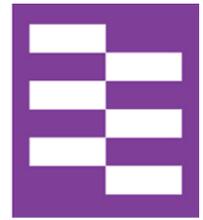


**Hampshire
Probation Trust**

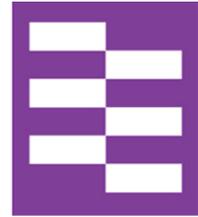


Working together to reduce offending

Hampshire Probation Trust

Annual Report and Accounts 2012–2013

**Hampshire
Probation Trust**



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Hampshire Probation Trust

Annual Report and Accounts

2012–2013

Presented to Parliament pursuant to The Government Resources and Accounts Act 2000 (Audit of Public Bodies) Order 2012 (S.I. 2012, No. 854).

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Any enquiries regarding this publication should be sent to us at
Sharon.Bailey@hampshire.probation.gsi.gov.uk Telephone 0300 047 2000

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Vision, Mission & Values of the Trust

Our vision, mission and values are drawn from Hampshire's Strategic Plan 2009–13.

Our Vision

The **vision** of Hampshire Probation Trust is to be a clear leader in providing probation services, inspiring public confidence in community sentences through the high professional standards of our staff.

We will strive to achieve excellent results and demonstrate quality and innovation in our work with victims, offenders and partner agencies.

Our Mission

Our **mission** is to protect the public, reduce re-offending, rehabilitate offenders and enforce the Orders of the Court.

Our Values

Hampshire Probation Trust holds the following values. These underpin our organisation, our work and our engagement with all our stakeholders.

- **A belief that everyone has the capacity to change**
We believe in everyone's capacity to change and in our ability to assist offenders bring about change.
- **A Culture of Learning and Continuous Improvement**
We base our practice on 'what works' and on learning from others. We are committed to innovation and continuous improvement.
- **Valuing People and their Differences**
Respect and fairness for everyone permeates all our activities. We recognise and value diversity, striving to ensure equity and equality in all our approaches.
- **Delivering Standards and Excellence**
We are accountable for meeting standards and when things go wrong for putting these right. We value the professionalism and integrity of our staff at all times, aiming for excellence in all that we do.
- **Open Communication and Collaboration**
Clear and responsive communication is important to Hampshire Probation Trust as is our commitment to collaboration with our partners and stakeholders to achieve our aims.

A commitment to equality underpins all the work of the Trust. The detail of how this is carried into practice is set out in the Equality Compliance and Objective Planning Scheme 2012–16. The scheme covers our 13 objectives for the period. Performance monitoring provides a review mechanism for this work.

Foreword: Introduction and Review 2012–13

This has been a successful year for Hampshire Probation Trust with a number of key achievements:

Although this has been a year of much uncertainty following publication of the Government's plans to restructure the Probation Service, the Trust can point to a number of achievements in 2012–13.

- Level 3 performance has been maintained within the Probation Trust Rating System (PTRS) with the Public Protection domain now rated level 4.
- Performance against the predicted level of reoffending has improved with the Trust overall reducing reoffending by 1.51% and Southampton Local Delivery Unit achieving the highest level of 6.25%. These figures are not however statistically significant.
- Phase 2 of the estates strategy has been completed involving the closure of Headquarters and relocation to Cromwell House together with the Winchester Offender Management team.
- The Trust has won a contract to provide Payroll services to Avon and Somerset Probation Trust.
- LEAN service reviews have identified potential efficiency savings of £371,000. Implementation of the LEAN reviews will be tracked to measure efficiencies achieved during 2013–14.
- Levels of income exceed those projected by £63,000.
- An improvement project has been completed focusing upon reducing reoffending and a number of the recommendations are built into the Business Plan for 2013–14.
- A development programme for all middle and operations managers has been commissioned and continues into 2013–14.

A detailed account of performance against the strategic and operational objectives set in the last Business Plan can be found in the Operational & Performance Review section of the Annual Report.

1. Operational & Performance Review 2012–13

1.1 Review of Strategic and Operational Objectives 2012–13

Over-arching success measures

Measure	Outcome
Reduce level of re-offending in all four Local Authority Areas	Actual performance against the predicted rate of re-offending has improved from +0.4% to -1.51%. The best Authority was in Southampton where the rate is -6.25%.
Reduce number of SFOs where practice is not assessed as satisfactory.	In 5 out of 9 SFOs there was satisfactory practice in all 3 elements – risk assessment, risk management and offender management.

Aim 1: We will maintain excellent standards in Public Protection and Offender Management to enhance Hampshire's status as a high performing Trust.

Key performance measures

Measure	Outcome
OMI2 Scores	A mini-OMI was completed in February 2012 to assess progress. The action plan was monitored during 2012–13.
<ul style="list-style-type: none"> “Risk of harm to others” from 73% to 76% 	78%
<ul style="list-style-type: none"> Helping offenders to change” from 71% to 75% 	-
<ul style="list-style-type: none"> “Reduce the likelihood of re-offending” from 71% to 75% 	84%
<ul style="list-style-type: none"> “Punishment through compliance” from 77% to 81% 	83%
72% of Community Orders are completed successfully.	76%
Attain at least Level 3 performance in the PTRS with one domain being rated at Level 4.	Level 3 achieved with Public Protection domain Level 4.

Strategic Projects:

Project Title	Commentary
Implement 'Resourcing the Courts' project	Specialist Courts Teams have been established throughout the county. 95% of reports now being completed on the day or within 5 days. Strong satisfaction measures being expressed by sentencers.
Undertake a LEAN service review of breach and enforcement.	Completed. Savings identified and revised process about to be implemented.
Implement Offender Engagement projects, i.e. Skills for Effective Engagement, Development and Supervision (SEEDS), recall.	Part 1 has been successfully implemented across the Trust and monitored by the QIP Board. We also participated in NOMS evaluation of Reflective Supervision.

Project Title	Commentary
Put in place a quality assurance plan in relation to National Standards.	A QA plan covering the whole of Offender Management has been drafted and submitted to NOMS.
Identify 5 key points to improve public protection practice and implement across teams.	A revised Child Safeguarding Policy and Practice document has been approved by the Board and implemented across the Trust.
Prepare to implement the Custody specification.	Analysis of the interim custody specification has been prepared, but the full specification is not yet required to be implemented.

Aim 2: We will play a key role in enabling Community Safety Partnerships to reduce crime and the fear of crime.

Key Performance Measures

Measure	Outcome
Demonstrate reduced reconviction rates among cohorts being contacted by Integrated Offender Management Teams.	Cohorts are tracked on a quarterly basis. Cohorts commencing in 2011–12 show a reduction in known crimes of 65%, 66%, 66% and 37%.
Demonstrate positive outcomes from “pathway” interventions e.g. access to employment, retention of suitable accommodation.	Progress is being made across all pathways, but the most significant outcomes occur in improvements in ETE and substance misuse.

Strategic Projects:

Project Title	Commentary
Jointly with Police and community safety partners develop a medium term plan for IOM	The Trust contributed to a review of IOM by the National Police Improvement Agency. A joint strategic review of the IOM strategy has now been commissioned by the Criminal Justice Board and is being jointly led by Police and Probation.
Contribute to local plans for work with Families with Multiple Deprivation	LDUs are engaged with the “Troubled Families” projects within each Local Authority.
Complete and act on a reducing reoffending DMAIC to improve rates of reoffending across the Trust	This review was completed and presented to the Board in December 2012. An action plan is being taken forward throughout 2013–14.
Plan for the introduction of the Police and Crime Commissioner and agree with him/her the role of the Trust. Bid for any relevant funds held by the PCC.	Briefings were provided for PCC candidates who wished to take them up. A positive working relationship has now been established with Simon Hayes, the PCC. A bid for funding to develop restorative justice was not agreed.
Develop working arrangements with new health providers	This is being taken forward in each LDU, but Trusts are not primary members of the new Health and Wellbeing Boards.
Undertake a development project with the Youth Offending Teams to improve re-offending rates and manage the transition of young offenders subject to supervision.	This is being taken forward as a development project in 2013–14 arising out of the reducing re-offending DMAIC.

Aim 3: We will reduce re-offending by commissioning high quality interventions delivered by our own staff and through our local partners.

Key Performance Measures

Measure	Outcome
Exceed planned completion rates for all community order requirements.	The planned completion rates for all Community Order requirements:
<ul style="list-style-type: none"> Accredited Programmes (OBP 72%, Sex Offenders 90%, Domestic Violence 70%) 	OBP completion rate 72.5%, Sex offending 96%, Domestic violence 74.1%
<ul style="list-style-type: none"> Community Payback 75% 	Community Payback 76%
<ul style="list-style-type: none"> Drug Rehabilitation Requirements 50% 	DRR 53%
<ul style="list-style-type: none"> Alcohol Treatment Requirements 50% 	ATR 56%
At least 47% of offenders to be in employment at termination of their Order or Licence.	54%
75% of offenders to be in settled and suitable accommodation at the end of their Order or Licence.	81%

Strategic Projects:

Project Title	Commentary
Develop an overarching Trust commissioning plan	Plans were completed for the Southampton and Portsmouth/IOW LDUs. It was not possible to complete the Hampshire plan because of the absence of key staff.
Develop a Directory of services available to offender managers	A list of services was available for each of the plans above, but not compiled for the Hampshire LDU.
Achieve the following level of completions of specified activity requirements	
i) women offenders (35)	69
ii) alcohol (105)	116
iii) IDAM (105) (Domestic Violence)	209
iv) Education, Training and Employment (105)	119
v) General Offending Behaviour (60)	47
Trial the General Offending Behaviour 1:1 specified activity being delivered by Offender Services staff	This was undertaken in the north of the county in the Hampshire LDU. A review report has been received by SMT and a scoping study commissioned to determine whether this should now be transferred permanently to Offender Services staff.
Undertake the gap analysis of the Activity specification	Completed.
Extend the innovation project to deliver greater levels of meaning/purposeful activity in Approved Premises	This has been extended for a further 12 months. 3 rd year students at Portsmouth University are involved in training to deliver the move-on programme alongside Approved Premises staff.

Aim 4: We will build confidence in community sentences and the Criminal Justice System.

Key Performance Measures

Measure	Outcome
90% of victims are contacted within 8 weeks of an offender receiving 12 months imprisonment or more for a serious violent or sexual offence.	98%
90% of victims surveyed are satisfied or very satisfied with the service received.	96%
67% of offenders surveyed with an overall positive perception of engagement.	78%
95% of PSRs are completed within the timescale set by the Court.	97%
Improved levels of sentencer satisfaction (measure to be agreed).	No target set.

Strategic Projects

Project Title	Commentary
A feasibility study will be undertaken of different models of delivering restorative justice	SMT and the Board considered different options following a scoping exercise. Discussion required with the courts around implementation in 2013–14.
Undertake a proactive media campaign to build public awareness of the work of the Trust	Particular initiatives have been undertaken in respect of the 40 th anniversary of Community Payback, the veterans scheme and the annual reports of Community Payback and MAPPA.
Extend the number of service user groups and integrate their knowledge and experience into the design and delivery of services	Not taken forward.
Develop a Corporate Social Responsibility policy	Agreed and approved by the Board.
Engage key stakeholders more frequently in the development of Trust strategy and policy	There has been particular communication around the consultation document Transforming Rehabilitation. Face to face briefings were undertaken with MPs and a summary of the Trust's response to the consultation was circulated to all stakeholders.

Aim 5: We will prioritise the professional development of our staff, supporting them with effective management and strong leadership.

Key Performance Measures

Measure	Outcome
Improved measures of 'staff engagement with the aims and vision of the Trust'.	86% of staff agreed or tended to agree that Hampshire Probation Trust is a good place to work.
All relevant staff attend mandatory training events	NDelius training was attended by all but a very small number of staff.
95% of eligible staff have an up-to-date appraisal.	93%
Staff sickness is maintained below 9 days with short term absence 4 days or less.	10.4 days overall. Short term absence increased to 4.5 days.

Strategic Projects

Project Title	Commentary
Develop a consistency of leadership style and culture across the Trust	Initial discussions have begun within SMT but not yet progressed to a full report.
Extend the development programme and succession planning for middle and Operations Managers	Achieved and all Operations and Middle Managers have received a 360 degree leadership style assessment.
Fully implement the improvement plans for completion of staff appraisals	Improvement plans were implemented and this resulted in a significantly higher level of appraisals being completed by the end of July.
Complete roll out of LEAN Information Centres	Now established in all team settings but with variable use.
Host a series of Best Practice development seminars	A series of seminars has not been run, but LDUs have invited key speakers to their staff conferences to present on e.g. offender engagement, mental health.

Aim 6: We will be a Trust which is financially stable and sustainable, seeking realistic efficiencies which can be reinvested in front-line services.

Key Performance Measures

Measure	Outcome
% of budget allocated to staffing commitments to rise as a result of non-staff savings.	Achieved, the % of budget allocated to staff has increased by 3% to 84%
% of staff posts which are front line to be maintained or improved.	The % of staff posts on the front line has remained stable at 88%.
ROI and reduced unit cost arising from Lean project and implementation of SBC (Specification, Benchmarking and Costing).	£371k savings identified so far through LEAN service reviews.
Expenditure is within 0.5% of the budget set.	Achieved. Overspend of approximately 0.1%.
Achievement of demand management targets focusing upon greater use of non-Probation disposals and improving early revocation rates.	There has been a reduction in the Tier 1 caseload of 12.9%. The revocation rate has been between 4% and 6% which is not an improvement, but may be realistic given the reduction in lower risk offenders.

Strategic Projects

Project Title	Commentary
Subject to the proposals from the Probation Review, benchmark support services against those of Trusts with comparable budgets and relevant external organisations or enter into discussions with (an)other Trust(s) re: amalgamation or structured collaboration	This was not taken forward in light of the proposals concerning Transforming Rehabilitation.
Evaluate the effectiveness of projects commissioned using innovation funding in 2011–12.	Projects were reviewed by SMT.
Complete Phase 2 of Estates strategy focusing upon consolidation of property in Winchester and closure of Friary House.	Successfully completed and new floor within Cromwell House opened in June 2012.
Develop Phase 3 of property strategy	A new property strategy has been approved by the Board in light of the proposals for restructuring the Trust.
Continue programme of LEAN service reviews and begin to evaluate the impact of the programme using financial and non-financial measures.	£371k worth of savings have been identified through LEAN reviews. Follow up evaluations of each review will calculate how much of these savings are being realised.
Improve levels of attendance in Community Payback groups.	Attendance has risen from 69% to 74%.

Aim 7: We will implement a strategy for growth to develop the Trust as a business.**Key Performance Measures**

Measure	Outcome
Increase level of income generated from customers other than the Ministry of Justice to £497,000 per annum.	Actual income achieved at 31 st March 2013 was £560,000 an increase of £63,000.
Achieve 50% of bids for external funding	One bid successful (Avon & Somerset payroll). One bid unsuccessful (Mutual funding). The CAF/CASS contract was renewed and the CMRS contract extended.

Strategic Projects

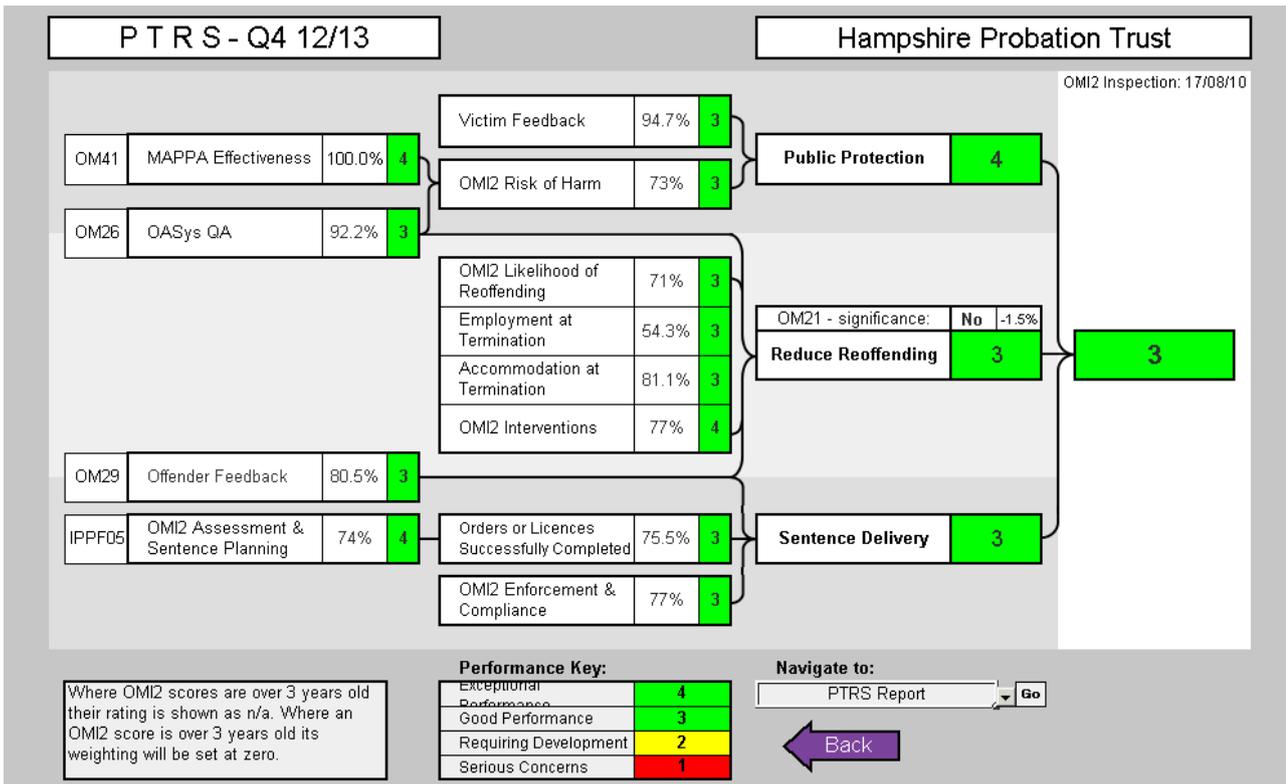
Project Title	Commentary
Build a revised commercial strategy following a market analysis of potential opportunities and new customers for the Trust's services	Not taken forward because of Transforming Rehabilitation proposals.
Find a business partner(s) in the private or 3 rd sector to enhance the Trust's ability to bid as a Prime provider for key offender-focussed contracts	Not taken forward because of Transforming Rehabilitation proposals.
Increase business skills and experience within SMT and at Board level	One new co-opted member with business experience has joined the Board. An SMT member has attended a strategic leadership development programme with significant input from the private sector.
Subject to the NOMS schedule continue the preparation for Lot 5 CP competition up to dialogue and Best And Final Offer stage	Lot 5 CP competition has not been taken forward by NOMS.
Determine with other Trust partners whether to bid again for the CMRS contract	The contract was renewed for a further year at a reduced price given the reduction in demand for reports.

1.2 Probation Trust Rating Scheme (PTRS)

Achievements by Trust in 2012–13

During 2012/13 the Trust was measured by the Probation Trust Rating Scheme (PTRS). The overall performance rating for 2012/13 was level 3 with a level 4 rating in Public Protection and 3 for the other domains.

Below is Hampshire's Provisional Q4 PTRS:



1.3 Workload and Activity Statistics

Workload and activity figures have been taken from the former case management system and reflect 2012/13 period up to 08/03/2013; the date on which HPT migrated case data to NDelius. The implication of reporting caseload data at 8th March 2013 rather than the 31st March 2013 is minimal.

Caseload of Sentences

Order/Licence	Mar-09	Mar-10	Mar-11	Mar-12	Mar-13
Add Hours – Breach of CP or Alt Centre	24	10	3	0	0
Automatic Conditional Release	280	209	154	119	105
C & YP Act 1969 Supervision Order	13	10	10	8	0
CJA Adult Custody	1171	1402	1501	1505	1581
CJA Community Order	3359	3085	2953	2470	2185
CJA Deferred Sentence			3	0	0
CJA Extended Sentence	131	117	99	80	83
CJA Indeterminate Public Protection	143	174	190	193	202
CJA Suspended Sentence	1140	1036	1094	1030	978
Comm Pun/Rehab Order – Punish	30	20	9	4	0
Comm Pun/Rehab Order – Rehab	0	21	6	3	3
Community Punishment Order	89	47	15	6	8
Community Rehabilitation Order	39	32	11	9	2
Custody Extended Supn Sex	50	36	29	20	18
Custody Extended Supn Violence	6	9	6	3	3
Custody Plus	6	5	3	4	4
Detained S53(2)	9	7	7	7	6
Detention and Training Order	1	4	5	2	2
Detention Centre	163	51	21	7	4
Discretionary Conditional Release	25	13	9	4	4
Drug Treatment and Testing Order	1			0	1
DTTO – Lite				0	0
Extended Supervision (Sex Offenders)	9	7	6	4	2
Imprisonment – no contact	3	1	3	1	2
Life Imprisonment/detention S53(1)	221	224	231	226	235
Money Payment Supervision Order				0	0
Parole	1	1	1	1	1
Psychiatric Hospital	5	4	4	4	4
Section 40 Licence				0	0
Suspended Sentence Supervision Order	4	3	1	1	0
Unconditional Automatic Release	1	1	1	27	57
Youth Custody <= 12 months	166	141	147	111	102
Youth Custody; 12 months +	119	218	251	223	205
Youth Rehabilitation Order		6	55	74	0
Total Caseload	7209	6894	6828	6146	5797

Community Orders Commencements

	CJA Community Order	CJA Suspended Sentence	CPRO	CPO	CRO	DTTOs	Other	Total Orders
2007/08	4568	1455	63	159	41	2	13	6301
2008/09	4810	1413	71	157	21	0	8	6480
2009/10	4711	1308	50	113	30	0	1	6213
2010/11	4942	1478	7	29	2	0	112	6570
2011/12	3903	1360	1	3	2	0	135	5404
2012/13	3486	1316	0	2	0	1	128	4933

Licence Releases

	ACR	CJA Adult Custody	Extended Supervision	UAR	YOI	Other	Total Licences
2007/08	144	390	38	4	434	85	1095
2008/09	114	516	44	3	473	20	1170
2009/10	55	595	7	3	351	4	1015
2010/11	49	630	4	6	349	44	1082
2011/12	38	626	7	35	301	39	1046
2012/13	30	624	2	168	248	43	1115

Total Orders and Licences

	Total Orders & Licences	Date	Total Caseload
2007/08	7396	31/03/2008	7188
2008/09	7650	31/03/2009	7209
2009/10	7228	31/03/2010	6894
2010/11	7652	31/03/2011	6828
2011/12	6450	31/03/2012	6146
2012/13	6048	08/03/2013	5797

Pre-Sentence Reports Completed for Magistrates' Courts

	PSR: Fast Delivery	PSR: Oral	PSR: Standard	SSR	Grand Total
2007/08	1332	1050	2577	4	4963
2008/09	1384	1047	2562	0	4993
2009/10	2003	1315	1582	0	4900
2010/11	2139	1802	1392	0	5333
2011/12	2339	2115	644	0	5098
2012/13	1903	1703	60	0	3666

Pre-Sentence Reports Completed for Crown Courts

	PSR: Fast Delivery	PSR: Oral	PSR: Standard	SSR	Grand Total
2007/08	131	18	1539	0	1688
2008/09	169	19	1773	0	1961
2009/10	676	41	1301	0	2018
2010/11	1019	114	964	0	2097
2011/12	1241	191	463	0	1895
2012/13	1312	120	228	0	1660

Unpaid Work Hours Ordered & Worked (Unpaid Work & Community Punishment Orders)

	Hours ordered	Hours worked
2007/08	388,656	276,502
2008/09	393,246	279,350
2009/10	348,940	268,834
2010/11	349,858	255,163
2011/12	328,587	235,235
2012/13	240,723	188,274

Performance

Performance data is for 10 month period from Apr 12 to Jan 13 as regular performance analysis temporarily discontinued until Jun 13 for development of reporting from new Case Management System.

Key

Improving performance
Declining performance
Above target



Public Protection

Description of Indicator and Target

NS Public Protection (Achievement of Public Protection National Standards) 90%

Parole Assessment Report Timeliness (The percentage of Parole eligible cases in which the Parole Assessment Report was provided within the required timescale) 90%

Generic Parole Process (The percentage of Indeterminate Sentence prisoners (IPP & Lifers) parole assessment reports (PAROM1) completed and returned to prison within 8 weeks of Parole Review Process Commencement date) 80%

Approved Premises Audit (Average audit score for all Approved Premises within area)

Licence Recall Requests (The percentage of licence recall requests to reach NOMS Post Release Section within 24 hours of the decision by the Offender Manager) 90%

OMI Risk of Harm – Assessment of quality of start to end offender management against HMIP published criteria 66%

Tier 2 & 3 OASys Final Reviews (The percentage of OASys final reviews (terminations) to be completed within the appropriate timescales for all Tier 2 and Tier 3 offenders) 90%

Tier 4 OASys Final Reviews (The percentage of OASys final reviews (terminations) to be completed within the appropriate timescales for all Tier 4 offenders) 95%

PPO OASys Final Reviews (The percentage of OASys final reviews (terminations) to be completed within the appropriate timescales for all PPO offenders) 95%

90% of risk assessments, risk management plans and OASys sentence plans are completed Tier 4 offenders completed within 5 working days of the commencement of the order or release into the community

90% of risk assessments and OASys sentence plans are completed on Prolific and Other Priority Offenders (PPOs) completed within 5 working days of the commencement of the order or release into the community

At least 90% of OASys assessments must be completed or updated within the appropriate timescale for all Tier 1, Tier 2 and Tier 3 cases

	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
NS Public Protection (Achievement of Public Protection National Standards) 90%	84%	96%	98%	96%		
Parole Assessment Report Timeliness (The percentage of Parole eligible cases in which the Parole Assessment Report was provided within the required timescale) 90%		91%	100%	93%		
Generic Parole Process (The percentage of Indeterminate Sentence prisoners (IPP & Lifers) parole assessment reports (PAROM1) completed and returned to prison within 8 weeks of Parole Review Process Commencement date) 80%				86%	92%	98%
Approved Premises Audit (Average audit score for all Approved Premises within area)			30	30	30	30
Licence Recall Requests (The percentage of licence recall requests to reach NOMS Post Release Section within 24 hours of the decision by the Offender Manager) 90%		93%	99%	99%	98%	95%
OMI Risk of Harm – Assessment of quality of start to end offender management against HMIP published criteria 66%			69%	73%	73%	73%
Tier 2 & 3 OASys Final Reviews (The percentage of OASys final reviews (terminations) to be completed within the appropriate timescales for all Tier 2 and Tier 3 offenders) 90%		89%	95%	95%		
Tier 4 OASys Final Reviews (The percentage of OASys final reviews (terminations) to be completed within the appropriate timescales for all Tier 4 offenders) 95%		81%	96%	96%		
PPO OASys Final Reviews (The percentage of OASys final reviews (terminations) to be completed within the appropriate timescales for all PPO offenders) 95%		82%	96%	96%		
90% of risk assessments, risk management plans and OASys sentence plans are completed Tier 4 offenders completed within 5 working days of the commencement of the order or release into the community	95%					
90% of risk assessments and OASys sentence plans are completed on Prolific and Other Priority Offenders (PPOs) completed within 5 working days of the commencement of the order or release into the community	96%					
At least 90% of OASys assessments must be completed or updated within the appropriate timescale for all Tier 1, Tier 2 and Tier 3 cases	78%					

Offender Management

Description of Indicator and Target	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
NS Offender Management (Achievement of Offender Management National Standards) 90%	74%	86%	95%	94%		
Orders or Licences Successfully Completed (The proportion of Orders and Licences successfully completed) 72%	67%	73%	76%	73%	77%	76%
OASys Tier 2, 3, 4 & PPO Final Reviews (The percentage of OASys final reviews/terminations to be completed within appropriate timescales) 90%			94%	93%	93%	89%
Accommodation at Termination (The percentage of offenders in settled and suitable accommodation at the end of their Order or Licence) 70%	73%	76%	81%	83%	83%	81%
Appointments Attended (The percentage of arranged appointments which the offender attends in the first 6 weeks of the order or licence to be no fewer than 85%)	83%		94%			
End to End Enforcement (The percentage of breaches of Community Orders resolved within 25 working days of the relevant failure to comply) 60%	47%	63%	67%	73%	73%	70%
Influencing Demand						
Delivery against local action plans for increasing confidence and reducing prison population			n/a	n/a	n/a	n/a
Court Report Timeliness (excl. RIC) (The percentage of Pre-Sentence Reports (excluding RICs for the Magistrates Courts) completed within the timescales set by the Court) 90%	99%	99%	99%	98%	98%	98%
RIC PSRs for Magistrates Courts (The percentage of RICs PSRs for Magistrates Courts completed within 10 working days) 90%		66%	93%			
Enforcement (The percentage of cases in which initiation of breach proceedings took place within 10 working days of the relevant unacceptable failure to comply) 90%	93%	94%	94%	98%	98%	95%
Cases Reaching 6m Without Requiring Breach Action (The percentage of cases that reach the 6 months stage without requiring breach action) 70%	69%	76%				
Victim Contact (*Data at end of Q3) (The percentage of victims who are contacted within 8 weeks of an offender receiving 12 months imprisonment or more for a serious sexual or violent offence) 90%	94%*	99%*	100%	100%	98%	98%
OMI Assessment and Sentence Planning 66%			68%	74%	74%	74%
OMI Enforcement and Compliance 66%				77%	77%	77%

Interventions

Description of Indicator and Target	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
NS Interventions (Achievement of Interventions National Standards) 90%	59%	69%	84%	87%		
Sex Offender Programme Completions (The number of accredited sex offender programme completions) 80%		98%	100%	96%	111%	117%
Domestic Violence Programme Completions (The number of accredited domestic violence programme completions) 67%		101%	105%	75%	100%	85%
Accredited OBP Programme Completions (excl. SOTP & DV) (The number of accredited offending behaviour programme completions) 67%		100%	78%	73%	69%	112%
Accredited OBP Starts (Relevant Criteria) (The proportion of accredited programme starts that meet the OGRs eligibility criteria) 85%		95%	93%	98%	100%	
ATR Completions (The number of ATR completions) 40		384%	166%	231%	148%	213%

Description of Indicator and Target	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
DRR Completions (The number of DTTO/DRR completions) 175		242%	182%	147%	118%	99%
DRR Starts (Number of offenders that start a Drug Rehabilitation Requirement) 489	105%	104%	95%			
Unpaid Work Completions (The number of Unpaid Work completions) 1700	127%	138%	127%	166%	106%	89%
UPW Stand-downs (The proportion of Unpaid Work offender days which are lost because of stand-downs on the day or notified in advance) 4%	3.66%	3.10%	2.53%	1.60%	0.70%	5.00%
Sustained Employment (The number of offenders under supervision who find and sustain employment) 475	174%	130%	143%	127%	117%	117%
Employment at Termination (The percentage of offenders in employment at termination of their Order or Licence) 47%		49%	46%	51%	55%	54%
OMI Interventions (Assessment of quality of start to end offender management against OMI criteria) 66%		49%	68%	77%	77%	77%
Educational Referrals (The number of referrals to LSC (in the community) 1375	128%	154%	126%	126%		
PPO Drug Testing Condition (The percentage of PPOs on licence for a trigger offence that have a drug testing condition inserted in their licence) 90%		91%	100%	100%		
Sex Offender Programme Starts	100%					
Domestic Violence Programme Starts	100%					
Accredited OBP Programme Starts (excl. SOTP & DV)	100%					
DRR/DTTO Retained for 12 weeks	82%					
OMI 2 Likelihood of Reoffending		49%	68%	77%	77%	77%

Operational capability, resource use and strategy

Description of Indicator and Target	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13
Sickness Absence (Average days lost due to sickness per employee per annum) 9 days	10.7 days	10.1 days	8.7 days	9.1 days	8.7 days	10.6 days
Staff Diversity 8.3%			3.80%	4.30%		
Ethnic Monitoring (% of race and ethnic monitoring data on offenders returned on time using correct classification)	98%	97%				

Note: Targets are only shown in years where specific NOMS targets have been set.

2. Accounts

Management Commentary

Statutory background

The Probation Trusts were established under the Offender Management Act 2007 (OM Act). Each Trust is a corporate body under the OM Act and a Non-Departmental Public Body (NDPB) which reports to the National Offender Management Service (NOMS). This Trust came into existence on 1 April 2010 (following transition from Hampshire Probation Board which was established in 2001).

These accounts have been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury (HMT) and in accordance with the accounts direction issued, on page 67, by the Secretary of State under the OM Act.

Principal activities

As per the Trust's arrangements/activities. This may include reference to the following (only where these are not intended to be covered elsewhere within the annual report):

- the inclusion of the Trust's objectives and strategies together with how they intend to achieve these;
- the risks and uncertainties associated with the business and its achievement of the objectives; and
- the Trust's KPIs and its performance against these.

Going Concern

In March 2012 the Secretary of State announced the start of consultation exercises on the future of probation services in England and Wales and on planned reforms to community sentences. This consultation ended at the end of June 2012. A further consultation commenced in January 2013 building on the previous consultation last year which set out plans to contract out probation services more widely and increase the use of Payment by Results. The consultation period ended on 22 February 2013 and the results of these consultations were published in "Transforming Rehabilitation: A strategy for Reform", on 9 May 2013 by the Secretary of State for Justice.

The recommendations of the report will change the way in which probation services are commissioned and delivered. A new National Probation Service will be created to protect the public from the most dangerous offenders and manage the provision of probation services. England and Wales will be divided into 21 contract areas which align closely with local authorities and Police and Crime Commissioner areas. MoJ/NOMS will be responsible for commissioning rehabilitation services. Probation service local delivery units will support the gathering of intelligence on needs and priorities at a local level, including from key partners (e.g. local authority needs assessments) to feed into the MoJ/NOMS commissioning process. The implications of the new arrangements for individual Trusts are not provided in the consultation announcement at this stage. Specifically, the announcement does not provide sufficient detail to form a judgement on whether the material functions, assets and liabilities will be transferred for continuing use in the public sector in the context of the FReM paragraph 2.2.15. This is likely to become clearer during 2013–14 as the proposals are further developed and implemented.

Implementation of the new arrangements will require a Statutory Instrument to be issued by the Secretary of State under the Offender Management Act 2007, subject to negative affirmation. This had not been drafted at the date the Annual Report and Accounts were approved. Senior management has concluded therefore that, having reviewed the results of the consultation within the context of the Financial Reporting Manual (FReM), it is appropriate for the Trust to prepare the 2012–13 Annual Report and Accounts on a going concern basis, with disclosure of a 'material uncertainty' around going concern, arising from the recommendations of the report, Transforming Rehabilitation: A strategy for Reform.

Operational Performance during 2012–13

An analysis of performance outcomes is summarised in the Annual Report on pages 4 to 16.

Results for the year

The Statement of Comprehensive Net Expenditure (SoCNE) for the year is shown on page 34. The Statement of Changes in Taxpayers' Equity is shown on page 37.

Operating costs

The net operating cost after tax for 2012–13 stands at £998,000 compared to £659,000 for 2011–12. The reason for the increase is due to reduced NOMS contract and increased administration costs.

Statement of Financial Position and Statement of Cash Flows

The Statement of Financial Position and Statement of Cash Flows are on pages 35 and 36.

The net asset position has increased from (£40,444,000) at March 2012 to (£45,415,000) at March 2013. The largest single movement in net assets is (£4,920,000) due to the pension liability.

Payment of creditors

In the year to 31 March 2013, the Trust paid 4266 trade invoices with a value of £6,836,150. The percentage of undisputed invoices paid within 30 days by the Trust was 95.56% compared to 91.56% in 2011–12.

Treatment of Pension Liabilities

Past and present employees of the Probation Trusts are covered by the provisions of the Local Government Pension Scheme (LGPS). This is a funded defined benefit scheme meaning that retirement benefits are determined independently of the investments of the scheme, and employers are obliged to make additional contributions where assets are insufficient to meet retirement benefits. Further information can be found in **Note 4** to the Accounts.

Sickness absence data

The average levels of absence due to staff sickness were 10.4 days across the Trust (2011–12 8.7 days).

Personal data related incidents

In 2012–13 there were no instances of a significant personal data related incident which required reporting to the Information Commissioner's Office (ICO).

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 Audit Certificate of the Comptroller and Auditor General.

As at the date of the Audit Certificate, the following reportable events had occurred.

The results of the "Transforming Rehabilitation" consultation paper were published on 9 May 2013, by the Secretary of State for Justice, which announced the future requirements for the provision of probation services. The recommendations will change the way in which probation services are commissioned and delivered. A new National Probation Service will be created to protect the public from the most dangerous offenders and manage the provision of probation services. England and Wales will be divided into 21 contract areas which align closely with local authorities and Police and Crime Commissioner areas. MoJ/NOMS will be responsible for commissioning rehabilitation services. Probation service local delivery units will support the gathering of intelligence on needs and priorities at a local level, including from key partners (e.g. local authority needs assessments) to feed into the MoJ/NOMS commissioning process. It is expected that the detail will be finalised over the coming

months. None of the Trust's assets, liabilities or functions had been transferred at the date the accounts were authorised for issue.

Sustainable development

The Trust falls within the scope of reporting under the Greening Government commitment. As such we have produced a separate Sustainability Report showing performance against sustainability targets for greenhouse gas emissions, waste minimisation and management and the use of finite resources and their related expenditure. The Sustainability Report is shown on pages 69 to 74.

Future developments

The 2013–14 year is likely to be dominated by the Government's plans for Transforming Rehabilitation. Although the final response following the consultation is still awaited, it appears likely that Ministers will wish to proceed with separating the work of Probation Trusts into that which will be retained within the public sector and the larger part which will become subject to competition. The intention is that the new arrangements should be in place by 2015.

The new business year will therefore involve a significant programme of change and re-structuring for which the Trust must prepare. A small transition team has already been identified. The change programme will have 2 strands:

- Identification of the work and staff that will transfer into a new public sector body.
- Creation of a new organisation which can seek investment and partners to make a realistic bid for competed work.

The shape and form of the entities is yet to be determined but it is hoped that the Trust can develop a mutual organisation which will retain its values and engage its staff. Regular and open communication with staff and Trade Unions will be a priority as these projects unfold during the year.

The Trust's contract with NOMS will be extended for 2013–14 and until such time as the new competitive arrangements are put in place.

Recognising the unusual pressures that will be faced this year, it was felt unwise to commit the Trust to an over-ambitious contact target offer to NOMS. In addition Hampshire has just migrated to NDelius the new case management system and will participate in the national roll-out of OASys-R in April. We can reasonably expect a number of teething problems to be encountered during the first quarter 2013–14.

There are nonetheless a number of service developments planned. These are set out in the body of the plan under each strategic aim, but include:

- The introduction of restorative justice as a specified activity in a community order.
- A plan to work more closely with Youth Offending Teams to manage the transition from youth to adult criminal justice and focus upon reducing reoffending among the 18–25 year old group.
- The development of services related to personality disorder in the 3 Approved Premises.
- Innovations such as the mentoring service to veterans caught up in the criminal justice system.

Communications and employee involvement

There have been regular meetings and briefings for staff throughout the year. Staff briefings have been arranged across the county to explain to staff the content of the two government consultation documents concerning the reform of probation services. Local Delivery Units (LDU) have held conferences with speakers of interest on issues such as desistance and mental health. A staff awards event was held to recognise performance, innovation and those staff who had gained qualifications and a range of written information is communicated through the Chief Executive Bulletin, Team Brief and notices for team Information Centres

In the staff survey 86% of staff agreed, or tended to agree, that Hampshire Probation Trust is a good place to work.

Communication will be a specific workstream in the Trust's transition plan, recognising the importance of responding to staff need for information and reassurance during the major changes that are planned.

Staff diversity

Hampshire Probation Trust has a strong commitment to ensuring equality of opportunity for all of its staff through its policies and procedures.

The Trust publishes its defined objectives and planned action around meeting the Public Sector Equality Duties, both in service delivery and in employment practice. The Trust publishes the following reports 'Equality Compliance and Objective Planning Scheme 2012–2016', 'The Diversity Results Report 2012' and the "Equality Report – Compliance with the General and Specific Duties 2012". These reports are available in full on HPT's website: www.hampshire-probation.gov.uk

All equality work, achievement against objectives and performance results are scrutinised by the Board's HR sub-group on a quarterly basis and the Senior Management Team (SMT) on a bi-annual basis.

Detailed below are some of the key measures, as per the 'The Diversity Results Report 2012'.

Overall staff profile based on 641 employees, including sessional staff.

BME staff	Female staff	Male staff	Disabled staff	Age profile	
4%	74%	26%	15%	< 25	4%
(local population between 4.35% & 11.36%)			(working age population 20%)	26 – 35	24%
				36 – 45	29%
				46 – 55	26%
				56 – 65	15%
				66+	1%

Staff profile by grade based on 595 employees, excluding sessional staff.

	Female	Male	BME	Disclosed a Disability
Senior Staff (n = 78)	60%	40%	6.4%	14%
Other Staff (n = 517)	79%	21%	3.5%	16%

Audit

In accordance with the direction given by the Secretary of State, these accounts have been prepared in accordance with the FReM. With effect from 1 April 2012, the External Auditor changed from the Audit Commission to the National Audit Office. This change of External Auditors was driven by a DCLG decision to disband the Audit Commission and was made by HMT via a 2012 order to the Government Resource Accounts Act 2000. The Comptroller and Auditor General is appointed by statute to audit the Trust and reports on the truth and fairness of the Annual Financial Statements and the regularity of income and expenditure. The Audit Certificate of the Comptroller and Auditor General is attached to the Accounts on pages 32 to 33.

Total audit fees reported in the Accounts are £56k. The audit fees for 2011–12 relate to the previous External Auditor.

The audit fees for 2012–13 are made up of:

- External Audit NAO £29k
- Internal Audit NOMS £27k

As Accountable Officer, I have taken all steps to ensure that:

- I am aware of any relevant audit information.
- The Auditor is aware of that information.
- There is no relevant audit information of which the Auditor is unaware.

The Hampshire Probation Trust Management Board

The governance arrangements within the Trust for the period April 2012 to March 2013, included the following:

- The Trust operated in compliance with the MOJ Governance Handbook Version 3 and the July 2012 updated version.
- The Trust operated in compliance with the MOJ Finance Manual.
- A formal Board meeting structure.
- A formal Audit Committee programme.

Details of the full Governance Framework can be found in the Governance Statement on pages 26 to 31.

The Chair and other members of the Board were all appointed by the Secretary of State in line with the Commissioner for Public Appointments “Guidance on Appointments to Public Bodies”. The emoluments of these persons are paid for through Ministry of Justice funds through the Trust.

Details of the remuneration of the Management Board are set out in the Remuneration Report on pages 22 to 24.

Membership of the Board is set out in the table below:

Position	Name	Date appointment commenced / ended (during 2012–13) where appropriate
Chief Executive	Barrie Crook	
Chair	Mike Fisher	
Board Members	Lucy Docherty	
	Christina Harris	
	Liz Try	
	Alan Wainwright	
	Noel Cato	

My thanks and appreciation is extended to all past and present members of the Board for their hard work and effort during this reporting year.



Barrie Crook
Accountable Officer
Date 17 June 2013

Remuneration Report

Appointments

The Chair, the Chief Executive, and other members of the Trust Board are all appointed by the Secretary of State in line with the Commissioner for Public Appointments “Guidance on Appointments to Public Bodies”.

The salary and pension entitlements of the senior managers and non-executive directors of the Hampshire Probation Trust were as follows:

A) REMUNERATION – AUDITED

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

	2012/13			2011/12		
	Salary (as defined below) £000s	Bonus £000s	Benefits in kind (rounded to the nearest £100) £	Salary (as defined below) £000s	Bonus £000s	Benefits in kind (rounded to the nearest £100) £
Board Members & Chair						
Mike Fisher – Chair	15–20	0	0	20–25	0	0
Lucy Docherty	5–10	0	0	0–5	0	0
Alan Wainwright	5–10	0	0	5–10	0	0
Christina Harris	0–5	0	0	0–5	0	0
Liz Try	0–5	0	0	0–5	0	0
Noel Cato	0–5	0	0	0–5	0	0
Paul Woodman	-	-	-	0–5	0	0
HH Judge Andrew Barnett	-	-	-	0–5	0	0
CEO & Directors						
Barrie Crook – CEO	95–100	0–5	100	95–100	0–5	0
Christine Straw	60–65	0	400	60–65	0	200
Barbara Swyer	60–65	0	0	60–65	0	0
Chris Mitchell	60–65	0	0	60–65	0	200
Sarah Beattie	55–60	0	500	55–60	0	500
Maria Galovics	55–60	0	1300	55–60	0	100
Sharon Bailey	35–40	0	0	35–40	0	100
David Renouf	-	-	-	50–55	0	400

All MoJ appointed Trust Board members receive non-pensionable remuneration of £15.94 per hour from 1 April 2012, with the exception of the Chief Executive and the Chair. Trusts at their discretion may pay a travelling allowance and any other relevant expenses incurred.

The total remuneration of the highest paid Director and the median total remuneration for other staff are shown in the table below.

	Total Full-time Equivalent Remuneration	
	2012–13	2011–12
Highest paid Director (pay band)	£95,000–£100,000	£95,000–£100,000
Median for other staff	£32,617	£27,287
Pay multiple ratio	3.5:1	3.6:1

The median remuneration is the total remuneration of the staff member(s) lying in the middle of the linear distribution of the total staff, excluding the highest paid Director. The pay multiple ratio is ratio between the total remuneration of the highest paid Director and the median for other staff.

Salary

'Salary' includes the gross salary, overtime and allowances.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. The benefits received are in respect of costs for accommodation, travel and the pecuniary liability in respect of tax paid under the employer PAYE settlement agreement with HM Revenue and Customs.

B) PENSION BENEFITS – AUDITED

	Total accrued pension at pension age as at 31 March 2013 & related lump sum £000s	Real increase/ (decrease) in pension and related lump sum at pension age £000s	CETV at 31 March 2013 £000s	CETV at 31 March 2012 £000s	Real increase/ (decrease) in CETV after adjustment for inflation and changes in market investment factors £000s
Barrie Crook	45–50 plus lump sum of 115–120	1–2 plus lump sum of 0–1	1,015	998	18

This scheme provides benefits on a 'final salary' basis at a normal retirement age of 65. Benefits accrue at the rate of 1/60th of pensionable salary for service from 1 April 2008 with no automatic lump sum. For pensionable service up to 31 March 2008, benefits accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to 3/80ths of final pay of every year of total membership is payable on retirement. The scheme permits employees to take an increase in their lump sum payment on retirement in exchange for a reduction in their future annual pension. Members pay contributions of between 5.5% and 7.5% of pensionable earnings. Employers pay the balance of the cost of providing benefits, after taking into account investment returns.

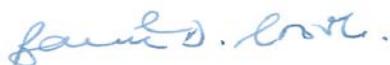
Cash Equivalent Transfer Value (CETV)

This is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service Pension arrangements and for which the Civil Service Vote has received a transfer payment commensurate to the additional pension liabilities being

assumed. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries, 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 drawn.

Real increase in CETV

This reflects the increase in CETV effectively funded by the employer. It takes account of 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 current market valuation factors for the start and end of the period.



Barrie Crook
Accountable Officer

Date 17 June 2013

Statement of Accountable Officer's Responsibilities

Under the Schedule 1, paragraph 13(1)(b) of the Offender Management Act 2007, the Secretary of State has directed the Hampshire Probation Trust to prepare for each financial year, a statement of accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the Trust during the year. The accounts are prepared on an accrual basis and must give a true and fair view of the state of affairs of the Trust and of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

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

- Observe the Accounts Direction issued by the Secretary of State, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgments 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 material departures in the financial statements; and
- Prepare the financial statements on a going concern basis.

The Secretary of State has appointed the Chief Executive as the Accountable Officer of the Trust. The responsibilities of the Accountable Officer, including responsibility for the propriety and regularity of the public finances for which the Accountable Officer is answerable, for keeping proper records and for safeguarding the Trust's assets, are set out in *Managing Public Money* published by HM Treasury.

Governance Statement 2012/13

Scope and Responsibility

As Accountable Officer, I have responsibility for maintaining sound Governance that supports the achievement of Hampshire Probation Trust's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Government Accounting.

The Purpose of the Governance Statement

The Accountable Officer is personally responsible for the Governance Statement, which outlines how he or she has discharged his or her responsibility to manage and control the organisation's resources during the course of the year. As set out in *Managing Public Money*, the Governance Statement should give the reader a clear understanding of the dynamics of the organisation and its control structure, recording the stewardship of the organisation, providing a sense of how vulnerable the organisation's performance is or might be; and of how successfully the organisation has coped with the challenges it faces.

An Account of Corporate Governance

The Trust's Corporate Governance arrangements have been reviewed against The UK Corporate Governance Code issued by the Financial Reporting Council. The Trust complies with the principles of the code in respect of leadership, effectiveness, accountability and remuneration. The Trust does not have shareholders so this part of the code is not relevant.

The Governance Framework

In 2012/13 the Trust operated in compliance with the Ministry of Justice Governance Handbook Version 3 and Version July 2012 along with the Ministry of Justice Finance Manual. This document sets out the roles, responsibilities and delegations of the Board, Board Chair and Chief Executive. The Trust has the following formal Board meeting and Committee structure:

- Board Meetings – held bi-monthly
- Audit Committee – held at least four times a year
- Case Review Committee – held at least four times a year
- Joint Negotiation and Consultative Committee – held at least four times a year
- Remuneration Committee – held annually.

The formal committees are supported by informal working groups in relation to Human Resources, Performance and Strategic Business Development.

The following table sets out attendance by Board members for 2012/13:

Board members by responsibility	Board Meetings (7)		Audit Committee (5)		Case Review Committee (4)		Joint Negotiation & Consultative Committee (6)		Remuneration Committee (1)	
	Attended	Apologies	Attended	Apologies	Attended	Apologies	Attended	Apologies	Attended	Apologies
Mike Fisher	7	0	0	5	3	1	6	0	1	0
Noel Cato	7	0	5	0	4	0	-	-	-	-
Lucy Docherty	4	3	4	1	-	-	-	-	1	0
Christina Harris	6	1	-	-	-	-	6	0	1	0
Liz Try	7	0	-	-	4	0	-	-	-	-
Alan Wainwright	6	1	4	1	3	1	-	-	-	-
Paul Woodman (co-opted member to 31.1.13)	-	-	4	0	-	-	1	0	-	-
Bryan Nanson (co-opted member)	-	-	5	0	-	-	-	-	-	-
Mark McJennett (co-opted member)	6	1	-	-	-	-	-	-	-	-
Richard Castell (co-opted member to 15.3.13)	4	1	-	-	-	-	-	-	-	-

The Board's Performance

During the year the Board has undertaken a number of different approaches to assess its own effectiveness:

- The Board Chair undertakes performance reviews for individual Board members through supervision and appraisal.
- The Audit Committee undertakes an annual self assessment questionnaire and formally reviews results. In its report to the Board the Audit Committee's opinion of its performance was that it has exercised its responsibilities effectively during 2012/13.

Highlights of Board Committee Reports

The Board and Audit Committee operate with a planned agenda cycle which includes a number of standing items and items with planned review dates as well as capacity to review reports as and when required. The key Governance items covered in 2012/13 included:

- Strategic Planning, Business Planning and Budget setting.
- Review of detailed Business plans for Local Delivery Units and Offender Services
- Financial Performance against Budget.
- Year End Annual and Financial Reports including Internal and External Audit feedback.
- Review of Performance.
- Review of Risk Management Strategy and Risk Register.
- Quarterly progress report for Integrated Offender Management.
- Review of Revised National Standards.
- Review and update of the Trust's Governance Handbook following MOJ revised version dated July 2012.

- Review and update of the Trust's Finance Manual following NOMS revised version dated August 2012.
- Review of all Internal and External Audit Plans, Reports and progress against plans.
- Review of all Financial policies and procedures including reports of any fraud or financial irregularity.
- Review of results following participation in the National Fraud Initiative 2012/13
- The Serious Further Offence (SFO) Annual Review.

Capacity to Handle Risk

I attend the Audit Committee and provide leadership to the risk management process through discussion of key risks at the Strategic Management Team meetings, Hampshire Managers meetings and at the Chief Executive – staff face to face briefings, as well as through participation in regional and national meetings and conferences. Local managers additionally have opportunities to raise risks through their Director at quarterly performance review meetings. The Trust has risk management processes in place and operates a “formal approach” to managing risk which is widely implemented. Audit Committee review the key risks on a quarterly basis and consider whether any new risks are emerging. The review involves an assessment of the effectiveness with which the systems in place to manage risk are operating. The Board also assess the effectiveness of the risk management process, including setting out the Trust's appetite to risk.

The Risk and Control Framework

Hampshire Probation Trust's Risk Management Strategy and Policy was revised and approved by the Board in December 2012 following consideration of the appropriateness of the risks and the Board's appetite for risk. It has been developed in conjunction with the following; NOMS Risk Management Standards PC02/2007, The Orange Book HM Treasury Guidelines and the MOJ Risk Management Handbook.

The strategic planning process has been continuously improved and involves the identification of risks to performance, staff and reputation. Risks are identified, owned and managed by Directors, drawing on operational, financial and other data, during the development of the Trust Business Plan and regularly throughout the year. The overall process of risk management is co-ordinated by means of an Organisation Risk Register, maintained by the Director responsible for Risk Management, and in relevant project and other plans, maintained by their 'owners'. The risk register is aligned to the business plan. It is reviewed by the Board and Strategic Management Team. The Audit Committee also has oversight of changes to the Register at each of its meetings. It has called Directors to give personal account of their ownership of risk and countermeasures during 2012/13.

Each Director has a business plan for their area of responsibility, which itself includes a risk register.

A business planning process operates whereby significant external requirements on the Trust are identified and allocated for action and progress is monitored through project reports, Directors' accountability and tracking registers. Projects are assessed for risks and for key objectives. Specific Project Boards involving managers and Probation Board members are established. For example Project Boards have been established to monitor delivery of the Trust's estates strategy, court resourcing project and implementation of a workload management tool. The plan for each project incorporates a risk register. Reports on key projects have been made to the bi-monthly formal meeting of the Probation Board.

In 2011/12 the Trust established an Organisational Development Programme Board to provide oversight of the Trust's organisational activity enabling the integration and prioritisation of projects and monitoring performance for co-ordinated feedback to the Trust's Board.

Additionally, I receive regular reports from Internal Audit on the operation of controls in financial and other systems, including the Risk Management arrangements, together with the Annual Report of the Internal Audit service which incorporates assurances on risk management, corporate governance and internal control. Other sources of assurance have included monthly reports on operational performance and budget expenditure, and quarterly reports on the Trust's performance in comparison with other Probation Trusts. An approach to business continuity planning has been implemented in the Trust and received its annual review by the Audit Committee in September 2012. The Trust has a standing working group which meets regularly to oversee matters of data quality and information security.

Review of Effectiveness

As Accountable Officer, I have responsibility for reviewing the effectiveness of Governance. My view is informed by the work of the Internal Auditors and the Trust Directors who have responsibility for the development and maintenance of the internal control framework, as well as comments made by the External Auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of Governance arrangements by the Board, and the Audit Committee. A plan to address weaknesses and ensure continuous improvement of the system is in place.

The Internal Auditor's opinion for the year ended 2012/13 was as follows: "although I highlighted some areas of weakness in this report I am able to give a reasonable assurance that the Trust's overall risk, control and governance framework is generally adequate to enable the achievement of its objectives and that the key risks to the Trust are being effectively managed."

Internal Audit reports for 2012/13 are as follows:

- GREEN – Financial Controls Framework, Business Development
- AMBER/GREEN – Workload Management Tool
- AMBER/RED – Alcohol Treatment
- RED – None

Information Assurance (IA) Arrangements

In 2012–13 the Trust completed a number of assessments. The annual self-assessment of Policy Implementation Status Review (PISR) for reporting to NOMS was completed during Quarter 3 2012/13. Where the Trust arrangements are not completely satisfactory, there were four instances, thorough reviews identified that any risk is low and well within the Trust's risk appetite.

The Trust completed the ICT Security Self Assessment for reporting to the Ministry of Justice Information Assurance Team during Quarter 1 2012/13. This assessment provides assurance around the areas of physical and environmental security and incident management. The Trust was assessed as Amber. Those arrangements which are assessed as not completely satisfactory were accepted by the Information Asset Owner as low risk and within the Trust's risk appetite.

The Trust also completed the Security Risk Management Overview (SRMO) for reporting to the Ministry of Justice Information Assurance Team during Quarter 4 2012/13. This overview, with a commentary from the Board Chair, highlighted only three instances where arrangements are not completely satisfactory. However, the Board Chair has identified that the Trust accepts the risks, given the amount of resources dedicated to this area of work

Appropriate Information Assurance policies and procedures are in place to ensure staff understand their IA responsibilities. Internal governance arrangements set out clear roles and responsibilities. The Chief Executive is the Senior Information Risk Owner, the IT Manager is designated Information Asset Owner, reporting to the Chief Executive and the Trust's Information Security Manager reports to the Information Asset Owner.

Induction of new staff during the year included Information Assurance training and provided them with the location of policies and procedures covering remote working, IT asset and IT media disposal, protection from malicious software, protective marking, clear desk, physical and logical access control, email and internet communications, data protection, freedom of information and business continuity. To safeguard protectively marked data, logical and physical access controls exist at all Trust occupied buildings and in all Trust systems. Trust data access from the buildings of other Community Safety Partnership organisations are subject to similar physical and logical access controls.

The Trust's business continuity arrangements were assessed as satisfactory during the annual review.

The Trust has standing groups to oversee data quality and information security. The latter investigates breaches, improves processes and captures learning. Following two complaints concerning data security I have commissioned Internal Audit to undertake a specific review of the Trust's procedures in relation to the Freedom Of Information and data subject to access requests.

The Trust is required to annually provide refresher Information Assurance training to all staff. Arrangements were accordingly in place to use an e-learning service by the National School of Government. Unfortunately the service ceased and a new provider has only recently been acquired by NOMS. The new provider, the Justice Academy, is currently setting up the training with the assistance of Trust training staff. Once complete, the Trust will be able to provide this training to all staff. However, the training for the new case management system NDelius, began with a reminder about information security and data protection. This training was delivered to all staff responsible for offender data.

Examples of Assurance

During the year I have received the following examples of assurance:

- In February 2012 the Trust completed an internal Offender Management Inspection to assess progress since the last formal inspection in 2010. The inspection used a full HMIP methodology and the results showed significant progress in almost all areas. Action plans were completed in 2012/13.
- The Trust has developed a Quality Assurance Framework to enable assessment of the overall quality of the Trust's work with offenders. The framework sets out the approach to quality assurance, how this is implemented and the evidence to assess impact. It also identifies improvement and development priorities. Two Boards have been established to ensure effective implementation of the framework, one focusing on Offender Management the other on Public Protection.
- During the 2012/13 the Trust implemented revised National Standards and the Reflective Supervision Model (RSM) across the Trust.
- The Trust has participated in the NOMS Specification Benchmarking and Costing (SBC) exercises which have reviewed our operational approach and costs for activities against the SBC activity specification and costs. Hampshire's approach has received positive feedback from the NOMS Contract Manager. All specifications have now been subject to a full review.
- LEAN, a tested methodology to support efficiency and continuous improvement, has been rolled out across the Trust. LEAN reviews on Courts, Community Orders Supervision have been implemented and service reviews in Breach, MAPPA, Electronic Offender Files and Expenses have all identified efficiencies.
- A working group was established to evaluate how the Trust could improve its performance in reducing reoffending rates. An action plan has been developed to implement the major recommendations and this will be monitored via the SMT Information Centre.

During the year attention has been given to the following significant internal control issues:

- Early financial forecast for 2012/13 identified the risk of a financial underspend. The Strategic Management Team developed an investment plan which ensured business needs were met and value for money achieved. The plan was monitored and reviewed regularly ensuring the Trust met its financial budget.

- In March 2013 the Trust replaced the main operational IT systems to nDelius and OASys-R. The Trust Project Board monitored all implementation issues, ensuring over 600 staff were trained prior to go live dates.

Additionally the Director of Finance and I have met with our External Auditors periodically during 2012/13 to review progress and to discuss matters of common interest.

The Trust set up an Estates Project Board to oversee the Trust's Estates Strategy. The Project Board met regularly to monitor progress, the project reporting included risk management and a risk register. A dedicated Project Manager was assigned to the project, one Board member and members of the Strategic Management Team (SMT) formed the Project Board. Key office closures and consolidations, particularly the relocation of Headquarters and Winchester offender management team were successfully completed within 2012/13.

Organisation Performance

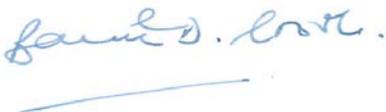
During 2012/13 the Trust has met both operational and financial targets as set out in its contract with NOMS apart from the number of completions of Integrated Domestic Abuse Programme (IDAP) programmes, which have been affected by a significant reduction in caseload. Sickness absence has exceeded nine working days for the first time in three years. The Board is mindful of the many pressures upon staff at a time of great structural change, but is also considering revisions to the current sickness absence policy.

A Senior Performance Group identifies emerging performance concerns and reports plans to address these to the SMT. A Performance Working Group of the Probation Board meets bi-monthly to provide assurance to the Board. The effectiveness of these measures is demonstrated by the fact that the Trust has been rated Level 3 overall on the Performance Framework throughout the year whilst achieving level 4, 'exceptional performance', in the public protection domain.

Going Concern

In March 2012 the Secretary of State announced the start of consultation exercises on the future of probation services in England and Wales and on planned reforms to community sentences. This consultation ended at the end of June 2012. A further consultation commenced in January 2013 building on the previous consultation last year which set out plans to contract out probation services more widely and increase the use of Payment by Results. The consultation period ended on 22 February 2013 and the results of these consultations were published in "Transforming Rehabilitation: A strategy for Reform", on 9 May 2013 by the Secretary of State for Justice.

The impact on the Trust is not yet clear more details in respect of the Trust as a going concern can be found in the Management Commentary to the Accounts on page 17.



Barrie Crook
Accountable Officer

Date 17 June 2013

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament

I certify that I have audited the financial statements of Hampshire Probation Trust for the year ended 31 March 2013 under the Offender Management Act 2007. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; 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 Chief Executive and auditor

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Chief Executive 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 Offender Management Act 2007. 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 Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trust; 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. 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 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 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 Hampshire Probation Trust's affairs as at 31 March 2013 and of the net operating cost after taxation for the year then ended; and
- the financial statements have been properly prepared in accordance with the Offender Management Act 2007 and Secretary of State directions issued thereunder.

Emphasis of Matter – Material uncertainty in respect of going concern

Without qualifying my opinion, I have considered the adequacy of the disclosures made in **Note 1.3** of the financial statements, concerning management's consideration of a material uncertainty around the going concern status of the Trust. This arises from an announcement by the Secretary of State for Justice on 9 May 2013, regarding the future of the probation service.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions made under the Offender Management Act 2007; and
- the information given in the Operational and Performance Review, Management Commentary and Sustainability 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.

Amyas C E Morse
Comptroller and Auditor General

Date 2 July 2013

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

Financial Statements

Statement of Comprehensive Net Expenditure

For the year ended 31 March 2013

	Notes	2012–13 £000	2011–12 £000
Administration costs			
Staff costs	3(a)	17,098	17,446
Other administration costs	6(a)	6,393	6,199
Income	7(a)	(23,589)	(23,856)
Net administration costs		(98)	(211)
Programme costs			
Staff costs	3(a)	0	0
Other programme costs	6(b)	0	0
Income	7(b)	0	0
Net programme costs		0	0
Net operating costs		(98)	(211)
Expected return on pension assets	4(d)	(3,530)	(3,640)
Interest on pension scheme liabilities	4(d)	4,610	4,510
Net operating costs before taxation		982	659
Taxation	5	16	0
Net operating costs after taxation		998	659

Other Comprehensive Expenditure

	Notes	2012–13 £000	2011–12 £000
Net (gain)/loss on revaluation of property, plant and equipment	8	(16)	(2)
Net (gain)/loss on revaluation of intangibles	9	0	0
Net (gain)/loss on revaluation of available for sale financial assets		0	0
Pension actuarial (gain)/loss	23	3,989	7,965
Total comprehensive expenditure for the year ended 31 March 2013		4,971	8,622

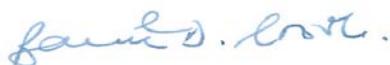
The notes on pages 38 to 66 form part of these accounts.

Statement of Financial Position

As at 31 March 2013

	Notes	2012–13 £000	2011–12 £000
Non-current assets			
Property plant and equipment	8	238	195
Intangible assets	9	5	8
Deferred tax asset	19	0	0
Trade and other receivables	12(a)	0	0
Total non-current assets		243	203
Current assets			
Assets classified as held for sale	11	0	0
Deferred tax asset	19	0	0
Trade and other receivables	12(a)	2,771	2,641
Cash and cash equivalents	13	265	574
Total current assets		3,036	3,215
Total assets		3,279	3,418
Current liabilities			
Trade and other payables	14(a)	(1,362)	(2,064)
Provisions	15	(471)	(309)
Taxation payables	14(a)	(1,505)	(1,129)
Total current liabilities		(3,338)	(3,502)
Non-current assets plus/less net current assets/(liabilities)		(59)	(84)
Non-current liabilities			
Trade and other payables	14(a)	0	0
Provisions	15	(76)	0
Pension liability	4(c)	(45,280)	(40,360)
Total non-current liabilities		(45,356)	(40,360)
Assets less liabilities		(45,415)	(40,444)
Taxpayers' equity			
General fund	23	(45,449)	(40,462)
Revaluation reserve – property, plant and equipment	24(a)	34	18
Revaluation reserve – intangible assets	24(b)	0	0
		(45,415)	(40,444)

The financial statements on pages 34 to 37 were approved by the Board on 17th June 2013 and were signed on its behalf by



Barrie Crook – Accountable Officer

Date 17 June 2013

The notes on pages 38 to 66 form part of these accounts.

Statement of Cash Flows

For the year ended 31 March 2013

		2012–13	2011–12
	Notes	£000	£000
Cash flows from operating activities			
Net operating costs	23	(998)	(659)
Adjustments for non-cash transactions	6(a)	494	45
Adjustments for pension cost	4(d)	931	605
(Increase)/decrease in receivables	12(a)	(130)	(348)
Increase/(decrease) in payables	14(a)	(326)	258
Utilisation of provisions	15	(207)	(342)
Less movements in property, plant and equipment payable	14(a)	0	0
Less payments of amounts due to Consolidated Fund to NOMS	14(a)	0	19
Net cash outflow from operating activities		(236)	(422)
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(78)	(58)
Purchase of intangibles	9	0	0
Proceeds on disposal of property, plant and equipment	8	5	5
Proceeds on disposal of intangibles	9	0	0
Net cash outflow from investing activities		(73)	(53)
Cash flows from financing activities			
Net financing received in year	23	0	0
Payments of amounts due to the Consolidated Fund to NOMS		0	(19)
Net financing		0	(19)
Net increase/(decrease) in cash and cash equivalents in the period			
		(309)	(494)
Cash and cash equivalents at the beginning of the period	13	574	1,068
Cash and cash equivalents at the end of the period	13	265	574
Increase/(decrease) in cash		(309)	(494)

The notes on pages 38 to 66 form part of these accounts.

Statement of Changes in Taxpayers' Equity

For the year ended 31 March 2013

	Notes	General Fund £000	Revaluation Reserve £000	Total £000
Balance as at 1 April 2011		(31,838)	16	(31,822)
Changes in taxpayers' equity for 2011–12				
Net operating cost after taxation	SocNE	(659)		(659)
Net gain/(loss) on revaluation of property, plant and equipment	24(a)		2	2
Net gain/(loss) on revaluation of intangibles	24(b)		0	0
Movement in donated assets	23	0		0
Transferred from revaluation reserve	23	0		0
Pension actuarial (loss)/gain	23	(7,965)		(7,965)
Net NOMS financing received in year	23	0		0
Balance as at 31 March 2012		(40,462)	18	(40,444)
Changes in taxpayers' equity for 2012–13				
Net operating cost after taxation	SocNE	(998)		(998)
Net gain/(loss) on revaluation of property, plant and equipment	24(a)		16	16
Net gain/(loss) on revaluation of intangibles	24(b)		0	0
Movement in donated assets	23	0		0
Transferred from revaluation reserve	23	0		0
Pension actuarial (loss)/gain	23	(3,989)		(3,989)
Net NOMS financing received in year	23	0		0
Balance as at 31 March 2013		(45,449)	34	(45,415)

The notes on pages 38 to 66 form part of these accounts.

Notes to the accounts

1. Statement of accounting policies

The financial statements have been prepared in accordance with the 2012–13 Government Financial Reporting Manual (FRoM) issued by HM Treasury. The accounting policies contained in the FRoM follow International Financial Reporting Standards (IFRS) as at the reporting date to the extent that it is meaningful and appropriate to the public sector.

Where the FRoM permits a choice of accounting policy, the policy which has been judged to be the most appropriate to the particular circumstances of the Probation Trust for the purpose of giving a true and fair view has been selected. The Probation Trust's accounting policies have been applied consistently in dealing with items considered material in relation to the accounts.

The Trust has not adopted any Standards or Interpretations in advance of the required implementation dates. It is not expected that adoption of Standards or Interpretations which have been issued by the International Accounting Standards Board but have not been adopted will have a material impact on the financial statements, except for the following:

The IASB has issued an amended IAS 19 that will come into force for financial periods beginning on or after 1 January 2013 (IAS 19R). IAS 8 requires the disclosure of the impact of the changes to accounting standards which have not yet been adopted. In particular, it requires a disclosure, in the 2013 accounts for those employers with 31 March 2013 year end date, of the expected impact of the future change in accounting standard. The principal changes are as follows:

- The expected return on assets is calculated at the discount rate, instead of, as currently, at an expected return based on actual assets held in the Fund.
- The interest on the service cost is included in the service cost itself.
- Administration expenses continue to be charged through the Statement of Comprehensive Expenditure, but are set out as a separate item.

Had the Trust adopted the amended IAS19 for the 2012–13 reporting period, the impact on the financial statements would have been £890k. The Statement of Comprehensive Net Expenditure would increase the net operating costs after taxation by £890k.

1.1 Accounting convention

These accounts have been prepared on an accruals basis under the historical cost convention and modified to account for the revaluation of non-current assets, where material, at their value to the business. The functional and presentational currency of the Trust's financial statements is the British pound sterling (to the nearest £1,000 unless otherwise stated).

1.2 Changes in accounting policies and restatement of comparatives

There have been no changes in accounting policies or restatement of comparatives in these accounts.

1.3 Going concern

The Statement of Financial Position at 31 March 2013 shows negative Taxpayers' Equity, which reflects the inclusion of liabilities falling due in future years. The future financing of the Probation Trust liabilities is met by future grants of Supply to the Ministry of Justice/NOMS and there is no reason to believe that future approvals of Supply will not be forthcoming. The Trust will continue to invoice NOMS for the provision of probation services under the terms of its contract with NOMS.

A consultation paper "Transforming Rehabilitation – A revolution in the way we manage offenders" was issued in January 2013 which built on the previous consultation last year and set out plans to contract out probation services more widely and increase the use of Payment by Results. The consultation period ended on 22 February 2013 and the results of both consultations were published in "Transforming Rehabilitation: A strategy for Reform", on 9 May 2013 by the Secretary of State for Justice.

The recommendations of the report will change the way in which probation services are commissioned and delivered. A new National Probation Service will be created to protect the public from the most dangerous offenders and manage the provision of probation services. England and Wales will be divided into 21 contract areas which align closely

with local authorities and Police and Crime Commissioner areas. MoJ/NOMS will be responsible for commissioning rehabilitation services. Probation service local delivery units will support the gathering of intelligence on needs and priorities at a local level, including from key partners (e.g. local authority needs assessments) to feed into the MoJ/NOMS commissioning process. The implications of the new arrangements for individual Trusts are not provided in the consultation announcement at this stage. Specifically, the announcement does not provide sufficient detail to form a judgement on whether the material functions, assets and liabilities will be transferred for continuing use in the public sector in the context of the FReM paragraph 2.2.15. This is likely to become clearer during 2013–14 as the proposals are further developed and implemented.

Implementation of the new arrangements will require a Statutory Instrument to be issued by the Secretary of State under the Offender Management Act 2007, subject to negative affirmation. This had not been drafted at the date the Annual Report and Accounts were approved. Senior management has concluded therefore that, having reviewed the results of the consultations within the context of the Financial Reporting Manual (FReM), it is appropriate for the Trust to prepare the 2012–13 Annual Report and Accounts on a going concern basis, with disclosure of a ‘material uncertainty’ around going concern, arising from the recommendations of the report, Transforming Rehabilitation: A strategy for Reform.

1.4 Property, plant and equipment

Non-current assets are included at cost upon purchase and are restated at each Statement of Financial Position date using the Price Index Numbers for Current Cost Accounting (Office for National Statistics). The minimum level for capitalisation of a tangible non-current asset is £5,000, inclusive of any irrecoverable VAT element, where appropriate.

All land and building assets used by the Probation Trust are managed and owned centrally by NOMS and are recorded on their Statement of Financial Position. The cost of using those assets is included within **Note 6(a)**, other administration costs under “accommodation, maintenance & utilities”. The charge to the Probation Trust does not represent the full cost incurred by NOMS.

Revaluation of non-current assets

The revaluation reserve reflects the unrealised element of the cumulative balance of revaluation and indexation adjustments in non-current assets (excluding donated assets). Upward revaluations go to the Revaluation Reserve. Downward revaluations are charged to the revaluation reserve if there is a prior credit balance; otherwise they are charged to the SoCNE.

1.5 Depreciation

Non-current assets are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. Assets in the course of construction are depreciated from the point at which the asset is brought into use.

Asset lives are currently in the following ranges:

Information technology	5 years depending on individual asset type
Plant & equipment	3 to 15 years depending on individual asset type
Vehicles	7 years depending on individual asset type
Furniture, fixtures & fittings	5 years depending on individual asset type

1.6 Impairment

All non-current assets are assessed annually for indications of impairment as at 31 March. Where indications of impairment exist, the asset value is tested for impairment by comparing the book value to the recoverable amount. In accordance with IAS 36 the recoverable amount is determined as the higher of the “fair value less costs to sell” and the “value in use”. Where the recoverable amount is less than the carrying amount, the asset is considered impaired and written down to the recoverable amount and an impairment loss is recognised in the SoCNE. Any reversal of an impairment charge is recognised in the SoCNE to the extent that the original charge, adjusted for subsequent depreciation, was previously recognised in the SoCNE. The remaining amount is recognised in the Revaluation Reserve. Under IAS 36, Intangible Assets under construction should be tested for impairment annually.

1.7 Intangible non-current assets

Intangible non-current assets should be recognised only if it is probable that future service potential will flow to the Trust and the cost of the

asset can be measured reliably. The future service potential can be defined as a direct contribution of the intangible asset to the delivery of services to the public. These intangibles mainly comprise of internally developed software for internal use and purchased software.

The minimum level for capitalisation of a intangible non-current asset is £5,000, inclusive of any irrecoverable VAT element, where appropriate.

Expenditure is capitalised where it is directly attributable to bringing an asset into working condition. Internal staff costs are expensed to the SoCNE, as are those of contractors and interims undertaking ongoing roles that might otherwise be filled by civil servants. The costs of external consultants engaged on projects are capitalised where appropriate.

The useful lives of intangible assets are assessed to be finite. As there is no active market for these intangible assets, their fair value is assessed at re-valued amount less any accumulated amortisation and accumulated impairment losses.

The re-valued amount and indications of impairment are determined from an annual appraisal of the assets' underlying business case using discounted future economic benefits (cost savings). The net present value of the project is compared with the total current cost, and impaired accordingly.

The intangible assets (Software and Development) are amortised over 5 years using the straight-line.

Intangible assets are restated at each Statement of Financial Position date using ONS IT price indices.

1.8 Non-current assets held for sale

Non-current assets held for sale are identified as assets whose carrying amount will be recovered through sale rather than through continuing use. Depreciation on non-current assets held for sale ceases upon reclassification. Depreciation is re-instated and retrospectively applied to any assets which are subsequently not sold and re-classified as in-use.

1.9 Inventories

Stocks of stationery and other consumable stores are not considered material and are written off in the SoCNE as they are purchased.

1.10 Operating income

Income is accounted for applying the accruals convention and is recognised in the period in which services are provided.

Operating income is income that relates directly to the operating activities of the Probation Trust. This comprises income under the Trust's contract with NOMS for the provision of Probation Services, rent receivables, income from EU sources, income from other Trusts, from within the MoJ Group, from other Government Departments and miscellaneous income. Fees and charges for services are recovered on a full cost basis in accordance with the Treasury's Fees and Charges guide.

With effect from 1 April 2011, NOMS has confirmed that Trusts can now retain bank interest received. Trusts are no longer required to surrender this to HM Treasury via NOMS and MoJ.

1.11 Administration and programme expenditure

The SoCNE is analysed between administration and programme income and expenditure. The classification of expenditure and income for both Administration and Programme follows the definition set out in the FReM by HM Treasury. Administration costs reflect the costs of running the Probation Trust together with associated operating income. Programme costs are defined as projects which are fully or partially funded from outside the Ministry of Justice. On consolidation into NOMS Agency Accounts, all expenditure and income is classified as programme, except the audit fee which is administration expenditure.

1.12 Pensions

Past and present employees are covered by the provisions of the Local Government Pension Scheme (LGPS). This is a funded defined benefit scheme meaning that retirement benefits are determined independently of the investments of the scheme and employers are obliged to make additional contributions where assets are insufficient to meet retirements benefits. Under the LGPS Regulations the pension fund is subject to an independent triennial actuarial valuation to determine each employer's contribution rate (Disclosure of Stakeholder Pensions Schemes is not included in these accounts). Where a central government entity has a share of a local government (or other) pension scheme liability on its statement of financial position, then that entity

will use a discount rate determined by the appropriate authority (for example CIPFA or a qualified independent actuary) in valuing its share and not the rate advised annually by HM Treasury. The pension fund actuary has used roll forward estimated asset value figures in producing the IAS 19 pension liability and other disclosures.

1.13 Leases

Where substantially all risks and rewards of ownership of a leased asset are borne by the Trust, the asset is recorded as a tangible non-current asset and a debt is recorded to the lessor of the minimum lease payments discounted by the interest rate implicit in the lease. The interest element of the finance lease payment is charged to the SoCNE over the period of the lease at a constant rate in relation to the balance outstanding. Other leases are regarded as operating leases and the rentals are charged to the SoCNE on a straight-line basis over the term of the lease.

A distinction is made between finance leases and operating leases. Finance leases are leases where substantially all of the risks and rewards incidental to ownership of leased non-current assets are transferred from the lessor to the lessee when assessed against the qualitative and quantitative criteria in IAS 17. An operating lease is a lease that is not a finance lease. In operating leases, the lessor effectively retains substantially all such risks and benefits.

Finance leases

Finance lease rights and obligations are initially recognised at the commencement of the lease term as assets and liabilities equal in amount to the fair value of the leased item or, if lower, the present value of the minimum lease payments determined at the inception of the lease. Minimum lease payments are allocated between interest expense and reduction of the outstanding lease liability, according to the interest rate implicit in the lease or the HM Treasury rate where a rate could not be extrapolated from the lease.

Finance lease liabilities are allocated between current and non-current components. The principal component of lease payments due on or before the end of the succeeding year is disclosed as a current liability, and the remainder of the lease liability is disclosed as a non-current liability.

Operating leases

Trusts have entered into a number of operating lease arrangements. Rentals under operating leases are charged to the SoCNE on a straight-line basis.

Operating leases – incentives

Lease incentives (such as rent-free periods or contributions by the lessor to the lessee's relocation costs) are treated as an integral part of the consideration for the use of the leased asset. The incentives are accounted as an integral part of the net consideration agreed for the use of the leased asset over the lease term, with each party (the lessor and lessee) using a single amortisation method applied to the net consideration.

IFRIC 4 Determining whether an arrangement contains a lease

In determining whether the Trust holds a lease, contracts that use assets are assessed to determine whether the substance of the arrangements contain a lease. The contract is accounted for as a lease if the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset. The arrangement is then assessed under IAS 17 to determine whether it should be accounted for as a finance or operating lease.

1.14 Provisions

Provisions represent liabilities of uncertain timing or amount. Provisions are recognised when the Probation Trust has a present legal or constructive obligation, as a result of past events, for which it is probable or virtually certain that an outflow of economic benefits will be 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.

1.15 Value Added Tax

For the Probation Trust most of the activities are within the scope of VAT and, in general, output tax is charged and input tax on purchases is recoverable. Capitalised purchase cost of non-current assets are stated net of recoverable VAT. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.16 Deferred Tax

The Trust has no deferred tax assets held.

1.17 Corporation Tax

The Trust is a “corporate body” in accordance with the Offender Management Act 2007 supplying court work and offender management services to NOMS and the Ministry of Justice, and as a result, HMRC has confirmed that it is subject to corporation tax. Probation Trusts are therefore subject to CT on their profits and ‘profit’ for this purpose means income and chargeable gains. These accounts include estimates of corporation tax liabilities.

1.18 Cash and Cash Equivalents

Cash and Cash Equivalents comprise cash in hand, that are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

1.19 Financial instruments

As the cash requirements of the Trust are met through the Estimates process, financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts to buy non-financial items in line with the Trust’s expected purchase and usage requirements as well as cash, receivables and payables. Therefore it is felt that the Trust is exposed to little credit, liquidity or market risk.

1.20 Segmental analysis of spend as reported to the Management Board

The segmental analysis presents the financial information based on the structure reported to the Trust’s Management Board. The segments reflect the Trust’s own individual structure allowing the Board to have a clear view on the costs of front-line operations. This is in accordance with IFRS 8 Segmental Reporting. Further detail is shown in **Note 2**.

1.21 Third party assets

The Trust holds, as custodian or trustee, certain assets belonging to third parties. These assets are not recognised on the Statement of Financial Position and are disclosed within **Note 26**.

2. Statement of Operating Costs and Net Assets by Operating Segment

	2012–13 Statement of Comprehensive Net Expenditure £000	2012–13 Total Assets £000	2011–12 Statement of Comprehensive Net Expenditure £000	2011–12 Total Assets £000
Income Receivable from Sponsoring Department	22,698	2,298	23,057	2,118
Operational Management	11,054	257	11,710	390
Operational Services: Intervention				
Community Payback Programmes	1,286	208	1,294	216
Employment, Training and Education Interventions	1,361	20	1,382	36
Approved Premises	126	30	156	55
	275	3	311	8
	1,610	20	1,560	39
Corporate Services	5,779	169	5,830	289
Other				
Youth Offending Team Contracts with Partners	622	189	651	197
Prisons (Net)	95	1	135	3
	(16)	78	(28)	66
Net Expenditure – Non Cash				
Depreciation	48	1	46	1
Provisions	445	5	0	0
Total Net Expenditure (published management accounts @ 31.3.13)	22,685	3,279	23,047	3,418
Income Receivable from Sponsoring Department	(22,698)		(23,057)	
Pension Past Service Cost	40		190	
Actuary Current Service Cost	2,260		2,080	
Actual Employer Pension contributions Paid	(2,385)		(2,472)	
Pension Actuarial (Loss)/ Gain	3,989		7,965	
Taxation	16		0	
Movement in Revaluation Reserve	(16)		(2)	
Net Return of Pension Position	1,080		870	
Reconciliation to Statement of Comprehensive Net Exp / Total Assets	4,971	3,279	8,621	3,418

3. Staff numbers and related costs

3a. Staff costs consist of:

	2012-13			2011-12
	Total £000	Permanently- employed staff £000	Others £000	Total £000
Wages and salaries	15,372	15,280	92	15,759
Social security costs	1,067	1,067	0	1,084
Other pension costs	2,300	2,300	0	2,270
Sub-total	18,739	18,647	92	19,113
Less recoveries in respect of outward secondments	(1,641)	(1,641)	0	(1,667)
Total staff costs	17,098	17,006	92	17,446
Administration-related staff costs	17,098	17,006	92	17,446
Programme-related staff costs	0	0	0	0
	17,098	17,006	92	17,446

The Local Government Pension Scheme is a funded multi-employer defined benefit scheme. The Probation Trust's share of the underlying assets and liabilities are shown below in **Note 4**.

1 person (2011-12: 1 person) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £9,428 (2011-12: £8,866).

3b. Average number of persons employed

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

	2012-13		2011-12
	Total	Permanently- employed staff	Total
	490	487	495
	490	487	495

3c. Reporting of compensation schemes – exit packages

Exit packages cost band	2012-13			2011-12		
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	0	8	8	0	0	0
£10,000-£25,000	0	10	10	0	0	0
£25,000-£50,000	0	3	3	0	0	0
£50,000-£100,000	0	2	2	0	0	0
£100,000-£150,000	0	0	0	0	0	0
£150,000-£200,000	0	0	0	0	0	0
£200,000+	0	0	0	0	0	0
Total number of exit packages by type	0	23	23	0	0	0
Total resource cost £000	0	448	448	0	0	0

Redundancy and other departure costs have been paid in accordance with the Trust compensation scheme. Exit costs are accounted for in full in the year of departure. The additional costs of any early retirements are met from the Trust and not the pension scheme and are included in the above figures. Ill health retirement costs are met from the pension scheme and are excluded from the above table. Savings are required within the Trust's Business Plan in order to meet expected funding efficiency savings over the next three years.

4. Pensions costs

Benefits are paid through the Local Government Pension Scheme (LGPS). This is a statutory and intended to be funded scheme which is a "final salary" scheme with a normal retirement age of 65 but with an employee option to retire at 60 under the 85 year rule with no loss of pension entitlement. The 85 year rule does not apply to new entrants after 1st October 2006 and is only protected until 2014. A new benefit structure for the LGPS was introduced on 1st April 2008 from this date benefits accrue at a rate of 1/60th of pensionable service. Prior to 1 April 2008 the benefits accrued at a rate of 1/80th of pensionable service, with a lump sum of 3/80th of pensionable pay for each year of service. Members pay a contribution of between 5.5% to 7.5% depending on pensionable earnings. Pension payments are increased in line with CPI. On death or death in service there are benefits for spouses. Medical retirement is possible in the event of serious ill-health. The closing liability for 31st March 2013 was calculated using the most recent actuarial valuation as at 31st March 2010 including updated demographics and financial assumptions.

4a Pension costs

A full actuarial valuation was carried out at 31 March 2010 by Aon Hewitt. For 2012–13, employers' contributions of £2,449,000 were payable to the LGPS (2011–12 £2,535,000) in a range from 19.1% to 19.8%. The schemes Actuary reviews employer contributions every three years following a full scheme valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme. Hampshire Probation Trust employs a building block approach in determining the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principles. The assumed rate of return on each asset class is set out within this note. The overall expected rate of return on assets is derived by aggregating the expected return for each asset class over the actual asset allocation for the Fund at 31 March 2013.

The approximate employer's pension contributions for the three years from:

- Employer's contributions for 2012–13 were 13.1% of salaries plus fixed amount of £792,500; and,
- Employer's contributions for 2013–14 will be 13.1% of salaries plus fixed amount of £792,500; and
- Employer's contributions for 2014–15 will be 13.1% of salaries plus fixed amount of £792,500.

4b. The major assumptions used by the Actuary were:

	2012–13	2011–12
	%	%
Inflation assumption	2.8%	2.6%
Rate of increase in salaries	4.7%	5.1%
Rate of increase for pensions in payment and deferred pensions	2.8%	2.6%
Discount rate	4.4%	4.8%

Mortality Assumptions:

Standard SAPS Normal Health Light Amounts future lifetime Males from age 65 =24.0 (March 2012 =23.9) – age 45 =25.7 (March 2012 =25.6),
Females from age 65 =25.0 (March 2012 = 24.9) – age 45 =26.9 (March 2012 =26.8).

4c. The assets in the scheme and the expected rate of return were:

	2012-13			2011-12		
	Expected long-term rate of return	Value as a percentage of total scheme assets	Value	Expected long-term rate of return	Value as a percentage of total scheme assets	Value
	%	%	£000	%	%	£000
Equities	7.8%	58%	37,256	8.1%	55%	30,542
Government bonds	2.8%	25%	16,105	3.1%	27%	14,966
Other bonds	3.8%	1%	841	3.7%	1%	832
Property	7.3%	8%	5,045	7.6%	8%	4,268
Other	5.9%	8%	5,433	5.1%	9%	4,822
Total	6.3%	100%	64,680	6.4%	100%	55,430
(Present value of scheme liabilities)			(109,960)			(95,790)
Surplus/(deficit) of the scheme			(45,280)			(40,360)
Net pension asset/(liability)			(45,280)			(40,360)

4d. Analysis of amounts recognised in SoCNE

	2012–13	2011–12
	£000	£000
Pension cost		
Current service cost	2,260	2,080
Past service cost	40	190
Effect of curtailment	0	0
Effect of settlement	0	0
Total operating charge	2,300	2,270

	2012–13	2011–12
	£000	£000
Analysis of interest cost on pension scheme – assets/(liabilities)		
Expected return on pension scheme assets	(3,530)	(3,640)
Interest on pension scheme liabilities	4,610	4,510
Net interest costs	1,080	870

4e. Analysis of amounts recognised in other comprehensive expenditure

	2012–13	2011–12
	£000	£000
Pension actuarial gain/(loss)	(3,989)	(7,965)
Irrecoverable surplus (if applicable)	0	0
Total shown in other comprehensive expenditure	(3,989)	(7,965)

4f. Changes to the present value of liabilities during the year

	2012–13	2011–12
	£000	£000
Opening present value of liabilities	95,790	82,720
Current service cost	2,260	2,080
Interest cost	4,610	4,510
Contributions by members	830	860
Actuarial (gains)/losses on liabilities*	8,880	6,950
Benefits paid	(2,380)	(1,460)
Past service cost	40	190
Unfunded benefits paid	(70)	(60)
Curtailments	0	0
Settlements	0	0
Closing present value of liabilities	109,960	95,790

* Includes changes to actuarial assumptions

4g. Changes to the fair value of assets during the year

	2012-13	2011-12
	£000	£000
Opening fair value of assets	55,430	50,930
Expected return on assets	3,530	3,640
Actuarial gains/(losses) on assets	4,891	(1,015)
Contributions by the employer	2,449	2,535
Contributions by members	830	860
Benefits paid	(2,380)	(1,460)
Net increase from disposals and acquisitions	0	0
Unfunded benefits paid	(70)	(60)
Curtailments	0	0
Settlements	0	0
Closing fair value of assets	64,680	55,430

4h. History of asset values, present values of liabilities, surplus/deficit and experience gains and losses

	2012-13	2011-12	2010-11	2009-10	2008-09
	£000	£000	£000	£000	£000
Fair value of assets	64,680	55,430	50,930	48,760	35,770
Present value of liabilities	109,960	95,790	82,720	89,990	63,810
Surplus/(deficit)	(45,280)	(40,360)	(31,790)	(41,230)	(28,040)
Experience gains/(losses) on scheme assets	4,850	(1,180)	(2,370)	9,930	(11,990)
Experience gains/(losses) on scheme liabilities	150	(540)	980	640	(227)
Percentage experience gains/(losses) on scheme assets	7%	-2%	-5%	20%	-34%
Percentage experience gains/(losses) on scheme liabilities	0%	-1%	1%	1%	0%

4i. Sensitivity analysis

To comply with IAS 1: Presentation of Financial Statements and IAS 19: Accounting for Pension Costs, sensitivity figures have been detailed in **Note 4(i)**. Sensitivity information for each of the principal assumptions underlying the defined benefit obligation has been included to show the impact of changing the key assumptions as at 31 March 2013 and projected service costs for year ending 31 March 2014. The note shows the impact of changing each assumption individually, with all other assumptions remaining unaltered. Figures are shown from the base obligation of £108,940 as at 31 March 2013.

Adjustment to discount rate	+0.1%	-0.1%
Present value of total obligation £000	107,000	110,920
% Change in present value of total obligation	(1.8%)	1.8%
Projected service cost £000	2,730	2,880
Approximate % change in projected service cost	(2.5%)	2.9%

Adjustment to inflation assumption –pension increase rate	+0.1%	-0.1%
Present value of total obligation £000	110,060	107,330
% Change in present value of total obligation	1.5%	(1.5%)
Projected service cost £000	2,860	2,750
Approximate % change in projected service cost	2.1%	(1.8%)

Adjustment to mortality age rating assumption*	+1 year	-1 year
Present value of total obligation £000	106,5800	111,270
% Change in present value of total obligation	(2.2%)	2.1%
Projected service cost £000	2,740	2,870
Approximate % change in projected service cost	(2.1%)	2.5%

* The + 1 Year means you follow the mortality pattern of an individual 1 year older than you which reduces the obligation.

5. Taxation

	2012–13	2011–12
	£000	£000
UK corporation tax	16	0
	0	0
Total	16	0

Probation Trusts are corporate bodies under the Offender Management Act 2007, supplying court work and offender management services to the Ministry of Justice. Probation Trusts are therefore subject to Corporation Tax on their profits and 'profit' for this purpose means income and chargeable gains.

6. Other administrative costs and programme costs

6a. Administration costs

	2012-13		2011-12	
	£000	£000	£000	£000
Rentals under operating leases	54		54	
Interest charges	0		0	
Accommodation, maintenance and utilities	2,137		2,097	
Travel, subsistence and hospitality	487		441	
Professional services	217		348	
IT services	871		880	
Communications, office supplies and services	270		373	
Other staff related	306		293	
Offender costs	1,303		1,353	
Other expenditure	198		274	
External Auditors' remuneration – statutory accounts	29		28	
External Auditors' remuneration – other	0		0	
Internal Auditors' remuneration and expenses	27		13	
		5,899		6,154
Non-cash items				
Depreciation of tangible non-cash assets	38		37	
Amortisation of intangible non-cash assets	3		2	
Impairment of non-current assets	0		0	
Profit/(loss) on disposal of tangible non-cash assets	8		6	
Profit/(loss) on disposal of intangible non-cash assets	0		0	
Other provisions provided for in year	445		0	
Early retirement provisions not required	0		0	
		494		45
Total		6,393		6,199

6b. Programme costs

Current expenditure	0		0	
Total		0		0
Total other administration and programme costs		6,393		6,199

7. Income

7a. Administration income

Income receivable from the sponsoring department – NOMS
 Rent receivable from minor occupiers of Probation estate property:
 From within the departmental boundary
 From other Government departments
 From external tenants

EU income from NOMS
 EU income from other Government departments
 Other EU income
 Other income received from Probation Trusts
 Other income from NOMS
 Other income from rest of MoJ Group
 Other income from other Government departments
 Miscellaneous income

Interest received:

 From bank
 From car loans
 From other sources

Total interest received

Total administration income

7b. Programme income

EU income from NOMS
 EU income from other Government departments
 Other EU income
 Other programme income
Total programme income

Total income

	2012-13		2011-12	
	£000	£000	£000	£000
Income receivable from the sponsoring department – NOMS	22,698		23,057	
Rent receivable from minor occupiers of Probation estate property:				
From within the departmental boundary	0		0	
From other Government departments	0		0	
From external tenants	0		1	
		22,698		23,058
EU income from NOMS		0		0
EU income from other Government departments		0		0
Other EU income		158		0
Other income received from Probation Trusts		47		26
Other income from NOMS		73		57
Other income from rest of MoJ Group		0		0
Other income from other Government departments		340		293
Miscellaneous income		261		407
		23,577		23,841
Interest received:				
From bank	12		15	
From car loans	0		0	
From other sources	0		0	
Total interest received		12		15
Total administration income		23,589		23,856

EU income from NOMS	0	0
EU income from other Government departments	0	0
Other EU income	0	0
Other programme income	0	0
Total programme income	0	0
Total income	23,589	23,856

8. Property, plant and equipment

	2012-13					
	Information technology	Plant and machinery	Transport equipment	Furniture, fixtures and fittings	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000	£000
Cost or valuation						
As at 1 April 2012	7	24	260	0	0	291
Additions	30	0	48	0	0	78
Disposals	0	0	(39)	0	0	(39)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	5	1	16	0	0	22
As at 31 March 2013	42	25	285	0	0	352
Depreciation						
As at 1 April 2012	1	7	88	0	0	96
Charge in year	1	3	34	0	0	38
Disposals	0	0	(26)	0	0	(26)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	0	0	6	0	0	6
As at 31 March 2013	2	10	102	0	0	114
Carrying value as at 31 March 2013	40	15	183	0	0	238
Carrying value as at 31 March 2012	6	17	172	0	0	195
Asset financing						
Owned	40	15	183	0	0	238
Finance leased	0	0	0	0	0	0
Carrying value as at 31 March 2013	40	15	183	0	0	238

8. (Continued)

	2011-12					
	Information technology	Plant and machinery	Transport equipment	Furniture, fixtures and fittings	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000	£000
Cost or valuation						
As at 1 April 2011	7	27	261	0	0	295
Additions	0	17	41	0	0	58
Disposals	0	(21)	(43)	0	0	(64)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	0	1	1	0	0	2
As at 31 March 2012	7	24	260	0	0	291
Depreciation						
As at 1 April 2011	0	25	87	0	0	112
Charge in year	1	2	34	0	0	37
Disposals	0	(20)	(33)	0	0	(53)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	0	0	0	0	0	0
As at 31 March 2012	1	7	88	0	0	96
Carrying value as at 31 March 2012	6	17	172	0	0	195
Carrying value as at 31 March 2011	7	2	174	0	0	183
Asset financing						
Owned	6	17	172	0	0	195
Finance leased	0	0	0	0	0	0
Carrying value as at 31 March 2012	6	17	172	0	0	195

9. Intangible assets

	2012-13					
	Development	Software	Licences	Other	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000	£000
Cost or valuation						
As at 1 April 2012	0	12	0	0	0	12
Additions	0	0	0	0	0	0
Disposals	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Indexation/revaluation	0	0	0	0	0	0
Transfers	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
As at 31 March 2013	0	12	0	0	0	12
Amortisation						
As at 1 April 2012	0	4	0	0	0	4
Charge in year	0	3	0	0	0	3
Disposals	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Indexation/revaluation	0	0	0	0	0	0
Transfers	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
As at 31 March 2013	0	7	0	0	0	7
Carrying value as at 31 March 2013	0	5	0	0	0	5
Carrying value as at 31 March 2012	0	8	0	0	0	8
Asset financing						
Owned	0	5	0	0	0	5
Finance leased	0	0	0	0	0	0
Carrying value as at 31 March 2013	0	5	0	0	0	5

9. (Continued)

	2011-12					
	Development	Software	Licences	Other	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000	£000
Cost or valuation						
As at 1 April 2011	0	12	0	0	0	12
Additions	0	0	0	0	0	0
Disposals	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Indexation/revaluation	0	0	0	0	0	0
Transfers	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
As at 31 March 2012	0	12	0	0	0	12
Amortisation						
As at 1 April 2011	0	2	0	0	0	2
Charge in year	0	2	0	0	0	2
Disposals	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Indexation/revaluation	0	0	0	0	0	0
Transfers	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
As at 31 March 2012	0	4	0	0	0	4
Carrying value as at 31 March 2012	0	8	0	0	0	8
Carrying value as at 31 March 2011	0	10	0	0	0	10
Asset financing						
Owned	0	8	0	0	0	8
Finance leased	0	0	0	0	0	0
Carrying value as at 31 March 2012	0	8	0	0	0	8

10. Impairments

There are no impairments in 2012–2013.

11. Assets held for sale

There were no assets held for sale during the year.

12. Trade receivables and other current assets

12a. Analysis by type

	2012–13 £000	2011–12 £000
Amounts falling due within one year		
Trade receivables	27	66
VAT	0	0
Deposits and advances	0	0
Receivables due from Probation Trusts	5	0
Receivables due from NOMS agency	2,415	2,230
Receivables due from Ministry of Justice – core	0	24
Receivables due from Ministry of Justice – NDPBs	0	0
Receivables due from HM Courts & Tribunals Service (HMCTS)	0	0
Receivables due from Office of the Public Guardian (OPG)	0	0
Receivables due from all other Government departments	280	221
Other receivables	12	72
Prepayments	21	28
Accrued income	11	0
	2,771	2,641
Amounts falling due after more than one year		
Trade receivables		
Deposits and advances	0	0
Other receivables	0	0
Prepayments and accrued income	0	0
	0	0
Total	2,771	2,641

12b. Intra-Government receivables

	Amounts falling due within one year		Amounts falling due after more than one year	
	2012–13 £000	2011–12 £000	2012–13 £000	2011–12 £000
Balances with other central Government bodies (inc. parent department)	2,491	2,281	0	0
Balances with local authorities	200	194	0	0
Balances with NHS bodies	10	0	0	0
Balances with public corporations and trading funds	0	0	0	0
	2,701	2,475	0	0
Balances with bodies external to Government	70	166	0	0
Total	2,771	2,641	0	0

13. Cash and cash equivalents

	2012–13	2011–12
	£000	£000
Balance at 1 April	574	1,068
Net change in cash and cash equivalents	(309)	(494)
Balance at 31 March	265	574
The following balances at 31 March are held at:		
Government Banking Service	52	0
Commercial banks and cash in hand	213	574
Balance at 31 March	265	574

14. Trade payables and other current liabilities

14a. Analysis by type

	2012–13	2011–12
	£000	£000
Amounts falling due within one year (excluding taxation)		
Trade payables	85	58
Other payables	4	4
Accruals	552	326
Deferred income	13	3
Staff payables	71	150
Bank overdraft	0	0
Payables due to Probation Trusts	20	30
Payables due to NOMS Agency	272	1,143
Payables due to Ministry of Justice – core	0	0
Payables due to Ministry of Justice – NDPBs	0	0
Payables due to HM Courts & Tribunals Service (HMCTS)	0	0
Payables due to Office of the Public Guardian (OPG)	0	0
Payables due to all other Government Departments	75	3
Unpaid pensions contributions due to the pensions scheme	270	347
Long-term liabilities due within one year	0	0
Operating income to be surrendered (interest received)	0	0
Non-current asset accruals	0	0
	1,362	2,064
Tax falling due within one year		
VAT	1,133	769
Corporation tax	16	0
Other taxation and social security	356	360
	1,505	1,129
Total amounts falling due within one year	2,867	3,193
Amounts falling due after more than one year		
Staff payables	0	0
Other payables	0	0
	0	0
Total	2,867	3,193

14b. Intra-Government payables

	Amounts falling due within one year		Amounts falling due after more than one year	
	2012–13	2011–12	2012–13	2011–12
	£000	£000	£000	£000
Balances with other central Government bodies (inc. parent department)	1,797	2,302	0	0
Balances with local authorities	201	3	0	0
Balances with NHS bodies	0	0	0	0
Balances with public corporations and trading funds	0	0	0	0
	1,998	2,305	0	0
Balances with bodies external to Government	869	888	0	0
Total	2,867	3,193	0	0

15. Provisions for liabilities and charges

	2012–13	2011–12
	£000	£000
Balance at 1 April	309	651
Provided in year	448	0
Provisions not required written back	(3)	0
Provision utilised in the year	(207)	(342)
Unwinding of discount	0	0
Balance as at 31 March	547	309

	2012–13	2011–12
	£000	£000
Analysis of expected timing of discount flows		
Not later than one year	471	309
Current liability	471	309
Later than one year and not later than five years	76	0
Later than five years	0	0
Non-current liability	76	0
Balance as at 31 March	547	309

Voluntary Redundancy provided in year for given dates over a period of 18 months to 30 September 2014. The provision covers redundancy costs and pension strain costs for 19.6 FTEs (23 individuals).

16. Capital commitments

Commitments for capital expenditure and major maintenance works for which no provision has been made in these accounts were as follows:

	2012–13	2011–12
	£000	£000
Property, plant and equipment	0	0
Intangibles	0	0
Total	0	0

17. Commitments under lease

17a. Operating leases

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

Obligations under operating leases for the following periods comprise:

	2012–13	2011–12
	£000	£000
Other		
Not later than one year	45	44
Later than one year and not later than five years	47	45
Later than five years	0	0
Total	92	89

Operating leases include pool cars and photocopier rentals.

17b. Finance leases

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

Obligations under finance leases for the following periods comprise:

	2012–13	2011–12
	£000	£000
Other		
Not later than one year	0	0
Later than one year and not later than five years	0	0
Later than five years	0	0
Less interest element	0	0
Present value of obligations	0	0

Present value of obligations under finance leases for the following periods comprise:

	2012–13	2011–12
	£000	£000
Other		
Not later than one year	0	0
Later than one year and not later than five years	0	0
Later than five years	0	0
Total present value of obligations	0	0

The Trust has no finance leases.

18. Other financial commitments

The Trust has no other commitments.

	2012–13	2011–12
	£000	£000
Not later than one year	0	0
Later than one year and not later than five years	0	0
Later than five years	0	0
Total	0	0

19. Deferred tax asset

The Trust has no deferred tax assets held.

20. Financial instruments

As the cash requirements of the Trust are met through the Estimates process, financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts to buy non-financial items in line with the Trust's expected purchase and usage requirements as well as cash, receivables and payables. Therefore it is felt that the Trust is exposed to little credit, liquidity or market risk.

As the Trust does not face significant medium to long-term financial risks, no disclosure is required.

21. Contingent liabilities

The Trust has no Contingent Liabilities.

22. Losses and special payments

22a. Losses statement

	2012–13		2011–12	
	Number of cases	Total value £000	Number of cases	Total value £000
Cash losses	0	0	0	0
Claims abandoned	0	0	0	0
Administrative write-offs	0	0	0	0
Fruitless payments	0	0	0	0
Store losses	0	0	0	0
Total	0	0	0	0
Details of cases over £250,000				
Cash losses	0	0	0	0
Claims abandoned	0	0	0	0
Administrative write-offs	0	0	0	0
Fruitless payments	0	0	0	0
Store losses	0	0	0	0
Total	0	0	0	0

There are no losses over £250k.

22b. Special payments schedule

	2012–13		2011–12	
	Number of cases	Total value £000	Number of cases	Total value £000
Special payments	0	0	18	195
Total	0	0	18	195
Details of cases over £250,000				
Special payments	0	0	0	0
Total	0	0	0	0

In 2011–12 redundancy payments were included as special payments, in 2012–13 **Note 3** provides details of redundancies. 2011–12 has not been adjusted but for comparison purposes **Note 22b** special payments would have been zero without redundancy costs.

There are no special payments over £250k.

23. General fund

	2012–13	2011–12
	£000	£000
Balance at 1 April	(40,462)	(31,838)
Financing	0	0
Net transfers from Operating Activities:		
Statement of Comprehensive Net Expenditure	(998)	(659)
Movement in donated assets	0	0
Transferred from revaluation reserve	0	0
Actuarial gains and losses	(3,989)	(7965)
Balance at 31 March	(45,449)	(40,462)

24. Revaluation reserve

24a. Property, plant and equipment

	2012–13	2011–12
	£000	£000
Balance at 1 April	18	16
Arising on revaluations of PPE during the year (net)	16	2
Transferred to General Fund	0	0
Balance at 31 March	34	18

24b. Intangibles

	2012–13	2011–12
	£000	£000
Balance at 1 April	0	0
Arising on revaluations of intangibles during the year (net)	0	0
Transferred to General Fund	0	0
Balance at 31 March	0	0

25. Related party transactions

NOMS and the Ministry of Justice are regarded as a related party. During the year, the Trust had various material transactions with the Ministry of Justice. Additionally, the Trust had transactions with other Trusts', other government bodies and third party organisations.

During the year, none of the members of the Trust Board, members of key management staff or other related parties, or their related parties has undertaken any material transactions with the Trust.

26. Third-party assets

The Trust does not have responsibility for any third party assets.

27. Events occurring 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 Audit Certificate of the Comptroller and Auditor General.

As at the date of the Audit Certificate, the following reportable events had occurred:

The results of the “Transforming Rehabilitation” consultation paper were published on 9 May 2013, by the Secretary of State for Justice, which announced the future requirements for the provision of probation services. The recommendations will change the way in which probation services are commissioned and delivered. A new National Probation Service will be created to protect the public from the most dangerous offenders and manage the provision of probation services. England and Wales will be divided into 21 contract areas which align closely with local authorities and Police and Crime Commissioner areas. MoJ/NOMS will be responsible for commissioning rehabilitation services. Probation service local delivery units will support the gathering of intelligence on needs and priorities at a local level, including from key partners (e.g. local authority needs assessments) to feed into the MoJ/NOMS commissioning process. It is expected that the detail will be finalised over the coming months. None of the Trust’s assets, liabilities or functions had been transferred at the date the accounts were authorised for issue.

28. Prior Period Adjustments (PPA)

The Trust has no Prior Period Adjustments.

Accounts Direction

ACCOUNTS OF LOCAL PROBATION TRUSTS IN ENGLAND AND WALES ACCOUNTS DIRECTION GIVEN BY THE SECRETARY OF STATE IN ACCORDANCE WITH PARAGRAPHS 13(1) and 14(2) OF SCHEDULE 1 TO THE OFFENDER MANAGEMENT ACT 2007

1. This direction applies to the Local Probation Trusts (the Trusts) listed in the attached Appendix 1.
2. Each Trust shall prepare a statement of accounts for the financial year ended 31 March 2013 and subsequent financial years, in compliance with the accounting principles and disclosure requirements of the Government Financial reporting Manual (“the FReM”) issued by HM Treasury and which is in force for the relevant financial year.
3. The accounts shall be prepared so as to:
 - give a true and fair view of the state of affairs of the Trust as at the financial year-end and of the comprehensive net expenditure, changes in taxpayers’ equity and cash flows for the financial year and have been properly prepared in accordance with the Offender Management Act 2007;
 - provide disclosure of any material expenditure or income that has not been applied to the purposes intended by Parliament or material transactions that have not conformed to the authorities which govern them.
4. Compliance with the requirements of the FReM will, in all but exceptional circumstances, be necessary for the accounts to give a true and fair view. If, in these exceptional circumstances, compliance with the requirements of the FReM is inconsistent with the requirement to give a true and fair view, the requirements of the FReM should be departed from only to the extent necessary to give a true and fair view. In such cases, informed and unbiased judgement should be used to devise an appropriate alternative treatment which should be consistent with both the economic characteristics of the circumstances concerned and the spirit of the FReM. Any material departure from the FReM should be discussed in the first instance with NOMS Agency finance team and HM Treasury.
5. Additionally the Trusts shall be required to comply with all Probation Communication Notices to the extent that they build on the requirement of the FReM subject to the directions in paragraph 4.
6. This direction supersedes that provided by the Secretary of State to Probation Trusts dated 8 March 2012.



Edward Kirby

On behalf of the Secretary of State for the Ministry of Justice
6 March 2013

Appendix 1

35 Probation Trusts:

Avon and Somerset
Bedfordshire
Cambridgeshire & Peterborough
Cheshire
Cumbria
Derbyshire
Devon and Cornwall
Dorset
Durham Tees Valley
Essex
Gloucestershire
Greater Manchester
Hampshire
Hertfordshire
Humberside
Kent
Lancashire
Leicestershire & Rutland
Lincolnshire
London
Merseyside
Norfolk & Suffolk
Northamptonshire
Northumbria
Nottinghamshire
South Yorkshire
Staffordshire & West Midlands
Surrey & Sussex
Thames Valley
Wales
Warwickshire
West Mercia
West Yorkshire
Wiltshire
York & North Yorkshire

3. Hampshire Probation Trust Sustainability Report 2012/13 (not subject to audit)

Introduction

This is the second sustainability report for Hampshire Probation Trust (HPT), prepared in accordance with 2011–2012 guidelines laid down by HM Treasury in ‘Public Sector Annual Reports: Sustainability Reporting’ published at: www.hm-treasury.gov.uk/frem_sustainability.htm. Sustainability focus is on achieving government targets, reducing environmental impact and reducing costs. Priorities include reducing carbon emissions, water consumption and waste to landfill.

This report covers 16 buildings.

Shared occupations are not accounted for due to the limitations of extrapolating reliable sustainability data from service charges supplied by landlords. In addition, HM Courts and Tribunals Service is obliged to supply office space free of charge to probation trusts. As these are modest in size there is little, if any, benefit from isolating their sustainability data. We do not consider that the exclusion of these areas has a material impact on sustainability reporting for the Trust as a whole.

Governance, responsibility and internal assurance

Overall governance and assurance is managed by the Ministry of Justice Sustainable Development Team (MoJ SDT). The probation estate is managed by facilities contractors, acting on behalf of the MoJ, who manage day to day estate operations including voluntary and mandated sustainability reporting. There are some limitations to the accuracy of our financial and non-financial sustainability data and we continue to improve the quality of our internal controls, for example through internal audit.

More accurate data for 2009/10 – 2011/12 has now been made available, this data has been used for the 2012/13 report resulting in some figures varying from those published in the 2011/12 Annual Report.

Greening Government Commitments

The Greening Government Commitments launched on 1 April 2011 require Departments, including Probation Trusts, to take action to significantly reduce environmental impact by 2014–2015 (compared to a 2009–2010 baseline). These commitments can be found at:

<http://sd.defra.gov.uk/gov/green-government/commitments/>.

Climate Change Adaptation and Mitigation

The MoJ SDT has drafted a Statement for Climate Change Adaptation; and set their built and non-built estate challenging objectives as follows:

- To enable the MoJ estate to evaluate risks to its strategy for programme delivery on vulnerable flood plains and evaluate its baseline for future adaptation of its targets and actions against climate change.
- To enable the MoJ estate to prioritise its management of high risk sites and where necessary divert and recalculate important and fragile resources where they are vital to operational delivery.
- To identify where stakeholders and central partners need to act to facilitate further or additional actions to protect against climate change.
- To establish a strategic process by which MoJ can put in place measures necessary to adapt to future climate change.

Carbon Reduction Commitment

The Carbon Reduction Commitment (CRC) is managed by the MoJ and associated carbon allowances are accrued by MoJ Corporate Estates.

Carbon Management Plan (CMP)

A CMP is a systematic approach to reducing Greenhouse Gas Emissions; integrating technical, financial, corporate governance and communications within an overarching strategy. A CMP covers the entire Probation Estate across 35 Trusts and was developed in partnership with the Carbon Trust. The MoJ SDT is working to consolidate all CMPs, including those in place in the Prison Service and Courts and Tribunals to deliver a single cohesive approach with costed projects for each unit to provide an overarching framework to tackle climate change.

Our vision is to:

- be a low carbon business in which carbon management and sustainability are embedded within decision making,
- engage stakeholders and demonstrate best practice in meeting corporate sustainability targets.

The plan and statements will be kept under review and open to amendment in order to facilitate a continued improvement in meeting statutory obligations for climate change adaptation and reporting.

Environmental Management System (EMS)

The MoJ SDT has an ongoing EMS implementation programme, and is looking to develop a more streamlined EMS that fully meets the requirements while reducing resource impacts on front line services.

Sustainable procurement

HPT takes into account sustainability within its procurement processes and has access to purchasing agreements for commodities from supplier that make available recycled and low carbon products where appropriate.

Social and environmental awareness

HPT has a Corporate Social Responsibility Policy.

Contact

For travel information provided by the Trust contact – Sharon Bailey Director of Finance at **Sharon.Bailey@hampshire.probation.gsi.gov.uk**

For all building, energy and waste information contact – MoJ Energy Department, John Turner, Energy Manager, Ministry of Justice Estate Directorate, **John.Turner@justice.gsi.gov.uk**

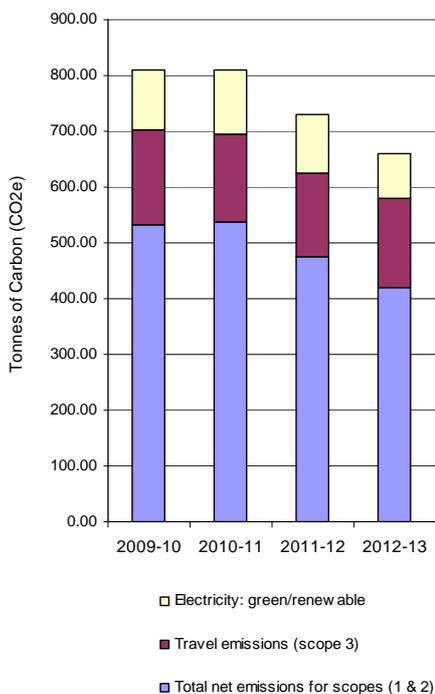
Performance Summary

Greenhouse gas (GHG) emissions

Non-financial indicators (tCO ₂ e)	Total gross emissions for scopes 1 & 2 Electricity: green/renewable Total net emissions for scopes 1 & 2 Travel emissions scope 3 Total gross GHG emissions (all scopes)
Non-financial (kWh)	Electricity: Grid, CHP & non-renewable Electricity: renewable Gas Other energy sources Total energy
Financial indicators	Expenditure on energy Expenditure on official business travel

	2009–10	2010–11	2011–12	2012–13
Total gross emissions for scopes 1 & 2	639.8	651.9	581.5	499.3
Electricity: green/renewable	108.1	115.3	105.7	79.9
Total net emissions for scopes 1 & 2	531.7	536.6	475.8	419.4
Travel emissions scope 3	170.7	157.5	149.2	160.3
Total gross GHG emissions (all scopes)	810.5	809.4	730.7	659.6
Electricity: Grid, CHP & non-renewable	623,464	664,660	609,519	460,666
Electricity: renewable	207,821	221,553	203,173	153,555
Gas	919,056	829,787	655,326	738,318
Other energy sources	0	0	0	0
Total energy	1,750,341	1,716,000	1,468,018	1,352,539
Expenditure on energy	£126,669	£135,975	£116,010	£95,702
Expenditure on official business travel	£356,811	£359,928	£338,543	£373,441

GHG Emissions by scope



Performance commentary (including targets)

From 1 April 2011 new Greening Government Commitments require us to reduce greenhouse gas emissions from a 2009/2010 baseline from the whole estate and business-related transport and cut domestic business travel flights by 20% by 2015 from a 2009/2010 baseline.

Total Emissions for Gas, Electricity and Travel have fallen against the 2009/10 baseline by 19% in 2012/13.

Controllable impacts commentary

Implementation of the Trust's Property Strategy has reduced energy through building closure and consolidation.

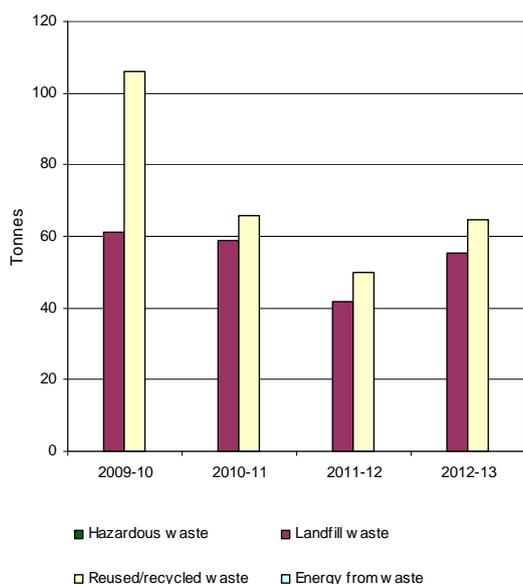
Overview of influenced impacts

The Trust's estates and facility management services are provided through a mandatory contract with NOMS, Trusts have limited ability to impact carbon dioxide emissions in these areas although our Property Strategy and building closure programme will support reduction targets. The MoJ has a Carbon Management Plan which covers all 35 Probation Trusts.

Waste

			2009–10	2010–11	2011–12	2012–13
Non-financial indicators (tonnes)	Hazardous waste	Hazardous waste	0	0	0	0
	Non-hazardous waste	Landfill waste	61	59	42	55
		Reused/recycled waste	106	66	50	65
		Energy from waste	0	0	0	0
Total waste arising			167	125	92	120
Financial indicators	Hazardous waste	Hazardous waste	0	0	0	0
	Non-hazardous waste	Landfill waste	4912	4736	3449	4517
		Reused/recycled waste	16073	10077	7327	9525
		Energy from waste	0	0	0	0
Total waste costs (£)			£20,985	£14,813	£10,776	£14,042

Waste by final disposal



Performance commentary (including targets)

From 1 April 2011 new targets (GGC) require us reduce the amount of waste we generate by 25% from a 2009/10 baseline, cut paper use by 10% in 2011/12 and ensure that redundant ICT equipment is re-used (within government, the public sector or wider society) or responsibly recycled.

Waste has reduced from 2009/10 baseline by 28% in 2012/13.

Controllable impacts commentary

The Trust supports the management of office waste through a recycle approach and the introduction of LEAN 5 S's principals.

Overview of influenced impacts

The trust operates in conjunction with the NOMS facilities management provider who have moved towards recycling in 2012/13 however the Trust also supports its own recycling process for paper, plastic and metal.

Paper

Cost (excluding VAT)

2009–10	2010–11	2011–12	2012–13
£23,650	£19,028	£17,088	£20,734

Performance commentary (including targets)

Reams of paper used in 2012/13 is 29% lower than in 2009/10 and 12% lower in cost. This has increased since 2011/12 due to a delay in electronic data sharing with courts. Reductions are being driven from a combination of central reporting and ordering, raised awareness.

No. Reams

2009–10	2010–11	2011–12	2012–13
11,396	9,542	8,663	8,109

Controllable impacts commentary

The Trust supports the management of office paper usage through a paperless office approach and the introduction of LEAN 5 S's principals.

Overview of influenced impacts

Future plans include increased web based purchase ordering which is paper free, electronic data sharing with courts and electronic files.

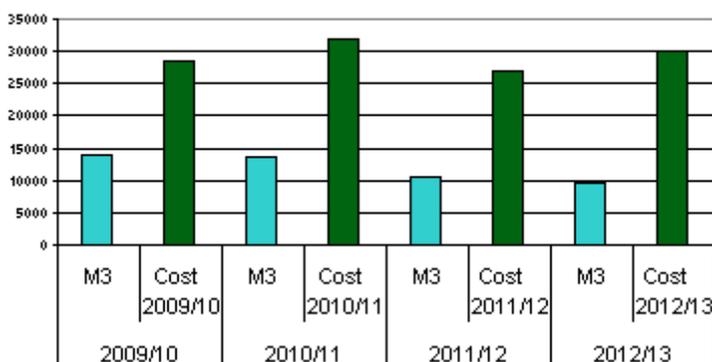
Water

Non-financial indicators Total water consumption (cubic metres)

Financial indicators Total water supply costs (£)

2009–10	2010–11	2011–12	2012–13
14042	13642	10440	9610
£28,633	£31,807	£27,050	£30,112

Water. Total consumption and costs.



Performance commentary (including targets)

From 1 April 2011 new targets (GGC) require us to reduce water consumption from a 2009/10 baseline, and report on office water use against best practice benchmarks.

- a. $\geq 6 \text{ m}^3$ water consumption per FTE poor practice
- b. 4 m^3 to 6 m^3 per FTE good practice
- c. $\leq 4 \text{ m}^3$ per FTE best practice
- d. % offices meeting best/good/poor practice benchmark.

Water consumption has reduced from the 2009/10 baseline cubic metres by 32% however costs have increased from £2 to £3 per cubic metre.

The Trusts water usage is $9610 / 485 = 20 \text{ m}^3$ per FTE however 55% of the Trust's water consumption relates to three residential Approved Premises.

Controllable impacts commentary

Water use in the Trust's offices is almost exclusively from washrooms and drinking, some locations also have dishwashers facilities. The Trust manages three Approved Premises which are residential and have full residential facilities.

Overview of influenced impacts

The Trust's water is provided through a mandatory contract with NOMS, Trusts have limited ability to impact usage in this area although our Property Strategy's building closure programme will support a reduction in consumption.

Glossary

CAFCASS	Children And Family Court Advisory and Support Service
CMRS	Court mar Report Service
CP	Community Payback
CPI	Consumer Price Index
DMAIC	Define Measure Access Implement Control
ETE	Education Training Employment
FReM	Government Financial Reporting Manual
IDAM	Individual Domestic Abuse Module
IAS	International Accounting Standard
IASB	International Accounting Standard Board
IOM	Intergrated Offender Management
LDU	Local Delivery Unit
LEAN	Methodology to support efficiency
MAPPA	Multi Agency Public Protection Arrangements
NDPB	Non Departmental Public Body
NOMS	National Offender Management Service
OMI	Offender Management Inspection
OBP	Offending Behaviour Programme
PCC	Police and Crime Commissioners
PRS	Pre Sentence Report
PTRS	Probation Trust Rating System
ROI	Return On Investment
SEEDS	Skills for Effective Engagement, Development and Supervision
SFO	Serious Further Offence
SMT	Senior Management Team
QA	Quality Assurance
QIP	Quality Improvement Plan



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