicant with the knowledge and advocacy skills to undertake a review and presentational role in the magistrates’ courts in accordance with the Instructions issued by the Director, under section 7A (3) and (4) of the Prosecution of Offences Act 1985. Applicants attending this training will only be designated as an AP where they have passed an independent assessment of competence at its conclusion.

After successfully completing the advocacy course, APs have to complete a face-to-face training course dealing with bail applications. It is recommended that this is completed no longer than three to four months after the Advocacy assessment.

APs also have access to the CPS e-learning modules to further enhance their knowledge. These include Acceptance of Pleas, Criminal Procedure Rules, Assault Sentencing Guidelines and Custody Time Limits.

APs selected to prosecute trials in summary only non-imprisonable offences, and other contested cases, are known as Level 2 Associate Prosecutors (AP2s). AP2s undertake an intensive additional training programme, unless by virtue of their being a practising Crown Prosecutor prior to re-grading as an AP2, it is determined that they already possess the knowledge and experience necessary to perform that role.

The additional AP2 training involves the study of e-learning modules, observation of experienced advocates in trials and other contested hearings, attending a five day course on the underpinning knowledge and skills required for the role and a further five day practical advocacy course.

All prospective AP2s who attend this training must pass an independent assessment of competence at the end of the second five day course before they are permitted to deal with the summary trials and other contested hearings as set out in the Director’s Instructions.

Continuing professional development

All APs must complete 16 hours of continuing professional development training per year.

Annex F – Director’s Guidance

During the period of this report, the Director of Public Prosecutions has issued the following:

- The Director’s Guidance on Charging 5th Edition: May 2013 (Revised arrangements).
http://www.cps.gov.uk/publications/directors_guidance/dpp_guidance_5.html
- Director’s Instructions to CPS Associate Prosecutors
http://www.cps.gov.uk/publications/directors_guidance/dpp_instructions.html

Annex G – Common Core Tables

	Title	Details	Period Covered
Table 1	Public spending	A summary of the department's total expenditure by Treasury budgetary control total and expenditure type	2009-10 to 2015-16
Table 2	Public spending control	Current year expenditure against initial and final budgetary provision	2014-15
Table 3	Capital employed	Capital employed by the department in meeting its objectives	2009-10 to 2015-16
Table 4	Administration budget	Administration expenditure related to the running of the department	2009-10 to 2015-16
Table 5	Staff in post	Average staffing numbers for the department	2009-10 to 2015-16
Table 6	Total spending by country and region	Analysis of spending in each UK country and nine regions of England	2009-10 to 2013-14
Table 7	Total spending per head by country and region	Analysis of spending per head of population in each UK country and nine regions of England	2009-10 to 2013-14
Table 8	Spending by function of programme, by country and region	Analysis of spending by function of programme in each UK country and nine regions of England	2013-14

Table 1: Public spending

	£000						
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
	Outturn	Outturn	Outturn	Outturn	Outturn	Outturn	Plans
Resource DEL							
Administration Costs in HQ and on Central Services	54,271	39,184	27,967	32,308	30,428	30,057	31,600
Crown Prosecutions and Legal Services	603,538	585,503	555,098	524,593	516,479	476,622	450,676
Total Resource DEL	657,809	624,687	583,065	556,901	546,907	506,679	482,276
<i>Of which:</i>							
Staff costs	382,583	381,345	378,920	367,009	349,849	318,060	294,129
Purchase of goods and services	303,517	279,986	235,685	223,555	233,924	228,813	244,347
Income from sales of goods and services	-64,544	-72,342	-64,165	-65,533	-64,075	-61,784	-60,000
Rentals	28,727	28,529	26,784	26,839	24,215	19,255	-
Depreciation ¹	7,384	7,076	5,745	4,935	2,898	2,239	3,800
Other resource	142	93	96	96	96	96	-
Resource AME							
CPS voted AME charges	14,483	-12,106	5,702	4,092	5,360	1,789	5,264
Total Resource AME	14,483	-12,106	5,702	4,092	5,360	1,789	5,264
<i>Of which:</i>							
Staff costs	-	-2,920	540	-634	-	-	-
Take up of provisions	18,646	-4,122	5,905	3,316	2,941	2,310	4,505
Release of provision	-4,163	-7,737	-5,132	-3,048	-1,718	-4,565	-2,241
Other resource	-	2,673	4,389	4,458	4,137	4,044	3,000
Total Resource Budget	672,292	612,581	588,767	560,993	552,267	508,468	487,540
<i>Of which:</i>							
Capital DEL							
Crown Prosecutions and Legal Services	6,112	3,031	788	-594	-672	46	2,460
Total Capital DEL	6,112	3,031	788	-594	-672	46	2,460
<i>Of which:</i>							
Purchase of assets	6,112	3,031	788	-594	-672	46	2,460
Capital AME							
<i>Of which:</i>							
Total Capital Budget	6,112	3,031	788	-594	-672	46	2,460
Total departmental spending³	671,020	608,536	583,810	555,464	551,595	508,514	490,000
<i>Of which:</i>							
Total DEL	656,537	620,642	578,108	551,372	546,235	506,725	484,736
Total AME	14,483	-12,106	5,702	4,092	5,360	1,789	5,264

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.

Table 2: Public spending control

	£000							
	2014-15		2014-15		2014-15		2014-15	
	Original Plans		Adjusted Plans†		Final Plans		Provisional Outturn	
	Resource	Capital	Resource	Capital	Resource	Capital	Resource	Capital
Spending in Departmental Expenditure Limits (DEL)								
Voted expenditure	507,604	3,280	1,900	-	509,504	3,280	506,679	47
<i>Of which:</i>								
Administration Costs in HQ and on Central Services	32,460	-	-	-	32,460	-	30,057	-
Crown Prosecutions and Legal Services	475,144	3,280	1,900	-	477,044	3,280	476,622	47
Total Spending in DEL	507,604	3,280	1,900	-	509,504	3,280	506,679	47
Spending in Annually Managed Expenditure (AME)								
Voted expenditure	5,264	-	-	-	5,264	-	1,789	-
<i>Of which:</i>								
CPS voted AME charges	5,264	-	-	-	5,264	-	1,789	-
Total Spending in AME	5,264	-	-	-	5,264	-	1,789	-
Total	512,868	3,280	1,900	-	514,768	3,280	508,468	47
<i>Of which:</i>								
Voted expenditure	512,868	3,280	1,900	-	514,768	3,280	508,468	47

† Figures for Adjusted Plans have been adjusted for budget cover transfer effected during 2014 to reflect the Final Plans structure where applicable.

Table 3: Capital Employed

	£000						
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
	Outturn	Outturn	Outturn	Outturn	Outturn	Outturn	Plans
Assets and Liabilities on the Statement of Financial Position at end of year:							
Assets							
Non-Current assets							
Intangible	19,761	15,676	11,742	7,828	4,969	3,313	3,000
Tangible	45,907	36,231	28,562	22,074	15,945	10,989	6,000
<i>of which:</i>							
Land and buildings	5,065	4,884	4,608	4,084	4,059	3,130	4,000
Other	40,842	31,347	23,954	17,990	11,886	7,859	5,000
Investments							
Current assets	83,629	71,953	84,665	76,424	65,923	51,023	65,000
Liabilities							
Payables (< 1 year)	-106,952	-86,208	-103,971	-99,133	-91,226	-78,854	-100,000
Payables (> 1 year)	-36,813	-29,596	-24,195	-17,248	-9,677	-7,075	-2,000
Provisions	-28,919	-15,919	-16,312	-16,570	-17,904	-14,262	-9,000
Capital employed within core department	-23,387	-7,863	-19,509	-26,625	-31,970	-34,866	-37,000
ALB net assets	-	-	-	-	-	-	-
Total capital employed in departmental group	-23,387	-7,863	-19,509	-26,625	-31,970	-34,866	-37,000

1. These figures are not subject to audit by The Comptroller and Auditor General.

Table 4: Administration budget

	£000						
	2009-10 Outturn	2010-11 Outturn	2011-12 Outturn	2012-13 Outturn	2013-14 Outturn	2014-15 Outturn	2015-16 Plans
Resource DEL							
Administration Costs in HQ and on Central Services	54,271	39,184	27,967	32,308	30,428	30,057	31,600
Total administration budget	54,271	39,184	27,967	32,308	30,428	30,057	31,600
<i>Of which:</i>							
Staff costs	25,280	23,961	18,714	19,065	18,151	18,797	19,100
Purchase of goods and services	30,894	22,260	9,644	13,588	10,504	10,255	13,000
Income from sales of goods and services	-2,045	-7,130	-487	-441	-	-276	-500
Rentals	-	-	-	-	1,170	1,185	-
Other resource	142	93	96	96	603	96	-

1. These figures are not subject to audit by The Comptroller and Auditor General.

Table 5: Staff in Post

	2009-10 Actual	2010-11 Actual	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Actual	2015-16 Plans
Crown Prosecution Service:							
Civil Service FTEs	8,390	7,978	7,394	6,936	6,482	6,009	5,513
Other	172	116	70	110	129	126	115
Total	8,562	8,094	7,464	7,046	6,611	6,135	5,628

1. These figures are not subject to audit by The Comptroller and Auditor General.

Table 6: Total spending by country and region

	£ million				
	2009-10 Outturn	2010-11 Outturn	2011-12 Outturn	2012-13 Outturn	2013-14 Outturn
North East	40	37	34	33	35
North West	101	96	89	85	89
Yorkshire and the Humber	61	58	54	52	55
East Midlands	49	45	41	38	40
West Midlands	73	67	62	56	58
East	54	52	49	48	50
London	116	113	108	100	104
South East	81	74	70	69	72
South West	41	38	37	35	36
England	615	579	543	516	538
Scotland	-	-	-	-	-
Wales	41	38	36	34	36
Northern Ireland	-	-	-	-	-
UK identifiable expenditure	656	618	579	551	574
Outside UK	-	-	-	-	-
Total identifiable expenditure	656	618	579	551	574
Non-identifiable expenditure	-	-	-	-	-
Total expenditure on services	656	618	579	551	574

1. These figures are not subject to audit by The Comptroller and Auditor General.

Table 7: Total spending per head by country and region

	National Statistics				£ per head
	2009-10 Outturn	2010-11 Outturn	2011-12 Outturn	2012-13 Outturn	2013-14 Outturn
North East	16	14	13	13	13
North West	14	14	13	12	13
Yorkshire and the Humber	12	11	10	10	10
East Midlands	11	10	9	8	9
West Midlands	13	12	11	10	10
East	9	9	8	8	8
London	15	14	13	12	12
South East	9	9	8	8	8
South West	8	7	7	6	7
England	12	11	10	10	10
Scotland	–	–	–	–	–
Wales	13	13	12	11	12
Northern Ireland	–	–	–	–	–
UK identifiable expenditure	11	10	9	9	9

1. These figures are not subject to audit by The Comptroller and Auditor General.

Table 8: Spending by function of programme, by country and region

2013-14	National Statistics		£ million
	Law Courts	Total Public order and safety	Total Crown Prosecution Service
North East	35	35	35
North West	89	89	89
Yorkshire and the Humber	55	55	55
East Midlands	40	40	40
West Midlands	58	58	58
East	50	50	50
London	104	104	104
South East	72	72	72
South West	36	36	36
England	538	538	538
Scotland	–	–	–
Wales	36	36	36
Northern Ireland	–	–	–
UK identifiable expenditure	574	574	574
Outside UK	–	–	–
Total identifiable expenditure	574	574	574
Non-identifiable expenditure	–	–	–
Total expenditure by function of programme	574	574	574

1. These figures are not subject to audit by The Comptroller and Auditor General.

Annex H – 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 provide a standard of service to victims of crime or, where the victim died as a result of the criminal conduct, their relatives.

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 2013/14 the Ombudsman received six complaints but did not complete any investigations.

Annex I – CPS Area/Police Force Boundary Map



Annex J – List of Acronyms

ABM	Area Business Manager	HQ	Headquarters
AME	Annually Managed Expenditure	HR	Human Resources
AMR	Automatic Meter Readers	IAMM	International Assurance Maturity Model
AP	Associate Prosecutor	IFRS	International Financial Reporting Standards
APR	Area Performance Report	IPD	Investment Property Databank
AWDL	Average Working Days Lost	IQA	Individual Quality Assessments
CAF	Community Accountability Programme	IT	Information Technology
CCP	Chief Crown Prosecutor	JNIP	Joint National Improvement and Performance
CETV	Cash Equivalent Transfer Value	LCJB	Local Criminal Justice Board
CFERS	Consolidated Fund Extra Receipts	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	MICP	Magistrates' In Court Presentation
CPP	Common Platform Programme	NGC	Nominations and Governance Committee
CPS	Crown Prosecution Service	ORC	Opinion Research Corporation
CPSD	CPS Direct	PCSPS	Principal Civil Service Pension Scheme
CQS	Casework Quality Standards	PFI	Private Finance Initiative
DBP	Digital Business Programme	PRP	Performance Related Pay
DCF	Digital Case File	SLA	Service Level Agreement
DEFRA	Department for Environment, Food and Rural Affairs	SNA	System of National Accounts
DEL	Departmental Expenditure Limit	SoCNE	Statement of Comprehensive Net Expenditure
DoH	Department of Health	SoFP	Statement of Financial Position
DPP	Director of Public Prosecutions	SOP	Standard Operating Practice
DSHC	Departmental Security Health Check	SoPS	Statement of Parliamentary Supply
DWP	Department of Work and Pensions	SPF	Security Policy Framework
EEI	Employee Engagement Index	SRMO	Security Risk Management Overview
EG	Executive Group	SSRB	Senior Salary Review Body
ESA	European System of Accounts	TNA	The National Archive
GBS	Government Buying Standards	TSfJ	Tools and Skills for the Job
GFS	Graduated Fees Scheme	TSJ	Transforming Summary Justice
GGC	Greening Government Commitment	VAWG	Violence Against Women and Girls
GPU	Government Procurement Unit	VHCC	Very High Cost Cases
HMCPSI	Her Majesty's Crown Prosecution Service Inspectorate	VRR	Victims' Right to Review
HMCTS	Her Majesty's Courts and Tribunals Service	WRAP	Waste and Resource Action Programme
HMRC	Her Majesty's Revenue and Customs		

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