

# Ministry of Justice

## Introduction

This Supplementary Estimate is required for the following purposes:

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Changes in budgets, non-budget voted provision and cash	Increases	Reductions	Total
Section D4 Additional Funding for MCC Pension Provisions.	130,000,000		
Section C4 Additional Funding for General Pressures within the Ministry of Justice.	159,000,000		
Section J4 Additional Funding for CICA Pre-Tariff Cases.	90,000,000		
Section A3 Transfer to Scotland Office for Internal Audit Costs.		-23,000	
Section C4 Transfer to Department of Health in relation to Health Costs for Offenders.		-203,000	
Section C4 Transfer to Department for Business, Innovation and Skills in relation to Education Costs for Offenders.		-222,000	
Section D4 Transfer from Home Office in relation to Magistrate Approval of RIPA.	325,000		
Transfer of ICT Costs (Section D4 to A4).	3,235,000	-3,235,000	
Transfer of ICT Costs (Section C4 to A4).	381,000	-381,000	
Transfer of Judicial Costs (Section D4 to A4).	88,000	-88,000	
Transfer of Courier Costs (Section A4 to K4).	750,000	-750,000	
Transfer of Internal Audit Fees (Section A3 to D3).	640,000	-640,000	
Transfer of Prison Recruitment Costs (Section C4 to A4).	20,000	-20,000	
Transfer of ICT Costs (Section D4 to A4).	134,000	-134,000	
Transfer of PNC Checks Costs (Section C4 to A4).	150,000	-150,000	
Transfer of Training Costs (Section C4 to A4).	104,000	-104,000	

Transfer of System Integration Management Services (Section A3 to C3).	100,000	-100,000
Transfer of Depreciation Budget (Section E4 to A4).	2,000,000	-2,000,000
Transfer of Estates Costs (Section C3 to A3).	321,000	-321,000
Transfer of Contractor Escorts Costs (Section A4 to C4).	11,091,000	-11,091,000
Transfer of Estates Costs (Section A4 to C4).	418,000	-418,000
Transfer of Private Prisons Depreciation (Section C4 to A4).	4,025,000	-4,025,000
Transfer of Funding for Prison Pay Review Body (Section C3 to A3).	15,000	-15,000
Transfer of Staff Costs (Section A3 to D3).	69,000	-69,000
Transfer of Pre Tariff Costs - Admin Costs (Section J4 to D4).	200,000	-200,000
Additional Co-funding of CICA from Scottish Government (Sections J3 and A3).	540,000	-540,000
Additional Co-funding of CICA from Scottish Government (Sections J4 and A4).	5,760,000	-5,760,000
Transfer of Judicial Sitting Days (Section K4 to D4).	102,000	-102,000
Transfer of Internal Audit Fees (Section A4 to E4).	68,000	-68,000
Transfer of Additional Depreciation Funding (Section A4 to D4).	24,000,000	-24,000,000
Transfer of Judicial Training Costs (Section D4 to A4).	215,000	-215,000
Transfer of VEDS Funding for HMCTS (Section A4 to D4).	27,200,000	-27,200,000
Transfer of VEDS Funding for NOMS (Section A4 to C4).	55,000,000	-55,000,000
Transfer of Staff Costs (Section D3 to A3).	71,000	-71,000
Transfer of Staff Costs (Section A3 to C3).	276,000	-276,000
Transfer of Funding for Payment by Results (Section A4 to C4)	1,904,000	-1,904,000
Transfer of Depreciation Budget (Section C4 to A4)	5,500,000	-5,500,000
Transfer of BRE Fire Testing Budget (Section C4 to A4)	50,000	-50,000

Additional Depreciation Funding for QUIP (Section A4 to C4)	22,000,000	-22,000,000	
Transfer of Funding to CCRC (Section A4 to L4)	656,000	-656,000	
Transfer of Contract Funding relating to YJB (Section I4 to A4)	38,855,000	-38,855,000	
Additional Co-funding of YJB from Home Office (Sections I4 and A4)	6,800,000	-6,800,000	
Funding for Pension Costs within CCRC (section L4 to A4)	92,000	-92,000	
Additional Depreciation Funding Parole Board (Section A4 to K4)	178,000	-178,000	
Additional Non Cash Funding for HMCTS (Section A4 to D4)	3,500,000	-3,500,000	
Transfer of Estates Funding (Section D4 to A4)	4,374,000	-4,374,000	
Transfer of ICT Costs (Section F3 to A3)	2,655,000	-2,655,000	
Transfer of VEDS Funding for Legal Services Commission (Section A3 to F3)	5,000,000	-5,000,000	
Additional Funding for Transition Costs (Section A3 to F3)	821,000	-821,000	
Transfer of ICT Costs (Section A3 to F3)	120,000	-120,000	
Surrender of Depreciation Costs (Section F3 to A3)	1,000,000	-1,000,000	
Transfer of Funding from Legal Aid: Criminal to Legal Aid: Civil (Section G4 to H4)	3,941,000	-3,941,000	
Transfer of Additional Funding for Civil Legal Aid for Debt Cleansing (Section A4 to H4)	15,000,000	-15,000,000	
Fire Safety Unit Funding (Section A3 to C3)	633,000	-633,000	
Fire Safety Unit Funding (Section C4 to A4)	633,000	-633,000	
Realignment of Funding (Section A3 to D3)	438,000	-438,000	
Realignment of Funding (Section D4 to A4)	438,000	-438,000	
Realignment of Funding (Section A3 to N3)	1,063,000	-1,063,000	
Realignment of Funding (Section N4 to A4)	1,063,000	-1,063,000	
<b>Total change in Resource DEL (Voted)</b>	<b>633,012,000</b>	<b>-254,135,000</b>	<b>378,877,000</b>

Section W4 As a result of the Additional Funding for CICA Pre-Tariff Cases referred to above resulting in a reduction in AME Utilisation of Provision	-90,000,000
Section W4 Increase in Provision due to change in the discount rate announced by HM Treasury	22,096,000
Section Y4 Increase in Provision due to change in the discount rate announced by HM Treasury	4,000
Section X4 Increase in Provision due to change in the discount rate announced by HM Treasury	8,574,000
Section S4 Increase in Provision due to change in the discount rate announced by HM Treasury	3,677,000
Section Z4 Increase in Provision due to change in the discount rate announced by HM Treasury	11,000
Section T4 Increase in Provision due to change in the discount rate announced by HM Treasury	314,000
Section V4 Increase in Provision due to change in the discount rate announced by HM Treasury	24,000
Section R4 Increase in Provision due to change in the discount rate announced by HM Treasury	347,000
Section R4 Increase in Provision due to change in the discount rate announced by HM Treasury	79,000
Section R4 Increase in Judicial Long Service Award Provision	200,000,000
Section R4 Increase in LSC Pension Provision as a result of Legal Services Commission becoming an Agency on 01-04-2013	20,000,000
Section X4 Increase in Provision due to Impairment of Court Estate	153,000,000
Section R4 Increase in Provision due to Impairment of Prisons Estate	182,000,000
Section R4 Increase in Provision due to Impairment of National Offender Management Services (NOMS) Non-Property Assets	12,000,000
Section X4 Increase in Provision due to Impairment of Court Estate due to Court Closure Programme	173,000,000
Section R4 Increase in Provision due to Impairment of Prisons Estate due Prisons Closure Programme	70,000,000

Section V4 Increase in work in Progress Provision for Criminal Defence Service	23,000,000		
Transfer of Funding between Civil:Legal Aid and Criminal Legal Aid (Section V4 to U4)	3,941,000	-3,941,000	
Surrender of Funding (Section T4 to R4)	1,000,000	-1,000,000	
Additional Funding for CCRC (Section R4 to Z4)	92,000	-92,000	
<b>Total change in Resource AME (Voted)</b>	<b>873,159,000</b>	<b>-95,033,000</b>	<b>778,126,000</b>
Section A8 Reduction in Capital handed back to HM Treasury		-20,000,000	
Transfer of Capital Funding for Specific Projects (Section A8 to J8)	600,000	-600,000	
Transfer of Capital Funding for HMP Bure (Section C8 to A8)	500,000	-500,000	
Surrender of Capital Funding (Section E8 to A8)	6,400,000	-6,400,000	
Transfer of Capital Funding for Specific Projects (Section A8 to F8)	1,550,000	-1,550,000	
Transfer of Capital Income to HMCTS (Section A8 to D8)	34,000,000	-34,000,000	
Surrender of Capital Funding (Section I8 to A8)	5,000,000	-5,000,000	
<b>Total change in Capital DEL (Voted)</b>	<b>48,050,000</b>	<b>-68,050,000</b>	<b>-20,000,000</b>
Section Z8 CAME for Criminal Cases Review Commission relating to capitalisation of dilapidations on a leasehold property	50,000		
<b>Total change in Capital AME (Voted)</b>	<b>50,000</b>	<b>0</b>	<b>50,000</b>
Change in net cash requirement as a result of the above changes		385,095,000	
<b>Total change in Net Cash Requirement</b>	<b>0</b>	<b>385,095,000</b>	<b>385,095,000</b>

**Part I**

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	Voted	Non-Voted	Total
<b>Departmental Expenditure Limit</b>			
Resource	378,877,000	-	378,877,000
Capital	-20,000,000	-	-20,000,000
<b>Annually Managed Expenditure</b>			
Resource	778,126,000	-	778,126,000
Capital	50,000	-	50,000
<b>Total Net Budget</b>			
Resource	1,157,003,000	-	1,157,003,000
Capital	-19,950,000	-	-19,950,000
<b>Non-Budget Expenditure</b>		-	
<b>Net cash requirement</b>	<b>385,095,000</b>		

Supplementary amounts required in the year ending 31 March 2013 for expenditure by Ministry of Justice on:

**Departmental Expenditure Limit:**Expenditure arising from:

Administration of Ministry of Justice HQ and associated offices; administration of judicial pay; administration of the Judicial pension scheme; costs of operating the Office of the Information Commissioner and the Judicial Appointments Commission; costs of operating the Legal Services Board and the Office of Legal Complaints and the associated Levy. Payment of grant and grant in aid and the related expenditure for organisations promoting Ministry of Justice objectives including executive and advisory NDPBs; Wider Markets Initiatives; payments and grants to Local Authorities, loan charge payments to Local Authorities, payments to other government departments and associated depreciation and any other non-cash costs falling in DEL.

HM Courts and Tribunals Service; Court of Protection; the Office of the Public Guardian; Offices of Court Funds, Official Solicitor and Public Trustee; administration of legal aid criminal and civil; administration for the Legal Services Commission; costs paid from central funds; the Administrative Justices and Tribunals Council. Reimbursement of Lord Lieutenants' expenses; costs in relation to judicial training, The Judicial Office which includes the Judicial College, the Civil Justice Council, the Family Justice Council and the Office for Judicial Complaints, costs in relation to continued liaison with the Supreme Court. Criminal Injuries Compensation Authority, Criminal Cases Review Commission, Victims Commissioner, Judicial Appointments Commission Ombudsman, Law Commission, compensation payments for victims of overseas terrorism; administration of and payments in respect of pleural plaques. Joint initiatives in the Criminal Justice System and other legal services.

Human rights workshops and surveys; promotion of information rights, citizen and youth engagement. Conduct of MoJ's European and international business in the justice and home affairs field and the management of the UK's relationship with the Crown Dependencies. UK payments to the Hague Conference on Private International Law. Judicial Exchange programmes; sponsorship of the British Institute of International and Comparative Law and bilateral training projects with other national governments. Policy on coroner and cremation services and associated support to Local Authorities; applications for exhumations, cremated repatriated remains and the closing of burial grounds. Payments in respect of the July 2005 bombings inquest; payments in respect of public inquiries.

Criminal policy and programmes including, administration of the National Offender Management Service, payments to Probation Trusts, Payments in respect of the Electronic Monitoring and Prison Escort and Custody Service (PECS), Her Majesty's Inspectorate of Prisons, Her Majesty's Inspectorate of Probation, Prisons & Probation Services Ombudsman. The prevention and treatment of drug abuse; counter terrorism and intelligence; secure accommodation placements, public and private prisons, Prison Service College, the Parole Board, Youth Justice Board, grants to 'prisoners abroad', welfare to work schemes.

Income arising from:

Civil Court fee income; fine income, tribunals fee income from Asylum and Immigration Tribunals, netting off and receipts retained in accordance with the fine incentive scheme; receipts relating to the asset recovery incentive scheme; receipts under the victims surcharge; pre-1990 loan charges debt payments; receipts retained in relation to the costs of enforcement of fines. Fees charged by the Public Trustee, recoveries by the Official Solicitor, fees charged by the Office of the Public Guardian and Court of Protection; recoveries from the Debt Management Office for the cost of administering funds in court; contributions paid by legally aided defendants in the higher courts; Receipts in relation to legal aid contributions received from assisted clients, receipts in relation to costs and damages received, including recoveries via the statutory charge, by the legal fund in relation to assisted clients; Grants from other third parties received to the legal aid fund, receipts in relation to the use of Deputy District Judges as prison adjudicators.

Recoveries from the National Insurance Fund for the cost of Social Security Commissioners, income from National Insurance Fund received by HM Courts and Tribunals Service , receipts in relation to tribunals received by HM Courts and Tribunals Service ; receipts in relation to the Scottish Criminal Injuries Compensation Appeals Panel remitted to the HM Courts and Tribunals Service.

Fees relating to the Office of the Information Commissioner and receipts in relation to data protection enquiries. Fees charged for Subject Access Requests under the Data Protection Act. Receipts in relation to Legal Services Complaints Commission; receipts in relation to Claims Management Regulation; recovery from the investment managers for the cost of administering the Commons Investment Schemes, recoveries for research and recommendation work undertaken by the Law Commission. Payments from other departments for legal services and other recoveries associated with the work of the MoJ.

Share of gross profits from prison shops and from services purchased by staff etc from the activities of prison industries and farms from the supply of inmate labour and from other goods and services. Income in relation to Prisoner's earnings. Receipts in relation to Probation Trusts income; receipts from the Youth Justice Board; Receipts from agricultural subsidies, from advertisements in the Prison Service News and from the sale of waste.

Receipts in respect of judicial superannuation contributions and receipts from the Judicial Pensions supply estimate to fund administrative costs. Receipts from the European Commission, receipts from Royal Licences; receipts in relation to the devolution Service Level Agreement; receipts in relation to the Territorial Offices; receipts in respect of the Crown Office fees. European fast stream receipts from the Cabinet Office, subsidies under the welfare for work programmes; contributions towards grant programmes and training services; payments from health authorities, receipts in relation to the Scottish Executive, Northern Ireland Executive and the Welsh Assembly Government, Payments from the Skills Funding Agency, the Heritage Lottery Fund and Sport England.

Receipts under the New Deal Scheme and receipts from Wider Markets Initiatives. Receipts from other government departments, sale of vehicles, plant, machinery, land and buildings, sale of equipment and scrap, tax rebates, recovery of staff costs for staff on loan or seconded to outside bodies, repayment services, payments for information and publications, private telephone calls, vending machines, telex, postal and bank charge recoveries. Receipts of VAT refunds on contracted out services. Profit on the sales of capital assets, compensation and insurance, contributions towards criminal justice systems initiatives, rebates and commission from service contracts, fees from nursery facilities and other fees; receipts from rents and receipts of premia on assignment of leases; service charges and site usage; recovery from the subletting of magistrates accommodation, other charges and receipts received.

**Annually Managed Expenditure:**

Expenditure arising from:

Corporation tax, Pensions, provisions for the Criminal Injuries Compensation Authority, Central Funds and Legal Aid; other areas of the MoJ business, including arms length bodies; impairment of land and buildings; and provisions and other non-cash costs falling in AME.

**Ministry of Justice** will account for this Estimate.

## Part II: Changes Proposed

£'000

Net Resources						Net Capital		
Present		Changes		Revised		Present	Changes	Revised
Admin	Prog	Admin	Prog	Admin	Prog			
1	2	3	4	5	6	7	8	9
<b>Spending in Departmental Expenditure Limits (DEL)</b>								
<b>Voted Expenditure</b>								
655,158	7,457,849	-23	378,900	655,135	7,836,749	310,500	-20,000	290,500
<i>Of which:</i>								
A Policy, Corporate Services and Associated Offices								
347,466	669,675	-5,661	-112,968	341,805	556,707	139,967	23,750	163,717
C National Offender Management Service								
131,093	3,184,589	673	238,125	131,766	3,422,714	30,000	-500	29,500
D HM Courts and Tribunals Service								
31,881	999,996	1,076	176,843	32,957	1,176,839	105,000	-34,000	71,000
E Office of The Public Guardian								
-	-644	-	-1,932	-	-2,576	6,910	-6,400	510
F Legal Services Commission Administration (Net)								
105,900	-	2,286	-	108,186	-	17,100	1,550	18,650
G Legal Aid Fund : Criminal (net)								
-	1,025,600	-	-3,941	-	1,021,659	-	-	-
H Legal Aid Fund : Civil (net)								
-	940,865	-	18,941	-	959,806	-	-	-
I Youth Justice Board (Net)								
17,000	344,819	-	-32,055	17,000	312,764	9,000	-5,000	4,000
J Criminal Injuries Compensation Authority (net)								
15,511	186,523	540	95,560	16,051	282,083	-	600	600
K Parole Board (net)								
1,137	9,630	-	826	1,137	10,456	-	-	-
L Criminal Cases Review Commission (Net)								
1,041	3,742	-	564	1,041	4,306	43	-	43
N Information Commissioners Office (Net)								
3,400	1,063	1,063	-1,063	4,463	-	850	-	850
<b>Total Spending in DEL</b>							<b>-20,000</b>	
		<b>-23</b>	<b>378,900</b>					
<b>Spending in Annually Managed Expenditure (AME)</b>								
<b>Voted Expenditure</b>								
-	59,100	-	778,126	-	837,226	-	50	50
<i>Of which:</i>								
R Policy, Corporate Services and Associated Offices								
-	9,625	-	485,334	-	494,959	-	-	-
S National Offender Management HQ								
-	60,000	-	3,677	-	63,677	-	-	-
T Legal Services Commission Administration (net)								
-	7,614	-	-686	-	6,928	-	-	-
U Legal Aid : Criminal (net)								
-	4,571	-	3,941	-	8,512	-	-	-



## Part II: Revised subhead detail including additional provision

£'000

Revised Plans									
Resources						Capital			
Administration		Programme							
Gross	Income	Net	Gross	Income	Net	Gross	Income	Net	
1	2	3	4	5	6	7	8	9	
<b>Spending in Departmental Expenditure Limits (DEL)</b>									
<b>Voted expenditure</b>									
676,116	-20,981	655,135	9,021,434	-1,184,685	7,836,749	358,100	-67,600	290,500	
<i>Of which:</i>									
A Policy, Corporate Services and Associated Offices									
355,611	-13,806	341,805	704,381	-147,674	556,707	196,717	-33,000	163,717	
B Central Funds									
-	-	-	87,500	-	87,500	-	-	-	
C National Offender Management Service									
138,341	-6,575	131,766	3,829,403	-406,689	3,422,714	30,100	-600	29,500	
D HM Courts and Tribunals Service									
33,557	-600	32,957	1,772,661	-595,822	1,176,839	105,000	-34,000	71,000	
E Office of The Public Guardian									
-	-	-	31,924	-34,500	-2,576	510	-	510	
F Legal Services Commission Administration (Net)									
108,186	-	108,186	-	-	-	18,650	-	18,650	
G Legal Aid Fund : Criminal (net)									
-	-	-	1,021,659	-	1,021,659	-	-	-	
H Legal Aid Fund : Civil (net)									
-	-	-	959,806	-	959,806	-	-	-	
I Youth Justice Board (Net)									
17,000	-	17,000	312,764	-	312,764	4,000	-	4,000	
J Criminal Injuries Compensation Authority (net)									
16,051	-	16,051	282,083	-	282,083	600	-	600	
K Parole Board (net)									
1,137	-	1,137	10,456	-	10,456	-	-	-	
L Criminal Cases Review Commission (Net)									
1,041	-	1,041	4,306	-	4,306	43	-	43	
M Judicial Appointments Commission (Net)									
729	-	729	4,491	-	4,491	1,000	-	1,000	
N Information Commissioners Office (Net)									
4,463	-	4,463	-	-	-	850	-	850	
O Office of Legal Complaints									
-	-	-	-	-	-	600	-	600	
P Legal Services Board									
-	-	-	-	-	-	30	-	30	
<b>Non-voted expenditure</b>									
-	-	-	138,200	-	138,200	-	-	-	
<i>Of which:</i>									
Q Higher Judiciary Judicial Salaries									
-	-	-	138,200	-	138,200	-	-	-	
<b>Total Spending in DEL</b>									
676,116	-20,981	655,135	9,159,634	-1,184,685	7,974,949	358,100	-67,600	290,500	

**Spending in Annually Managed Expenditure (AME)****Voted expenditure**

-	-	-	837,226	-	837,226	50	-	50
<i>Of which:</i>								
R Policy, Corporate Services and Associated Offices								
-	-	-	494,959	-	494,959	-	-	-
S National Offender Management HQ								
-	-	-	63,677	-	63,677	-	-	-
T Legal Services Commission Administration (net)								
-	-	-	6,928	-	6,928	-	-	-
U Legal Aid : Criminal (net)								
-	-	-	8,512	-	8,512	-	-	-
V Legal Aid : Civil (net)								
-	-	-	23,654	-	23,654	-	-	-
W Criminal Injuries Compensation Authority (net)								
-	-	-	-90,504	-	-90,504	-	-	-
X HM Courts and Tribunals Service								
-	-	-	329,574	-	329,574	-	-	-
Y Parole Board (net)								
-	-	-	4	-	4	-	-	-
Z Criminal Cases Review Commission (Net)								
-	-	-	422	-	422	50	-	50

**Total Spending in AME**

-	-	-	837,226	-	837,226	50	-	50
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**Total for Estimate**

676,116	-20,981	655,135	9,996,860	-1,184,685	8,812,175	358,150	-67,600	290,550
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*Of which:***Voted Expenditure**

676,116	-20,981	655,135	9,858,660	-1,184,685	8,673,975	358,150	-67,600	290,550
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**Non Voted Expenditure**

-	-	-	138,200	-	138,200	-	-	-
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## Part II: Resource to cash reconciliation

£'000

	Present Plans	Changes	Revised Plans
<b>Net Resource Requirement</b>	<b>8,310,307</b>	<b>1,157,003</b>	<b>9,467,310</b>
<b>Net Capital Requirement</b>	<b>310,500</b>	<b>-19,950</b>	<b>290,550</b>
<b>Accruals to cash adjustments</b>	<b>-621,511</b>	<b>-751,958</b>	<b>-1,373,469</b>
<i>Of which:</i>			
<i>Adjustments to remove non-cash items:</i>			
Depreciation	-517,554	-590,762	-1,108,316
New provisions and adjustments to previous provisions	-211,533	-338,674	-550,207
Departmental Unallocated Provision	-	-	-
Supported capital expenditure (revenue)	-	-	-
Prior Period Adjustments	-	-	-
Other non-cash items	-65	65	-
<i>Adjustment for NDPBs:</i>			
Remove voted resource and capital	-2,684,549	-34,462	-2,719,011
Add cash grant-in-aid	2,645,282	106,786	2,752,068
<i>Adjustments to reflect movements in working balances:</i>			
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	146,908	105,089	251,997
<b>Removal of non-voted budget items</b>	<b>-138,200</b>	<b>-</b>	<b>-138,200</b>
<i>Of which:</i>			
Consolidated Fund Standing Services	-138,200	-	-138,200
Other adjustments	-	-	-
<b>Net Cash Requirement</b>	<b>7,861,096</b>	<b>385,095</b>	<b>8,246,191</b>

## Part III: Note A - Statement of Comprehensive Net Expenditure & Reconciliation Table

£'000

	Revised Plans
Gross Administration Costs	672,801
<i>Less:</i>	
Administration DEL Income	-20,981
<b>Net Administration Costs</b>	<b>651,820</b>
Gross Programme Costs	10,000,175
<i>Less:</i>	
Programme DEL Income	-1,184,685
Programme AME Income	-
Non-budget income	-
<b>Net Programme Costs</b>	<b>8,815,490</b>
<b>Total Net Operating Costs</b>	<b>9,467,310</b>
<i>Of which:</i>	
Resource DEL	6,121,457
Capital DEL	-
Resource AME	3,345,853
Capital AME	-
Non-budget	-
<i>Adjustments to include:</i>	
Departmental Unallocated Provision (resource)	-
Consolidated Fund Extra Receipts in the budget but not in the SoCNE	-
<i>Adjustments to remove:</i>	
Capital in the SoCNE	-
Non-Budget Consolidated Fund Extra Receipts in the SoCNE	-
Other adjustments	-
<b>Total Resource Budget</b>	<b>9,467,310</b>
<i>Of which:</i>	
Resource DEL	8,630,084
Resource AME	837,226
<i>Adjustments to include:</i>	
Prior period adjustments	-
<i>Adjustments to remove:</i>	
Consolidated Fund Extra Receipts in the resource budget	-
Other adjustments	-
<b>Total Resource (Estimate)</b>	<b>9,467,310</b>

## Part III: Note B - Analysis of Departmental Income

£'000

Revised  
Plans

<b>Voted Resource DEL</b>	<b>-1,205,666</b>
<i>Of which:</i>	
Administration	
Sales of Goods and Services	-20,981
<i>Of which:</i>	
Section A: Policy, Corporate Services and Associated Offices	-13,806
Section C: National Offender Management Service	-6,575
Section D: HM Courts and Tribunals Service	-600
Total Administration	<u>-20,981</u>
Programme	
Sales of Goods and Services	-1,184,685
<i>Of which:</i>	
Section A: Policy, Corporate Services and Associated Offices	-147,674
Section C: National Offender Management Service	-406,689
Section D: HM Courts and Tribunals Service	-595,822
Section E: Office of The Public Guardian	-34,500
Total Programme	<u>-1,184,685</u>
<b>Total Voted Resource Income</b>	<b><u>-1,205,666</u></b>
<b>Voted Capital DEL</b>	<b>-67,600</b>
<i>Of which:</i>	
Programme	
Sales of Assets	-67,600
<i>Of which:</i>	
Section A: Policy, Corporate Services and Associated Offices	-33,000
Section C: National Offender Management Service	-600
Section D: HM Courts and Tribunals Service	-34,000
Total Programme	<u>-67,600</u>
<b>Total Voted Capital Income</b>	<b><u>-67,600</u></b>

### **Part III: Note C - Analysis of Consolidated Fund Extra Receipts**

No CFER income or receipts are expected in 2012-13.

## Part III: Note D - Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following individuals are responsible for the expenditure within this Estimate:

**Accounting Officer:** Ursula Brennan - Permanent Secretary

In accordance with Chapter 3 of Managing Public Money (issued by the Treasury), the following individuals are NDPB Accounting Officer appointments:

### ALB/NDPB Accounting Officers:

Criminal Cases Review Commission Authority	Karen Kneller - Interim Chief Executive
Information Commission's Office	Carole Oatway - Chief Executive
Judicial Appointments Commission	Christopher Graham - Information Commissioner
Legal Services Board	Nigel Reeder - Interim Chief Executive
Legal Services Commission	Chris Kenny - Chief Executive
Office of Legal Complaints	Matthew Coats - Chief Executive
Parole Board	Adam Sampson - Chief Ombudsman
Youth Justice Board	Claire Bassett - Chief Executive
	John Drew - Chief Executive

Ursula Brennan - Permanent Secretary has personal responsibility for the proper presentation of the department's resource accounts and their transmission to the Comptroller & Auditor General, and is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities, particular regard is given to:

- observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the Financial Reporting Manual (FRM), or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

The responsibilities of an Accounting Officer, including responsibility for regularity and propriety of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are also set out in Chapter 3 of Managing Public Money.

In accordance with Managing Public Money requirements, the relationship between the Principal Accounting Officer and Additional Accounting Officer(s), and with their Ministers, together with their respective responsibilities, is set out in writing. Similarly, the relationship between the Principal/Additional Accounting Officer and the NDPB Accounting Officer(s) is set out in writing.

**Part III: Note E - Non-Departmental Public Bodies**

£'000

<b>Section in Part II: Subhead Detail</b>	<b>Body</b>	<b>Resources</b>	<b>Capital</b>	<b>Grant-in-aid</b>
F,T	Legal Services Commission: Administration (net)	115,114	18,650	116,936
G,U	Legal Aid Fund: Criminal (net)	1,030,171	-	1,021,659
H,V	Legal Aid Fund: Civil (net)	983,460	-	959,806
I	Youth Justice Board (net)	329,764	4,000	329,764
J,W	Criminal Injuries Compensation Authority (net)	207,630	600	296,613
K,Y	Parole Board	11,597	-	11,062
L,Z	Criminal Cases Review Commission (net)	5,769	93	5,228
M	Judicial Appointments Commission (net)	5,220	1,000	6,120
N	Information Commissioners Office (net)	4,463	850	4,250
O	Office of Legal Complaints (net)	-	600	600
P	Legal Services Board (net)	-	30	30
<b>Total</b>		<b>2,693,188</b>	<b>25,823</b>	<b>2,752,068</b>

## Part III: Note K - Contingent Liabilities

Nature of liability	£'000
An Indemnity of up to £50m, in respect of any one accident, has been given to the British Airports Authority (BAA). This is in respect of damage or injury caused to third parties arising out of the negligence of HM Prison Service in their use of vehicles.	50,000
The Ministry of Justice has indemnified the members of the central Council of Magistrates' Courts Committees to the tune of £0.56m against future legal action against them as individuals. Potential future exposure is actually expected to be limited to £0.03m (Minute laid on 27th June 2006).	560
As at 31 December 2010 a contingent liability of £0.997 was reported in relation to individuals who have made a claim against the department for personal injury. This is currently made up of about 90 individuals representing employees and clients.	997
As at 31 December 2010 a contingent liability claim in the sum of £1.706m in regards to a dilapidation claim by the South East Region in relation to Cambridge County Court.	1,706
HMCTS legal claims: HMCTS is involved in a number of legal cases largely relating to ex-gratia and compensation claims. The estimated cost of settlement for HMCS is £3.9m.	3,900
HMCTS property transfer: As a result of the July 2005 High Court challenge meant that HMCTS has not been able to gain control of a number of properties intended to come within the 31 March 2005 Property Transfer Scheme. HMCTS faces a contingent accommodation liability for the properties that it is yet to gain control of. If HMCTS is not able to effect a transfer of ownership and control of these properties, it faces potential accommodation obligations to the parties who ultimately own the property rights and will control the underlying economic benefits. Based on the value of the properties at 31 March 2007, it is estimated that HMCTS could be exposed to additional costs of up to £0.3m per annum with a total maximum contingent liability since 1st April 2005 of £2.3m.	2,300
NOMS legal claims: Claims for injury to staff, prisoners and the public amounting to £19.8m have been lodged, where the likelihood of a liability arising is possible but not likely. Where staff have transferred location under the public expense transfer scheme, requiring a house sale, the agency is liable for the difference between the market value and actual sale price. This is currently a contingent liability as it is not quantifiable.	Unquantifiable
The Prisons service would be liable to meet any uninsured costs incurred by the privately managed prisons.	Unquantifiable
The National Probation Service has reported the Provision of Indemnity to members of the thirty five local area Probation Trusts to maintain the same status of indemnity that was provided by local authorities. The government has agreed that an individual trust member should be indemnified against legal damages and costs arising from advice given, or actions done, honestly and in good faith in the execution of his or her board functions, except where the member has acted recklessly.(Minute of 6th June 2005).	Unquantifiable

Mubarek Inquiry team Indemnity in relation to any legal action taken against the chairman or members of the Independent Inquiry into the death of Zahid Mubarek at the Feltham Young Offenders Institution. (Minute 10th March 2006).	Unquantifiable
Fee Paid Judicial Office Holders' Pension Rights: The MoJ is involved in a number of Employment Tribunal cases relating to fee paid judicial office holders claiming retrospective pension rights. The lead case was heard in the Supreme Court in June 2010 and referred to The European Court. The European Court made a decision and this was referred back to the Supreme Court which made a ruling in November 2012. Final written ruling is awaited and this will then be referred back to the Employment Tribunal. Additional cases are stayed behind the lead case. The estimated timing of resolution of the lead and stayed cases could be from 9 to 12 months.	Unquantifiable
The following two further actions are stayed behind this case: <ul style="list-style-type: none"> <li>• Scottish Fee Paid Employment Tribunals Service Chairmen: Scottish fee paid Employment Tribunals Service chairmen are also claiming pension rights, increases in daily fees and general parity in terms and conditions.</li> <li>• Part Time Worker Regulations: A claim has been brought under the Part Time Worker Regulations challenging the level of payment for training and writing up fees, the lack of entitlement to holiday and sick pay and cancellation fees where bookings are not honoured.</li> </ul>	
Pay Deals – Equal Pay and Age Discrimination: The MoJ is involved in five test tribunal cases relating to claims regarding age discrimination. The MoJ has also responded to a class action grievance on grounds of equal pay.	Unquantifiable
Land Charge fees. MoJ may have to share in payments to local authorities for local land charge searches deemed unlawful from 1/1/2005 and for future income foregone. This is an unexpected consequence of the Environmental Information Regulations 2004.	Unquantifiable
Rating Appeal for 102 Petty France; Legal action in train.	Unquantifiable
Age discrimination - five test tribunal cases have been lodged and are currently stayed behind another case. Costs include both compensation & harmonising existing conditions. The MoJ has also responded to a class action grievance on grounds of equal pay.	Unquantifiable
A judicial review is being sought in regard to the loss of UK voting rights as a result of the claimant living abroad for over 15 years.	Unquantifiable
Employment Tribunals - MoJ is currently defending a number of Employment Tribunal claims at various stages .	Unquantifiable
Public Participation Directive - European Commission has referred the UK to the European Court of Justice (ECJ) for non-compliance in transposing the Public Participation Directive correctly into domestic legislation.	Unquantifiable
Other European Court of Human Rights claims: MoJ is currently engaged in four other cases at the ECtHR, some of which may involve possible financial liability and others which are unquantifiable. These cases represent several topics including:	Unquantifiable

<p>Headquarters legal claims: There are around 70 outstanding legal claims against MoJ, some of which involve possible financial liabilities. Cases where it is probable that MoJ will incur future costs have been included within provisions.</p>	Unquantifiable
<p>These legal claims include four Judicial Reviews challenging:</p>	
<p>Refusal to pay compensation for miscarriages of justice;</p>	
<p>Refusal to disclose personal details in alleged breach of article 3 of the ECHR;</p>	
<p>Alleged breach of section 1 and section 6 of the Human Rights Act; and</p>	
<p>Abolition of the criminal legal aid committal fee in alleged breach of article 6 of the ECHR.</p>	
<p>Personal searches fees: There is a large group application for a declaration that local authorities acted unlawfully in collecting fees for personal searches. MoJ together with DEFRA and DCLG may incur a possible financial liability.</p>	Unquantifiable
<p>Data Protection Act: There are two claims against MoJ for alleged failure to comply with the Data Protection Act.</p>	Unquantifiable
<p>Accommodation obligations: As part of the court closure initiative, HM Courts &amp; Tribunals Service may terminate a number of leases prior to their expiry dates. The expected cost of these terminations, should they occur, is £1.2m (2011–12: £1.2m).</p>	Unquantifiable
<p>Criminal Injuries Compensation: On occasion, compensation cases at appeal stage may go to judicial review and these could potentially have an impact on the CICA's future liabilities. These cases are not included within the provision due to the fact that the determination of whether an obligation exists will only be confirmed by the occurrence or non-occurrence of one or more uncertain and unquantifiable future events that are not wholly within the control of CICA. There were 28 active cases as at 31 March 2012.</p>	Unquantifiable
<p>Payment by Results schemes: New contracts were awarded for Payment by Results (PbR) schemes at HMP Doncaster and HMP Peterborough. The contract stipulates a mechanism by which an additional payment or claw back would be payable to or from the contractor.</p>	Unquantifiable
<p>The first cohort of offenders at HMP Doncaster runs from 1 October 2011 to 30 September 2012. The period over which the offenders' re-offending will be monitored runs for 18 months from 30 September until 31 March 2014.</p>	
<p>The first cohort of offenders at HMP Peterborough runs from 9 September 2010 to 9 September 2012. The period over which the offenders' re-offending will be monitored runs for 12 months from 9 September until 9 September 2013.</p>	
<p>NOMS considers that at 31 March 2012 any potential liability arising from the success of the scheme, in conjunction with its timing, is uncertain.</p>	
<p>London Probation Trust (LPT) considers that it is not liable to pay corporation tax on its activities for 2011–12 nor in previous years. This is contrary to HM Revenue &amp; Customs (HMRC) advice and LPT is currently in discussion with HMRC and NOMS. The Trust has therefore included a contingent liability in respect of corporation tax. The value of any liability is still to be determined.</p>	Unquantifiable

<p>Devon &amp; Cornwall - The Trust is aware of an Employment Tribunal case being brought by former members of staff. The Trust has taken legal advice as to the likelihood of these actions being successful. The Trust considers that due to the uncertain nature of the timing, outcome and costs involved no provision is to be made in the accounts. The Trust intends to defend these actions and legal advice is that the probability of success is in excess of 60% but should the Trust be unsuccessful the costs could be in the region of £70k.</p>	Unquantifiable
<p>Northamptonshire - The Trust is a member of the East and West Midlands Probation Training Consortium which is due to cease in March 2013. NPT represents a 5.37% share of the consortium and total costs and liabilities are not fully quantified at this stage to enable a provision for full winding up costs to be made. However, Northamptonshire PT have included a severance provision for NPT staff affected based on anticipated costs to fall due to the Trust. Northamptonshire PT have received notification of two potential claims, one for which a legal costs provision has been established. The Trust have also been involved in ongoing discussions regarding the second potential case for which further legal costs have been provided for. No further provisions have been made as at the time of the accounts, there is not a reliable estimate for these.</p>	Unquantifiable
<p>Surrey &amp; Sussex - On 31 March 2001 West Sussex Probation Committee (WSPC) amalgamated with the East Sussex Probation Committee (ESPC) to form Sussex Probation Board (SPB). As a result West Sussex Probation Board employees transferred their pension benefits to the East Sussex County Council (ESCC) Pension Scheme with effect from 31 March 2001. Under the Pension Regulations at the time liabilities attributable to active and deferred pensioner members remained with the Old Fund in West Sussex County Council (WSSC). Since 2001 Sussex Probation Board has ceased to contribute to the West Sussex Pension Scheme and during 2005 a bulk transfer of assets was made from the West Sussex Scheme to the East Sussex scheme.</p>	Unquantifiable
<p>In 2009 the Government issued a consultation in respect of draft proposals to amend the Local Government (Benefits, Membership and Contributions) Regulations 2007 and the Local Government Pension Scheme (Administration) Regulations 2008 to comply with the Fair Deal for Staff Pensions for staff transferring from the Learning and Skills Council to Local Education Authorities on 1 April 2010, and to manage the transfer of assets and liabilities in administering authorities affected by the merger of Probation Boards to Probation Trusts.</p>	
<p>As a result of the above it is possible that Sussex Probation Board had an obligation arising from the amalgamation of West Sussex Probation Committee and East Sussex Probation Committee to form Sussex Probation Board in relation to the active and deferred pensioner members that remained with the Fund at West Sussex County Council. For the reason SSPT is disclosing this as a contingent liability.</p>	