

**Northumbria
Probation Trust**



Northumbria Probation Trust

**Annual Report and Accounts
2012/2013**

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

Ordered by the House of Commons to be printed 8 July 2013

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Any enquiries regarding this publication should be sent to us at Northumbria Probation Trust, Lifton House, Eslington Road, Jesmond, Newcastle upon Tyne, NE2 4SP.

You can download this publication from **www.northumbria-probation.co.uk**

ISBN: 9780102985320

Printed in the UK by The Stationery Office Limited
on behalf of the Controller of Her Majesty's Stationery Office
ID 2570594 07/13

Printed on paper containing 75% recycled fibre content minimum.

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Vision & Values

Our Vision

Communities in which people live free from crime and the fear of crime.

We will deliver our vision by being a forward looking and robust organisation that works with others to reduce reoffending, protect the public and enhance public confidence. This means we will:

- Deliver a sustained and continuous reduction in reoffending.
- Assess, monitor, manage and reduce the risks posed to the community by offenders.
- Work in partnership to improve outcomes for local communities and enhance public confidence in both probation services and the criminal justice system as a whole.
- Ensure that we are a healthy and successful organisation able to deliver value for money in everything we do.

Our priorities to help us deliver on these strategic objectives are to:

- Develop and deliver effective and innovative services to offenders and victims.
- Influence and respond to the external environment.
- Transform our culture.
- Influence and respond to the new commissioning environment.
- Enhance partnerships and external relations.

We value:

- excellence in all we do
- learning and continuous improvement as essential to success
- honesty, fairness, transparency and openness

We believe:

- in treating everyone with respect and dignity
- that working in partnership is more effective than working on our own
- in the capacity of people to change given the opportunity and support.

Foreword

This is the third annual report following the move to trust status from Northumbria Probation Board in April 2010.

Northumbria Probation Trust delivers services in a challenging, demanding and complex environment. Across the organisation our staff work with difficult, vulnerable and sometimes dangerous people. We also work with the victims of crime.

2012/13 was no exception to this challenging environment. Lack of clarity to the future direction of probation services and the Transforming Rehabilitation agenda alongside a difficult economic backdrop have contributed to the day to day challenges we face.

Despite this, 2012/13 has been another successful year for Northumbria Probation Trust. As an 'exceptional trust' across all domains of the Probation Trust Rating System (PTRS) performance system we have continued to offer high quality and robust services. This has been evidenced in our excellent Her Majesty's Inspectorate of Probation (HMIP) inspection, published in April 2012, successful results in the Information Commissioner's Office Audit in the last quarter of 2012/13 and attaining a four star rating in the European Excellence Model.

Our staff have played, and continue to play, a key role in our success and we are delighted that we have managed to balance the budget in a difficult financial environment through challenging savings plans, delivered by our staff at all levels, and including a successful voluntary redundancy programme.

We hope to continue this sterling work and are committed to protecting the public and reducing reoffending for the population we serve.

Nick Hall
Chief Executive and Accountable Officer for the Trust

1. Operational & Performance Review 2012/13

Northumbria Probation Trust is committed to the principles that underpin the EFQM Excellence Model. This is a practical, non prescriptive framework that enables organisations to assess where they are on the path to excellence. During 2012/13 Northumbria Probation Trust achieved EFQM 4* Recognised for Excellence status. Our achievements are presented therefore in a format that reflects that approach.

A. Enablers

This section covers what we do and how we do it. The activities all underpin the five strategic priorities in the Northumbria Strategic Plan 2012/13–2014/15. Green indicates activities are on track to be completed within the agreed timescale which extends beyond 2012/13. Grey means activities have been completed in year. In summary, there are no enablers that have not been achieved or that are giving cause for concern.

Strategic Priority 1: Develop and deliver effective and innovative services to offenders and victims

Priority Action	Description	Owned By	Link with Strategic Objective /Organisational Development Themes	Number of Actions	End of Year Performance 2012/13
SA1	Within the offender engagement programme, roll out part one of Skills for Effective Engagement, Development and Supervision (SEEDS) trust wide and train the trainer for part two (SEEDSP2).	Deputy Chief Executive	SO1, SO2 / ODT6		
SA2	Establish new restorative justice delivery arrangements and other aspects of the victim engagement strategy developed in 2011/12.		SO1, SO2, SO3 / ODT6		
SA3	Define a new structure for managing Serious Further Offence (SFO) review and other processes with due regard for succession planning and cost effectiveness.		SO2, SO4/ ODT1, ODT3		
SA4	Project work to maximise the proportion of face to face time staff spend with offenders including the roll out of Delius, OASys-R, the digitisation programme and any other agreed innovative technology solutions.		SO1, SO2 / ODT5, ODT6	2	Rollout of Delius and OASys delayed by NOMS to April/ May 2013
SA5	Building on the offender housing strategy developed in 2011/12, establish a supported accommodation provider forum, finalise new protocols with local authority providers on offender housing issues and promote the retendered commissioned housing advice service alongside other advice services offered in local communities as appropriate.		SO1, SO2, SO3 / ODT6	3	

Priority Action	Description	Owned By	Link with Strategic Objective /Organisational Development Themes	Number of Actions	End of Year Performance 2012/13
SA6	Further work with women offenders including implementation of the national women sex offenders' framework, an evaluation of the <i>I am me</i> pilot with a view to expansion and the shift to local (probation trust) commissioning of the NOMS funded women's community projects.		SO1, SO2, SO3 / ODT5	3	

Strategic Priority 2: Influence and respond to the external environment

Priority Action	Description	Owned By	Link with Strategic Objective/Organisational Development Themes	Number of Actions	End of Year Performance 2012/13
SA7	Ensure all staff have the knowledge, skills and confidence to influence positively levels of demand, manage workload and achieve required outcomes.		SO4 / ODT1, ODT2, OD4, ODT5	1	
SA8	Review the workload management tool to take account of changes to national standards, the impact of Specification Benchmarking and Costings (SBC) and further development into other areas of activity.	Chief Executive/ Deputy Chief Executive	SO4 / ODT1, ODT2, ODT4, ODT5	2	
SA9	Implement the outcomes of the probation review.		SO4/ ODT3	1	Probation Review still to be completed
SA10	Implement the outcomes of community sentencing reform.		SO4 / ODT1, ODT2, ODT3, ODT6	2	
SA11	Prepare for the introduction of Police & Crime Commissioners.		SO4 / ODT1, ODT3, ODT6	4	

Strategic Priority 3: Transform our Culture

Priority Action	Description	Owned By	Link with Strategic Objective/Organisational Development Themes	Number of Actions	End of Year Performance 2012/13
SA12	Ensure maximum flexibility in the deployment of the workforce.	Chief Executive/	SO4 / ODT1, ODT3, ODT4, ODT5	6	
SA13	Develop and implement competency based recruitment and performance review systems.	Head of People Management and	SO4 / ODT2, ODT4, ODT5	3	
SA14	Implement succession planning strategy.		SO4 / ODT1, ODT4, ODT5	3	

Priority Action	Description	Owned By	Link with Strategic Objective/Organisational Development Themes	Number of Actions	End of Year Performance 2012/13
SA15	Implement the Transforming Northumbria action plan.	Organisational Development	SO4 / ODT5	4	
SA16	Implement the sickness absence management action plan.		SO4 / ODT1, ODT2, ODT5	4	
SA17	Ensure employees have the right competencies.		SO4 / ODT2, ODT4, ODT5	4	

Strategic Priority 4: Influence and respond to the new commissioning environment

Priority Action	Description	Owned By	Link with Strategic Objective /Organisational Development Themes	Number of Actions	End of Year Performance 2012/13
SA18	Implement the trust commissioning strategy.	Deputy Chief Executive	SO3, SO4 / ODT5, ODT6	4	
SA19	Identifying and developing relationships with other providers.		SO3, SO4 / ODT1, ODT6	4	
SA20	Submit a bid for community payback (CP) work as part of North7.		SO3, SO4 / ODT1, ODT2, ODT3	6	Competition abandoned by Ministry of Justice
SA21	Seek to become a sub contractor to the successful tenderer for Her Majesty's Prison Northumberland contract.		SO3, SO4 / ODT1, ODT2, ODT3	2	
SA22	Seek to become a sub contactor to the successful tenderer for electronic monitoring of curfews.		SO3, SO4 / ODT1, ODT2, ODT3	2	NPT formally withdrawn from project
SA23	Undertake a review of the provision and delivery of accredited programmes.		SO1, SO2, SO4 / ODT1, ODT2, ODT3, ODT5	4	

Strategic Priority 5: Enhance partnerships and external relations

Priority Action	Description	Owned By	Link with Strategic Objective /Organisational Development Themes	Number of Actions	End of Year Performance 2012/13
SA24	Progress our community engagement strategy and communications policies in order to enhance public confidence, media relations and stakeholder engagement.	Deputy Chief Executive	SO3, SO4 / ODT5, ODT6		

Priority Action	Description	Owned By	Link with Strategic Objective /Organisational Development Themes	Number of Actions	End of Year Performance 2012/13
SA25	Development more sophisticated approaches to crimes saved evidence to demonstrate the value of our reducing reoffending work and maximise external funding opportunities.		SO1, SO3, SO4 / ODT1, ODT2, ODT6		
SA26	Establish new delivery arrangements for mental health and learning disability and take forward partnership work emerging from the regional Big Diversion Project.		SO1, SO2, SO3 / ODT1, ODT5, ODT6		Completed
SA27	Participate in community based budget pilots.		SO4 / ODT1, ODT6		

B. Results

This section describes what we have achieved in 2012/13. All the Customer and Key Performance Results cover targets included in our contract with NOMS. People Results reflect a measure that used to be in the NOMS Performance Framework but we have retained as we believe it is an important indicator linked to use of resources. Society Results covers our key outcome measure. In summary, all NOMS Contract targets for 2012/13 were achieved. In relation to our key outcome measure the actual rate of reoffending by offenders under our supervision or on licence during 2012/13 was better (14.15%) than the predicted rate (14.94%).

Customer Results

Ref:	Description of Target	Target	Outcome
OM 17	The % of offenders in settled and suitable accommodation at the end of their order or licence.	83%	88%
OM 29	The % of offenders surveyed who have engaged positive with the offender management process.	67%	83%
OM 32	The % of victims responding to survey who are satisfied or very satisfied with the service received.	90%	100% (PTRS Q3)
INT 8	The number of offenders under supervision who find and sustain employment.	450	668
INT9	The % of offenders in employment at termination of their order or licence.	40%	43%

People Results

Ref:	Description of Target/ Measure	Target	Outcome
IPPF 8	Reduce sickness absence to an average of 10 days per staff member per year.	10.0 days	10.3 days

Society Results

Ref:	Description of Target/ Measure	Target	Outcome
NI 18	Reduce reoffending.	14.94%	14.15%

Key Performance Results

Ref:	Description of target/measure	Target	Outcome
OM 4	The % of licence recall requests to reach NOMS Post Release Section within 24 hours of the decision by the Offender Manager.	90%	99%
OM 5	The % of cases in which initiation of breach proceedings took place within 10 working days of the relevant unacceptable failure to comply.	90%	97%
OM 11	The % of OASys terminations completed within the appropriate timescales for all Tier 2 and 3 offenders.	90%	91%
OM 12	The % of OASys terminations completed within the appropriate timescales for all Tier 4 offenders.	90%	81%
OM 13	The % of OASys terminations completed within the appropriate timescales for all Prolific and other Priority Offenders (PPO) offenders.	90%	87%
OM 20	The % of orders or licences successfully completed.	80%	84%
OM 26	The % of OASys assessments assessed as either 'satisfactory' or 'good' on the OASys Quality Assurance (QA).	91%	96% (PTRS Q3)
OM 27	The % of Indeterminate Sentence Prisoners parole assessment reports completed and returned to prison within 8 weeks of Parole Review Process commencement date.	80%	97%
OM 40	The % of Pre-Sentence Reports (PSRs) completed within the timescales set by the court.	90%	100%
OM41	Multi Agency Public Protection Arrangements (MAPPA) Effectiveness.	86%	100% (PTRS Q3)
INT 1	The number of Sex Offender Programme completions.	45	45
INT 2	The number of accredited Domestic Violence Programme completions.	100	100
INT 3	The number of accredited Offending Behaviour Programme completions (excluding sex offender and domestic violence).	295	295
INT 5	The number of Unpaid Work (Community Payback) completions.	1350	1399

C. Workload and Activity Statistics 2008/09 to 2012/13

This section shows trend data in relation to the type and volume of activity undertaken by the trust which has a duty to deliver the order of the court for all offenders subject to the different types of community orders and those released on licence following a prison sentence of 12 months or more.

Commencements by Order Type

Order Type	2008/09	2009/10	2010/11	2011/12	2012/13
Community Order	6,751	6,410	6,616	6,476	5,265
Community Punishment Order (CPO)/Enhanced Community Punishment	110	31	5	4	1
Community Punishment Rehabilitation Order (CPRO) – Punish	35	44	1	0	0
CPRO – Rehab	26	40	1	0	0
Community Rehabilitation Order (CRO)	0	20	5	0	0
Drug Treatment Testing Order (DTTO)	0	0	0	0	0
Other Supervision	2	8	4	0	0
Other	0	5	0	1	1
Pre Release – Custodial	413	692	684	772	711
Post Release – Custodial	698	441	346	284	192
Total	8,033	7,691	7,662	7,537	6,170

Caseload by Order Type as at 31st March

Order Type	2008/09	2009/10	2010/11	2011/12	2012/13
Community Order	3,972	5,853	4,990	4,866	4,095
Community Rehabilitation Order	58	21	9	2	1
CPRO	0	33	4	0	0
Other Supervision	1,477	10	3	1	1
Community Payback/Unpaid Work	91	14	6	3	1
Pre Release – Custodial	1,519	1,726	1,684	1,867	1,646
Post Release – Custodial	964	924	900	781	958
Total	8,081	8,581	7,596	7,521	6,702

Requirement Analysis* – number of requirements given at court

Requirements given to offenders in the community (includes offenders on licence)

Requirement Type	2010/11	2011/12	2012/13
Supervision	5,100	4,822	4,112
Unpaid Work	3,038	3,048	2,336
Curfew	1,483	1,439	1,167
Accredited Programme	1,058	885	635
Drug Rehabilitation	571	640	567
Specified Activity	376	421	421
Residence	420	388	373
Alcohol Treatment	130	168	149

Requirement Type	2010/11	2011/12	2012/13
Attendance Centre	43	47	13
Prohibited Activity	330	429	418
Mental Health Treatment	31	11	20
Exclusion	180	185	227
Total	12,760	12,483	10,438

Reports by Court Type

There are three types of pre sentence reports used by sentencers to help inform sentencing decisions in the Magistrates and Crown Court. Standard delivery reports (CJS) are for more serious and complex cases which have to be completed within 15 days of request; short format reports (CJF) are for less serious cases which have to be completed within 5 days of request and on the day reports (CJO) are used when sufficient information is available to allow sentencing to take place immediately following conviction. Over recent years all agencies in the criminal justice system have been aspiring to achieve efficiencies and savings in the process from point of arrest to point of sentence. The probation trust's main contribution to this is the reduction over time of the number of standard delivery reports in favour of a proportionately greater use of short format and on the day reports.

		Court Types		
		Crown	Magistrates	Total
2008/09	CJS	2,185	2,281	4,466
	CJF	21	2,278	2,299
	CJO	80	2,835	2,915
2009/10	CJS	2,121	1,615	3,736
	CJF	129	2,582	2,711
	CJO	154	2,673	2,827
2010/11	CJS	2,137	1,429	3,566
	CJF	219	2,250	2,469
	CJO	103	2,647	2,750
2011/12	CJS	2,017	888	2,905
	CJF	463	1,939	2,402
	CJO	90	2,750	2,840
2012/13	CJS	1,323	840	2,163
	CJF	675	1,324	1,999
	CJO	104	1,682	1,786

UPW Hours Ordered/Worked

Unpaid Work (UPW) is an order of the court that requires offenders to complete work in the community, under the direction of the probation trust, for the benefit of local communities as a form of reparation for the offences they have committed.

	Orders Made	Hours Ordered	Total Hours Worked
2008/09	2,576	300,172	187,649
2009/10	2,413	274,642	194,727
2010/11	2,449	284,900	180,772
2011/12	2,412	281,451	192,968
2012/13	1,873	220,811	170,007

Victims: Total number contacted within 8 weeks

The probation trust is required to contact victims of sexual and physical violence where the offender receives a sentence of more than 12 months imprisonment.

	Potential	Actual	%
2008/09	466	460	99%
2009/10	462	462	100%
2010/11	416	405	97%
2011/12	449	443	99%
2012/13 (provisional, PTRS Q3)	382	378	99%

2. Management Commentary

Statutory background

With effect from 1st April 2010 Northumbria Probation Board was dissolved and established as a probation trust 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). Under the act the new trust has been set up in order to support the strategic aims and current Public Service Agreement of the Ministry of Justice. Northumbria Probation Trust has as their purpose the delivery of probation services under contract with the Secretary of State.

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 57, by the Secretary of State under the OM Act.

Principal activities

Northumbria Probation Trust covers the Northumbria Police area as defined in Schedule 1 of the Police Act 1996 and serves a population of almost 1.5 million people. During the year, the trust employed some 567 full time equivalent staff (544 excluding seconded staff) that worked from 27 buildings and 2 hostels across the area.

Each trust is initially to provide assistance to the courts in determining the appropriate sentence to pass, and to make other decisions in respect of persons charged with or convicted of offences, and to assist the courts in the supervision and rehabilitation of such persons.

The discharge of policies as established by the Ministry of Justice, are designed to ensure:

- The protection of the public;
- The reduction of reoffending;
- The proper punishment of offenders;
- Ensuring offenders' awareness of the effects of crime on the victims of crime and the public; and
- The rehabilitation of offenders.

The Chief Executive (CE) is a statutory office holder appointed by the appointed members. The CE is the Accountable Officer for the trust and is accountable to the Director of Probation in his position as the Principal Accountable Officer (PAO) for Probation Services.

The PAO, in turn, is accountable to the Accounting Officer of the Ministry of Justice, who is directly accountable to Parliament for safeguarding public funds.

Operational Performance during 2012/13

An analysis of performance outcomes is summarised in the Annual Report on pages 4 to 11.

Results for the year

The Statement of Comprehensive Net Expenditure (SoCNE) for the year is shown on page 27. The Statement of Changes in Taxpayers' Equity is shown on page 30.

Operating costs

The net operating cost before tax for 2012/13 stands at £1.640m compared to £1.859m for 2011/12. The increase is due to additional expenditure on ICT, specifically the replacement of the Northumbria Business Group IT systems and implementation of NorthumbriaNet.

Statement of Financial Position and Statement of Cash Flows

The Statement of Financial Position and Statement of Cash Flows are on pages 28 and 29.

The net liabilities position has increased from £40.932m at March 2012 to £45.596m at March 2013. The largest single movement in net liabilities is £4.630m due to the increase in pension liability.

Payment of creditors

In the year to 31 March 2013, the trust paid 4,410 trade invoices with a value of £24,458,375. The percentage of undisputed invoices paid within 30 days by the trust was 95.24% compared to 95.04% 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 10.3 days across the trust (2011/12 10.7 days).

Personal data related incidents

The following gives a summary report of significant personal data related incidents in 2012/13, which were formally reported to the Information Commissioner's Office (ICO).

Date of incident (month)	Nature of incident	Nature of data involved	Number of people potentially affected	Notification of steps
May 2012	Loss of parcel posted through Royal Mail	Offender Data	One	Efforts made to trace parcel via Royal Mail and NOMS. Loss reported to NOMS and ICO

In the above case, a risk assessment was carried out to assess who should be notified and to ensure measures were in place to mitigate risk to individuals and prevent recurrence of the incident. All staff are required to undertake a compulsory Information Assurance training course and refresher training.

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 results of the "Transforming Rehabilitation" consultation paper have been published, details of which are included in the section under Going Concern.

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 by the Secretary of State for Justice on 9 May 2013 in "Transforming Rehabilitation: A Strategy for Reform".

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".

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 59 to 61.

Future developments

As a Non Departmental Public Body (NDPB) and arms length body of NOMS our strategic direction is determined by the Transforming Rehabilitation agenda. Whilst we seek clarity on the future direction, Northumbria continues to recognise opportunities for forward looking innovation. More detail is included in our Strategic Plan but highlights for 2013/14 include:

- Rollout of SEEDSP2.
- Continuing to develop our victims and restorative justice work.
- Implementing a new model for community hubs to deliver services to women.
- Implementing trust wide IT projects.

Communications and employee involvement

Northumbria Probation Trust seeks to improve employee engagement through a sustainable culture of openness, inclusivity, partnership, involvement and accountability. We involve our employees and their representatives in the planning, development and delivery of our services thereby ensuring ownership at all levels and we consult with staff on key changes being proposed to the way we deliver our services. This is evidenced through:

- Recognition as one of the top 10 employers out of 303 public sector employers in the 2013 employer of choice survey carried out by Capita.
- Recognition of our employee engagement programme Progress Through People and our Transforming Northumbria cultural change programme from the North East Chartered Institute of Personnel and Development. The purpose of these programmes is to transform the culture of the organisation at all levels.
- Ongoing recognition of our investment in our employees through the achievement of Investors in People (IIP) champion status.

Staff diversity

Our single equality scheme (SES) sets out how we ensure that our delivery of services and employment practices is fair, accessible and appropriate for the diverse communities we serve and the people we employ. It outlines how we intend to embed equality and human rights in policy and practice. It builds upon our earlier success as well as accounting for our newly extended public sector equality duties introduced under the Equality Act 2010.

Our achievements during 2012/13 include:

- Achieved a ranking of 102 on the Stonewall workplace equality index at our first attempt.
- Recognition for our single equality scheme as a finalist in the North East Equality Awards.
- Diversity training for all staff within the organisation through a bespoke in-house training package.

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 Deloitte (as appointed by the Audit commission) to the National Audit Office. This change of external auditors was driven by a Department for Communities and Local Government 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 page 25.

Total external audit fees reported in the Accounts are £26,487. The audit fees for 2011/12 relate to the previous external auditor.

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

- I am aware of any relevant audit information
- the Auditor is aware of that information, and
- there is no relevant audit information of which the Auditor is unaware.

The Northumbria Probation Trust Management Board

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 Chief Executive is appointed by the appointed members of the board. Emoluments of these persons are paid through Ministry of Justice funds.

The appointment terms of the Chair and 'appointed members' of probation trusts are for the Secretary of State to determine. The Secretary of State may give written notice of termination of service to the Chair and 'appointed members' without a specified notice period. Such members may at any time resign office, giving written notice to the Secretary of State. In this regard there is no provision for compensation for early termination and the trust bears no liability on early termination other than to pay on behalf of the Secretary of State any payments due up to the date of termination.

The 'appointed members' receive non-pensionable remuneration of £15.40 per hour. The Chair receives remuneration determined by the Secretary of State. Boards, at their discretion, may pay a travelling allowance and any other relevant expenses incurred.

The remuneration of the Chief Executive is for the appointed members to determine in accordance with salary scales approved by the Secretary of State. The pension of the Chief Executive is determined through the Local Government Pension Scheme of which they are a member. The Chief Executive's performance pay is determined by the Chair of the board against criteria set by the appointed members of the board. There is no performance element for other board members.

Details of the remuneration of the Management Board are set out in the Remuneration Report on pages 17 to 18.

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

Position	Name	Date appointment commenced/ended (during 2012/13) where appropriate
Chief Executive	Nick Hall	
Chair	Lesley Bessant	
Board Member	Janet Guy	
Board Member	Norman Gilberg	
Board Member	Julia E A Hickey	
Board Member	Peter Hillman	
Board Member	Marion Talbot	

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.

Nick Hall
Chief Executive and Accountable Officer for the Trust

20th June 2013

3. Remuneration Report

The salary of the Chief Executive and appointed members of Northumbria 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) £
Chief Executive Nick Hall	85–90	0	700	80–85	0–5	500
Chair Lesley Bessant	15–20	0	240	15–20	0	0
Board Members:						
Janet Guy	0–5	0	450	0–5	0	300
Norman Gilberg	0–5	0	50	0–5	0	0
Julia E A Hickey	0–5	0	400	0–5	0	400
Peter Hillman	0–5	0	300	0–5	0	400
Marion Talbot	0–5	0	0	0–5	0	0

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)	£85,000–£90,000	£80,000–£85,000
Median for other staff	£27,102	£26,052
Pay multiple ratio	3.2:1	3.2:1

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' relates to the gross salary.

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

The pension entitlements of the Chief Executive are as follows:

Total accrued pension at pension age as at 31 March 2013 & related lump sum	Real increase/ (decrease) in pension and related lump sum at pension age	CETV at 31 March 2013	CETV at 31 March 2012	Real increase/ (decrease) in CETV after adjustment for inflation and changes in market investment factors
£000s	£000s	£000s	£000s	£000s
55–60 & lump sum of 65–70	0–5 and a lump sum of 0–5	390	344	37

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.

Nick Hall
Chief Executive and Accountable Officer for the Trust

20th June 2013

4. 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 Northumbria 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, unless it is inappropriate to do so.

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.

5. Governance Statement

Scope of responsibility

As Accountable Officer for Northumbria Probation Trust, I have responsibility for maintaining a system of internal control that supports the achievement of the trust's policies, aims and objectives whilst safeguarding the public funds and departmental assets of which I have charge; for ensuring propriety and regularity in the handling of those public funds; for the day-to-day operations and management of the trust and for ensuring that the trust as a whole is run on the basis of the standards, in terms of governance, decision-making and financial management, set out in the probation trusts' Governance Handbook, Managing Public Money and the Letter of Financial Authority.

In discharging my overall responsibility, I am responsible for putting in place proper arrangements for the governance of the trust's affairs and facilitating the effective exercise of the trust's functions, which includes arrangements for the management of risk.

Through the Director of Finance I shall ensure that appropriate financial instructions are in place, that members of the board, employees and new appointees are notified of their responsibilities and that they are observed throughout the organisation.

In line with its contract with NOMS, the trust has adopted the Governance Handbook for probation trusts, which complies with the Corporate Governance Code and also meets the requirements of the Accounts Directions given by the Secretary of State in accordance with paragraphs 13(1) and 14(2) of Schedule 1 to the Offender Management Act 2007, in relation to the publication of an Annual Governance Statement. A copy of the handbook can be obtained from the Trust Secretary.

The purpose of the governance framework

The governance framework comprises the systems and processes and culture and values by which the trust is directed and controlled and the activities through which it accounts to and engages with the community and other stakeholders. It enables the trust to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate the risk of failure to apply policies and achieve aims and objectives and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the application of departmental policies and the achievement of aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place in Northumbria Probation Trust for the year ended 31 March 2013 and up to the date of approval of the Annual Report and Accounts. It accords with Treasury guidance.

The governance framework

The trust's governance handbook is based on the Good Governance Standard for Public Services, published by the Independent Commission on Good Governance in Public Services, which has six core principles:

- Engaging stakeholders and making accountability real.
- Performing effectively in clearly defined functions and roles.
- Promoting values for the whole organisation and demonstrating good governance through behaviour.
- Developing the capacity and capability of the governing body to be effective.

- Taking informed, transparent decisions and managing risk.
- Focussing on the organisation's purpose and on outcomes for citizens and service users.

The key policies and procedures that comprise Northumbria Probation Trust's governance framework are detailed in the trust's Assurance Map, reviewed annually by the Audit Committee. They are:

- Trust Contract with NOMS
- Governance Handbook
- 'Managing Public Money'
- Standing Orders, Standing Financial Instructions and Scheme of Delegations
- Budget Book
- Treasury's Financial Reporting Manual (FReM)
- Value for Money Strategy
- Anti-Fraud & Corruption Policy and Confidential Reporting Policy
- Complaints Procedure
- HR Framework
- Members' and Employees' Code of Conduct
- Business Continuity Plan
- Health and Safety Policies.

The trust board meets monthly and is supported by an Audit Committee, a Serious Further Offence Review Committee and a Health and Safety Committee all of which meet quarterly. There is also an Employment Issues Sub-Committee, which meets when required and a Local Joint Committee (LJC), which meets quarterly if required. Two Employment Issues Sub-Committee meetings were held during 2012/13. No LJC meetings were held during 2012/13. Attendance at the board and sub-committees for 2012/13 was as follows:

Member	Board	Audit Committee	SFO Review Committee	Health and Safety Committee	Employment Issues Sub-Committee
<i>Meetings held</i>	12	5	3	4	2
Lesley Bessant	12	1	3		2
Norman Gilberg	9	4	3		
Janet Guy	11	5			2
Julia Hickey	11	3			
Peter Hillman	12	5		4	2
Marion Talbot	12		2		
Nick Hall	12	5	3		2

The members of these Board sub committees are as follows:

Audit Committee:

Janet Guy, Julia Hickey, Norman Gilberg, Peter Hillman, Lesley Bessant

SFO Review Committee:

Norman Gilberg, Lesley Bessant, Marion Talbot

Health and Safety Committee:

Peter Hillman

Employment Issues sub-committee:

Lesley Bessant, Peter Hillman

The trust board is responsible for establishing and taking forward the strategic aims & objectives of the trust. Its work includes approval of the strategic plan, budget strategy, provisional budget paper, monthly and quarterly resource monitoring, annual accounts, quarterly performance reporting, business risk, MAPPA annual report and key policies.

The Audit Committee maintains an overview of the trust's governance framework and the financial and service performance of key functions.

The Audit Committee meets at least 4 times per annum with the minutes of these meetings being considered by the full board. All internal and external audit reports are reviewed by the Committee and any recommendations followed up until resolved. Other standing items reviewed at each meeting are business risk management, the Financial Management Maturity Model and PREview.

The Chair of the Audit Committee produces an annual report detailing the work of the Audit Committee. The Audit Committee reviews its terms of reference annually and ensures that good practice is being followed through the NAO Audit Committee Checklist. An Assurance Map has been produced and agreed by the Audit Committee and is reviewed annually.

The SFO Review Committee provides an oversight of Serious Further Offence Reviews.

The Health and Safety Committee provides an oversight on Health and Safety issues.

The Employment Issues Sub-Committee provides an oversight of certain employment issues, such as restructuring and redundancy proposals.

The risk management and internal control framework

Northumbria Probation Trust has adopted an organisation-wide approach to business risk management to ensure that it is integrated into routine business practice. The risk register is developed as part of the strategic planning process, owned by risk owners, kept live and reviewed by the Audit Committee and the board.

The overall responsibility for business risk management rests with the board and the Chief Executive as Accountable Officer. At Senior Manager level, the Director of Legal Services/Trust Secretary is designated as the officer who leads on Business Risk Management. A dedicated Business Risk Manager is employed and procedures are in place for ensuring that aspects of risk management and internal control are regularly reviewed and reported.

Operational Managers have been trained on the process of managing risk and receive regular updates regarding the business risk register.

A risk management workshop is held each January and is normally attended by representatives from senior management, the Chair of the Audit Committee, Staff Side representatives and the Internal Audit and Assurance Manager. The workshop is used to identify the strategic risks associated within the Business Plan objectives, review control strategies for each significant risk and assign risk owners.

The strategic risk register assists the board in managing risk across the trust. The process is also used to identify risks associated with the Strategic Plan and to establish which areas of risk will require a form of business continuity planning. Each risk owner is expected to review their planned controls on a quarterly basis using a traffic light system (eg completed, work in progress, behind schedule). The operational risk register focuses on operational risks to be managed at Senior and Middle Manager level.

The Audit Committee is responsible for monitoring progress on behalf of the board in ensuring that the risk owners implement the controls stated on the register with the intention of embedding risk management across the trust. The Business Risk Management Policy and associated Appendix regarding the embedding of risk management are available to all staff through the Northumbria intranet (NORIS).

The strategic risks identified and monitored during 2012/13 were:

Risk Title	Original rating
Diminishing organisational viability because of loss of service delivery contracts	M/H 19
Failure to maximise the benefits of increased professional judgement	L/M 11
IT systems fail to support business needs and adapt to future changes	H/H 22
Lack of scope to manage resources in response to significant changes in the planning assumptions used to determine the financial strategy	M/H 19
Failure to ensure the right balance of skills and flexibility in the deployment of our human resources across the trust	L/M 11
Lack of control over estate management	H/H 22
Failure to maintain the cultural transformation agenda	L/M 11
Failure to further develop the diversity agenda	L/M 11
Failure to anticipate and manage the consequences of external challenges	M/H 19
Increased tensions in employee relations largely due to external drivers	H/M 15

To manage and control information risk, the trust has in place a Security Management Forum which deals with all aspects of the risks surrounding information management. During 2012/13 one incident was reported to the ICO relating to a loss of personal data; this is currently being investigated.

Review of the effectiveness of the governance framework including risk management and internal control

As Accountable Officer, I have responsibility for reviewing the effectiveness of the governance framework including the system of internal control. My review of effectiveness is informed by the work of the internal auditors and the officers of Northumbria Probation Trust who have responsibility for the development and maintenance of the governance environment, and comments made by the external auditors and other review agencies and inspectorates.

The Good Governance Standard has been adopted by the trust:

- Engaging stakeholders and making accountability real.
During 2012/13 the trust has continued to engage with its users through the Service User Council and introduced a service user suggestion scheme, alongside embedded systems for engagement with statutory partners and sentencers.
- Performing effectively in clearly defined functions and roles.
A performance framework is embedded within the trust led by the Director of Performance, IT and Service Development. Exceptional performance has been achieved across all the domains in PTRS and the ICO Audit received a 'reasonable assurance' outcome. The trust assessed itself as level 4 in the NAO Financial Management Maturity Model.
- Promoting values for the whole organisation and demonstrating good governance through behaviour.
The values and beliefs of the trust are accepted and promoted through the Strategic Plan, Business Plans and face to face engagement with staff at all levels; the trust is recognised as an IIP Champion. Staff engagement events were held during 2012/13. Plaques celebrating these values and beliefs are displayed in each office. Appropriate and robust governance is promoted through the Standing Financial Instructions, Standing Orders, the Code of Conduct and appraisal systems.
- Developing the capacity and capability of the governing body to be effective.
The trust strives for continuous improvement throughout the organisation. The Board is regularly briefed and updated regarding good governance and potential control issues. Specifically the Senior Management Team (SMT) have received training in commissioning and all staff in Information Assurance. Training and development is a key cornerstone of the quarterly Leadership Development Forums.

- Taking informed, transparent decisions and managing risk.
The process for managing risk is detailed throughout the Governance Statement. Decision making through the board and SMT relies on an informed business case process with multi disciplinary involvement. Projects are reviewed and re-engineered if appropriate.
- Focussing on the organisation's purpose and on outcomes for citizens and service users.
The trust's vision and Strategic Priorities put reducing reoffending and protecting the public at the heart of what we do.

The trust has a continuous process in place for maintaining and reviewing the effectiveness of the policies and procedures underpinning the governance framework, through the following mechanisms:

- Strategic planning
- Business planning
- Monthly and quarterly resource monitoring
- Quarterly performance reporting
- Management accountability reporting
- Delegated budgetary control framework
- Business risk register
- Workload priorities framework
- SBC and PREview
- National Fraud Initiative
- Monitoring and reporting of losses and special payments
- Gifts and hospitality register
- OASys audits
- HMIP
- Security management forum
- Staff survey
- Leadership Development Forum
- Financial Management Maturity Model

The trust also draws assurance on its governance arrangements from independent sources, in particular:

- **Internal Audit** undertook a risk-based programme of audits during 2012/13 to provide the trust with assurance and an independent opinion on the adequacy and effectiveness of the system of internal financial control. In 2012/13, 7 reports were completed by internal audit; there were no high level recommendations. The implementation of all other recommendations was monitored quarterly through the Audit Committee and were resolved in a timely manner. The Annual Internal Audit Report for 2012/13 has been received and confirms the standard of 'reasonable assurance'.
- **External Audit:** The trust's accounts are subject to audit by the National Audit Office and previously Deloitte (as the contracted partner of the Audit Commission). For 2011/12 an unqualified audit opinion on the trust's financial statements was issued.
- **Inspection:**
 - Offender Management Inspection (OMI): The most recent inspection by HMIP was published in April 2012. The trust received some of the highest results in the country in all 3 sections – control, help & change and punishment.
 - ICO Audit: Completed in February 2013, a 'reasonable assurance' standard was achieved.

Significant Issues

Given the controls detailed above and following my review of performance in 2012/13, I have not identified any significant governance or internal control issues.

Nick Hall
Accountable Officer for the Trust

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

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 Northumbria 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 Northumbria 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

01 July 2013

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

7. Accounts

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)	20,214	20,334
Other administration costs	6(a)	6,804	6,442
Income	7(a)	(28,598)	(28,445)
Net administration costs		(1,580)	(1,669)
Programme costs			
Staff costs	3(a)		
Other programme costs	6(b)		
Income	7(b)		
Net programme costs		0	0
Net operating costs		(1,580)	(1,669)
Expected return on pension assets	4(d)	(6,180)	(6,410)
Interest on pension scheme liabilities	4(d)	6,120	6,220
Net operating costs before taxation		(1,640)	(1,859)
Taxation	5		
Net operating costs after taxation		(1,640)	(1,859)

Other Comprehensive Expenditure

	Notes	2012/13 £000	2011/12 £000
Net gain on revaluation of property, plant and equipment	8	(6)	(1)
Pension actuarial loss	23	6,310	16,030
Total comprehensive expenditure for the year ended 31 March 2013		4,664	14,170

The notes on pages 31 to 56 form part of these accounts.

Statement of Financial Position

As at 31 March 2013

		2012/13	2011/12
	Notes	£000	£000
Non-current assets			
Property plant and equipment	8	105	117
Intangible assets	9	0	1
Total non-current assets		105	118
Current assets			
Trade and other receivables	12(a)	5,722	6,153
Cash and cash equivalents	13	376	231
Total current assets		6,098	6,384
Total assets		6,203	6,502
Current liabilities			
Trade and other payables	14(a)	(2,064)	(2,160)
Provisions	15	(381)	(390)
Taxation payables	14(a)	(1,697)	(1,857)
Total current liabilities		(4,142)	(4,407)
Non-current assets plus/less net current assets/(liabilities)		2,061	2,095
Non-current liabilities			
Pension liability	4(c)	(47,657)	(43,027)
Total non-current liabilities		(47,657)	(43,027)
Assets less liabilities		(45,596)	(40,932)
Taxpayers' equity			
General fund	23	(45,627)	(40,957)
Revaluation reserve – property, plant and equipment	24(a)	30	24
Revaluation reserve – intangible assets	24(b)	1	1
		(45,596)	(40,932)

The financial statements on pages 27 to 30 were approved by the board on 20th June 2013 and were signed on its behalf by

Nick Hall
Accountable Officer

20th June 2013

The notes on pages 31 to 56 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	1,640	1,859
Adjustments for non-cash transactions	6(a)	421	395
Adjustments for pension cost	4(d)	(1,680)	(2,070)
Decrease in receivables	12(a)	431	(2,458)
(Decrease) in payables	14(a)	(256)	321
Utilisation of provisions	15	(372)	(214)
Less payments of amounts due to Consolidated Fund to NOMS	14(a)	0	22
Net cash outflow from operating activities		184	(2,145)
Cash flows from investing activities			
Purchase of property, plant and equipment	8	(39)	0
Proceeds on disposal of property, plant and equipment	8	0	1
Net cash outflow from investing activities		(39)	1
Cash flows from financing activities			
Payments of amounts due to the Consolidated Fund to NOMS		0	(22)
Net financing		0	(22)
Net increase/(decrease) in cash and cash equivalents in the period		145	(2,166)
Cash and cash equivalents at the beginning of the period	13	231	2,397
Cash and cash equivalents at the end of the period	13	376	231
Increase/(decrease) in cash		145	(2,166)

The notes on pages 31 to 56 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		(26,786)	24	(26,762)
As restated at 1 April 2011		(26,786)	24	(26,762)
Changes in taxpayers' equity for 2011/12				
Net operating cost after taxation	SocNE	1,859	0	1,859
Net gain on revaluation of property, plant and equipment	24(a)	0	1	1
Pension actuarial loss	23	(16,030)	0	(16,030)
Balance as at 31 March 2012		(40,957)	25	(40,932)
Changes in taxpayers' equity for 2012/13				
Net operating cost after taxation	SocNE	1,640		1,640
Net gain/(loss) on revaluation of property, plant and equipment	24(a)		6	6
Pension actuarial (loss)/gain	23	(6,310)		(6,310)
Net NOMS financing received in year	23	0		0
Balance as at 31 March 2013		(45,627)	31	(45,596)

The notes on pages 31 to 56 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 an increase of £2.09m in the expenses recognised in the net operating costs before taxation with a corresponding reduction in other comprehensive expenditure and no impact on net assets.

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 by the Secretary of State for Justice on 9 May 2013 in "Transforming Rehabilitation: A Strategy for Reform".

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 £10,000, 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 an intangible non-current asset is £10,000, 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 method.

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 the 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 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

The trust has 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 does not have any deferred tax.

1.17 Corporation Tax (CT)

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

As per **Note 2**, the trust does not break down expenditure into operating segments when reporting to the Board.

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

Northumbria Probation Trust does not break down expenditure into operating segments when reporting to the Board. The Board receives a monthly aggregated statement of account showing the breakdown of expenditure against budget by category.

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	16,365	16,313	52	17,123
Social security costs	1,235	1,235	0	1,297
Other pension costs	3,520	3,520	0	3,070
Sub-total	21,120	21,068	52	21,490
Less recoveries in respect of outward secondments	(906)	(906)	0	(1,156)
Total staff costs	20,214	20,162	52	20,334
Administration-related staff costs	20,214	20,162	52	20,334
Programme-related staff costs	0	0	0	0
	20,214	20,162	52	20,334

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**. The change in other pension costs relates primarily to a higher value of strain on fund payments arising from restructuring.

4 people (2011/12: 1 person) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £10,343 (2011/12: £6,331).

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
	547	544	561
	547	544	561

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	3	3	0	5	5
£10,000–£25,000	0	15	15	0	20	20
£25,000–£50,000	0	7	7	0	0	0
£50,000–£100,000	0	5	5	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	30	30	0	25	25
Total resource cost £000	0	866	866	0	412	412

Redundancy and other departure costs have been paid in accordance with the trust's compensation scheme. 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.

The cost of exit packages in 2012/13 includes both the cost of redundancy and strain on the fund. In 2011/12 the cost of exit packages only included the cost of redundancy. If the cost had also included the strain on the fund, the total would have been £1,005m.

4. Pensions costs

As part of the terms and conditions of employment of its officers and other employees, the board offers retirement benefits. Although these will not actually be payable until employees retire, the trust has a commitment to make the payments that needs to be disclosed at the time that employees earn their future entitlement. The provisions of the Local Government Pension Scheme (LGPS) cover present and past employees, which is statutory and fully funded.

The trust participates in the Local Government Pension Scheme, administered by the Tyne and Wear Pension Fund. The Local Government Pension Scheme provides benefits on a 'final salary' basis at a normal retirement age of 65, but regulations applicable during 2008/09 did mean that some employees may have been eligible to retire at 60 under the 85 year rule with no loss of pension entitlement. For service up to 31st March 2008, benefits accrued at one-eightieth of pensionable salary for each year of service and in addition, a lump sum equivalent to three eightieths of final pay of every year of total membership is payable on retirement. For service from 1st April 2008 benefits accrue at one-sixtieth of pensionable salary for each year of service; however there is no lump sum payable on retirement.

Members pay contributions of between 5.5% and 7.5% of pensionable earnings, dependent on their annual salary.

Employers pay the balance of the cost of providing benefits, after taking into account investment returns. This is a 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. The period end when the closing liability for 31st March 2013 was calculated was on 31st March 2013.

Northumbria 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 overall expected rate of return on assets is then derived by aggregating the expected return for each asset class over the actual asset allocation for the Fund at 31st March 2013.

4a Pension costs

A full actuarial valuation was carried out at 31st March 2010 by Aon Hewitt. For 2012/13, employers' contributions of £4,620,000 were payable to the LGPS (2011/12 £4,950,000). This is made up of basic employers' contributions of £2.20m at a rate of 15.2% on salary costs and £2.42m past service deficit. 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. The contributions shown in **Note 3** are based on the actuarial assessment.

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

	2012/13	2011/12
	%	%
Inflation assumption	2.7%	2.5%
Rate of increase in salaries	4.6%	5.0%
Rate of increase for pensions in payment and deferred pensions	2.7%	2.5%
Discount rate	4.3%	4.7%

The mortality assumptions are based on the recent actual mortality experience of members within the Fund and allow for expected future mortality improvements.

The Year of birth base table used is: Standard SAPS Normal Health All Amounts

The Scaling to above base table rates is: 110%

The Improvements to base table rates used is: CMI_2009 with a long term rate of improvement of 1.25% p.a.

Future lifetime assumptions from age 65 (aged 65 at accounting date): men 21.7yrs and women 23.9yrs.

Future lifetime assumptions from age 65 (aged 45 at accounting date): men 23.5yrs and women 25.8yrs.

40 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%	68%	67,474	8.1%	68%	59,908
Government bonds	2.8%	7%	6,945	3.1%	7%	6,209
Other bonds	3.8%	11%	10,915	3.7%	12%	10,145
Property	7.3%	9%	8,930	7.6%	9%	8,046
Other	5.6%	5%	4,963	4.8%	4%	3,149
Total	6.9%	100%	99,227	7.1%	100%	87,457
Present value of scheme liabilities			(146,884)			(130,484)
Deficit of the scheme			(47,657)			(43,027)
Net pension liability			(47,657)			(43,027)

4d. Analysis of amounts recognised in SoCNE

	2012/13	2011/12
	£000	£000
Pension cost		
Current service cost	3,170	2,900
Past service cost	350	170
Total operating charge	3,520	3,070
	2012/13	2011/12
	£000	£000
Analysis of interest cost on pension scheme – assets/(liabilities)		
Expected return on pension scheme assets	(6,180)	(6,410)
Interest on pension scheme liabilities	6,120	6,220
Net interest costs	(60)	(190)

4e. Analysis of amounts recognised in other comprehensive expenditure

	2012/13	2011/12
	£000	£000
Pension actuarial gain/(loss)	(6,310)	(16,030)
Total shown in other comprehensive expenditure	(6,310)	(16,030)

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

	2012/13	2011/12
	£000	£000
Opening present value of liabilities	130,484	112,854
Current service cost	3,170	2,900
Interest cost	6,120	6,220
Contributions by members	960	1,010
Actuarial (gains)/losses on liabilities*	10,680	11,040
Benefits paid	(4,710)	(3,540)
Past service cost	350	170
Unfunded benefits paid	(170)	(170)
Closing present value of liabilities	146,884	130,484

* 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	87,457	83,787
Expected return on assets	6,180	6,410
Actuarial gains/(losses) on assets	4,370	(4,990)
Contributions by the employer	5,140	4,950
Contributions by members	960	1,010
Benefits paid	(4,710)	(3,540)
Unfunded benefits paid	(170)	(170)
Closing fair value of assets	99,227	87,457

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	99,227	87,457	83,787	76,297	53,440
Present value of liabilities	146,884	130,484	112,854	123,010	85,764
Surplus/(deficit)	(47,657)	(43,027)	(29,067)	(46,713)	(32,324)
Experience gains/(losses) on scheme assets	4,370	(4,990)	(1,170)	16,920	(16,283)
Experience gains/(losses) on scheme liabilities	130	(715)	3,340	820	(290)
Percentage experience gains/(losses) on scheme assets	4%	(6%)	(1%)	22%	(30%)
Percentage experience gains/(losses) on scheme liabilities	0%	(1%)	3%	1%	0%

4i. Sensitivity analysis

	+0.1%	0%	-0.1%
	£000	£000	£000
Adjustment to discount rate			
Present value of total obligation	144.35	146.88	149.47
Projected service cost	3.69	3.79	3.88
	+1yr	None	-1yr
	£000	£000	£000
Adjustment to mortality age rate assumption			
Present value of total obligation	149.91	146.88	143.88
Projected service cost	3.88	3.79	3.70
	+0.1%	0%	-0.1%
	£000	£000	£000
Adjustment to inflation			
Present value of total obligation	149.43	146.88	144.42
Projected service cost	3.89	3.79	3.69

5. Taxation

	2012/13	2011/12
	£000	£000
UK corporation tax	0	0
	0	0
Total	0	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 CT 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	59		15	
Accommodation, maintenance and utilities	2,266		2,222	
Travel, subsistence and hospitality	453		446	
Professional services	68		58	
IT services	1,450		1,141	
Communications, office supplies and services	407		438	
Other staff related	408		703	
Offender costs	856		585	
Other expenditure	348		381	
External Auditors' remuneration – statutory accounts	42		31	
External Auditors' remuneration – other	0		0	
Internal Auditors' remuneration and expenses	26		27	
		6,383		6,047
Non-cash items				
Depreciation of tangible non-cash assets	57		58	
Amortisation of intangible non-cash assets	1		8	
Other provisions provided for in year	363		329	
		421		395
Total		6,804		6,442

6b. Programme costs

Current expenditure	0	0
Total	0	0
Total other administration and programme costs	6,804	6,442

7. Income

7a. Administration income

Income receivable from the sponsoring department – NOMS

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

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
27,302		27,707	
	27,302		27,707
	51		82
	442		147
	5		1
	590		410
	201		89
	28,591		28,436
7		9	
	7		9
	28,598		28,445

0		0	
0		0	
0		0	
0		0	
	0		0
	28,598		28,445

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	67	191	167	25	0	450
Additions	0	0	39	0	0	39
Disposals	0	(50)	0	(25)	0	(75)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	7	4	13	0	0	24
As at 31 March 2013	74	145	219	0	0	438
Depreciation						
As at 1 April 2012	50	161	97	25	0	333
Charge in year	14	18	25	0	0	57
Disposals	0	(50)	0	(25)	0	(75)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	8	3	7	0	0	18
As at 31 March 2013	72	132	129	0	0	333
Carrying value as at 31 March 2013	2	13	90	0	0	105
Carrying value as at 31 March 2012	17	30	70	0	0	117
Asset financing						
Owned	2	13	90	0	0	105
Finance leased	0	0	0	0	0	0
Carrying value as at 31 March 2013	2	13	90	0	0	105

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	93	274	167	25	0	559
Additions	0	0	0	0	0	0
Disposals	(28)	(85)	0	0	0	(113)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	2	2	0	0	0	4
As at 31 March 2012	67	191	167	25	0	450
Depreciation						
As at 1 April 2011	63	223	73	25	0	384
Charge in year	14	20	24	0	0	58
Disposals	(28)	(84)	0	0	0	(112)
Transfers	0	0	0	0	0	0
Reclassifications	0	0	0	0	0	0
Impairments	0	0	0	0	0	0
Indexation/revaluation	1	2	0	0	0	3
As at 31 March 2012	50	161	97	25	0	333
Carrying value as at 31 March 2012	17	30	70	0	0	117
Carrying value as at 31 March 2011	30	51	94	0	0	175
Asset financing						
Owned	17	30	70	0	0	117
Finance leased	0	0	0	0	0	0
Carrying value as at 31 March 2012	17	30	70	0	0	117

9. Intangible assets

	2012/13				
	Development	Software	Licences	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000
Cost or valuation					
As at 1 April 2012	0	38	0	0	38
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
Reclassifications	0	0	0	0	0
Indexation/revaluation	0	0	0	0	0
Transfers	0	0	0	0	0
Impairments	0	0	0	0	0
As at 31 March 2013	0	38	0	0	38
Amortisation					
As at 1 April 2012	0	37	0	0	37
Charge in year	0	1	0	0	1
Disposals	0	0	0	0	0
Reclassifications	0	0	0	0	0
Indexation/revaluation	0	0	0	0	0
Transfers	0	0	0	0	0
Impairments	0	0	0	0	0
As at 31 March 2013	0	38	0	0	38
Carrying value as at 31 March 2013	0	0	0	0	0
Carrying value as at 31 March 2012	0	1	0	0	1
Asset financing					
Owned	0	0	0	0	0
Finance leased	0	0	0	0	0
Carrying value as at 31 March 2013	0	0	0	0	0

9. (Continued)

	2011/12				
	Development	Software	Licences	Payments on account and assets under construction	Total
	£000	£000	£000	£000	£000
Cost or valuation					
As at 1 April 2011	0	38	0	0	38
Additions	0	0	0	0	0
Disposals	0	0	0	0	0
Reclassifications	0	0	0	0	0
Indexation/revaluation	0	0	0	0	0
Transfers	0	0	0	0	0
Impairments	0	0	0	0	0
As at 31 March 2012	0	38	0	0	38
Amortisation					
As at 1 April 2011	0	29	0	0	29
Charge in year	0	8	0	0	8
Disposals	0	0	0	0	0
Reclassifications	0	0	0	0	0
Indexation/revaluation	0	0	0	0	0
Transfers	0	0	0	0	0
Impairments	0	0	0	0	0
As at 31 March 2012	0	37	0	0	37
Carrying value as at 31 March 2012	0	1	0	0	1
Carrying value as at 31 March 2011	0	9	0	0	9
Asset financing					
Owned	0	1	0	0	1
Finance leased	0	0	0	0	0
Carrying value as at 31 March 2012	0	1	0	0	1

10. Impairments

There were no impairments during the year.

11. Assets held for sale

There were no assets held for sale at the reporting date (2011/12 – nil).

12. Trade receivables and other current assets

12a. Analysis by type

	2012/13	2011/12
	£000	£000
Amounts falling due within one year		
Trade receivables	150	135
Receivables due from probation trusts	11	14
Receivables due from NOMS agency	5,305	5,776
Receivables due from Ministry of Justice – NDPBs	0	0
Receivables due from all other Government departments	136	62
Other receivables	0	18
Prepayments	120	143
Accrued income	0	5
	5,722	6,153
Amounts falling due after more than one year		
	0	0
Total	5,722	6,153

12b. Intra-Government receivables

	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)	5,317	5,790	0	0
Balances with local authorities	72	51	0	0
Balances with NHS bodies	69	11	0	0
Balances with public corporations and trading funds	0	0	0	0
	5,458	5,852	0	0
Balances with bodies external to Government	264	301	0	0
Total	5,722	6,153	0	0

13. Cash and cash equivalents

	2012/13	2011/12
	£000	£000
Balance at 1 April	231	2,397
Net change in cash and cash equivalents	145	(2,166)
Balance at 31 March	376	231
The following balances at 31 March are held at:		
Government Banking Service	0	0
Commercial banks and cash in hand	376	231
Balance at 31 March	376	231

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	214	111
Other payables	30	7
Accruals	1,115	478
Deferred income	296	384
Staff payables	70	652
Payables due to probation trusts	0	5
Payables due to all other Government departments	67	50
Unpaid pensions contributions due to the pensions scheme	272	473
	2064	2,160
Tax falling due within one year		
VAT	1,307	1,433
Other taxation and social security	390	424
	1,697	1,857
Total amounts falling due within one year	3,761	4,017
Amounts falling due after more than one year		
	0	0
Total	3,761	4,017

Items previously under 'staff payables' such as accruals for holiday pay and restructuring costs, have now been reclassified as 'accruals'.

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)	1,895	1,862	0	0
Balances with local authorities	310	50	0	0
Balances with NHS bodies	82	0	0	0
Balances with public corporations and trading funds	0	0	0	0
	2,287	1,912	0	0
Balances with bodies external to Government	1,474	2,105	0	0
Total	3,761	4,017	0	0

15. Provisions for liabilities and charges

	2012/13	2011/12
	£000	£000
Balance at 1 April	390	275
Provided in year	381	390
Provisions not required written back	(18)	(61)
Provision utilised in the year	(372)	(214)
Balance as at 31 March	381	390

	2012/13	2011/12
	£000	£000
Analysis of expected timing of discount flows		
Not later than one year	381	390
Current liability	381	390
Later than one year and not later than five years	0	0
Later than five years	0	0
Non-current liability	0	0
Balance as at 31 March	381	390

Provisions have been recognised within the accounts where:

- (i) the trust has a present obligation (legal or constructive) as a result of a past event;
- (ii) it is probable that a transfer of economic benefits will be required to settle the obligation;
- (iii) a reliable estimate can be made of the amount of the obligation

The provisions in 2012/13 relate to the costs of restructuring.

16. Capital commitments

There were no capital commitments at the reporting date (2011/12 – nil).

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	57	57
Later than one year and not later than five years	77	191
Later than five years	0	0
Total	134	248

The operating leases held by the trust are for franking machines and multi function devices (for example photocopiers)

17b. Finance leases

The trust has no finance leases (2011/12 – nil).

18. Other financial commitments

The trust has entered into no non-cancellable contracts which are not leases. The trust has no other financial commitments (2011/12 – nil).

19. Deferred tax asset

The trust has no deferred tax assets (2011/12 – nil).

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.

The trust does provide a payroll and IT service for 2 organisations, St Vincent de Paul Society (SVP) and Haven. Both organisations operate in the probation and restorative justice sector. The salaries are paid from the trust and recovered on a monthly or quarterly basis along with a small admin fee. The balance outstanding as at 31st March 2013 was £80,201 which represents the arrears of the latest period.

21. Contingent liabilities

There are no contingent liabilities at the reporting date (2011/12 – nil).

22. Losses and special payments

22a. Losses statement

	2012/13		2011/12	
	Number of cases	Total value £000	Number of cases	Total value £000
Administrative write-offs	12	23	15	12
Total	12	23	15	12

There are no losses over £250,000 (2011/12 – nil).

22b. Special payments schedule

	2012/13		2011/12	
	Number of cases	Total value £000	Number of cases	Total value £000
Special payments	10	1	1	2
Total	10	1	1	2

There are no special payments over £250k (2011/12 – nil).

23. General fund

	2012/13 £000	2011/12 £000
Balance at 1 April	(40,957)	(26,786)
Net transfers from Operating Activities:		
Statement of Comprehensive Net Expenditure	1,640	1,859
Actuarial gains and losses	(6,310)	(16,030)
Balance at 31 March	(45,627)	(40,957)

24. Revaluation reserve

24a. Property, plant and equipment

	2012/13 £000	2011/12 £000
Balance at 1 April	24	23
Arising on revaluations of PPE during the year (net)	6	1
Balance at 31 March	30	24

24b. Intangibles

	2012/13 £000	2011/12 £000
Balance at 1 April	1	1
Balance at 31 March	1	1

25. Related party transactions

NOMS and the Ministry of Justice are regarded as a related parties. 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.

The trust provides a payroll and IT service for 2 organisations, St Vincent de Paul Society (SVP) and Haven. Both organisations operate in the probation and restorative justice sector. The salaries are paid from the trust and recovered on a monthly or quarterly basis along with a small admin fee. The balance outstanding as at 31st March 2013 was £80,201 which represents the arrears of the latest period.

During the year, none of the members of the Management 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 following amounts are held by the trust in respect of the following third parties; Greggs Trust, North Eastern Prison Aftercare Society, Police Court Mission Fund and Ramsey Fund.

	31 March 2012 £000	Funds paid in during the year £000	Funds paid out during the year £000	31 March 2013 £000
Greggs	3	18	(19)	2
Ramsey Fund	7	4	(3)	8
NEPACS	0	17	(17)	0
Police Court Mission Fund	0	2	(1)	1
	10	41	(40)	11

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

There are 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

8. Sustainability report (Not subject to audit)

Introduction

This is the second Sustainability Report for Northumbria Probation Trust, 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 22 buildings, a reduction in 7 buildings from 2009/10.

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 & 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, Responsibilities and Internal Assurance

Overall governance and assurance is managed by the Ministry of Justice Sustainable Development Team (MoJ SDT). Therefore, the majority of the information included within the report, that relating to our buildings, is provided by that team and cannot be independently verified by Northumbria Probation Trust.

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 Adaption 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 (CRC)

CRC is managed by 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. MoJ SDT is working to consolidate all CMPs, including those in place in the Prison Service and Courts & Tribunals to deliver a single cohesive approach with costed projects for each unit to provide an overarching framework to tackle climate change.

MoJ vision is to:

- be a low carbon business in which carbon management and sustainability are embedded within decision making; and
- 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.

Sustainable Procurement

Northumbria Probation Trust has access to purchasing agreements for commodities from suppliers that make available recycled and low carbon products where appropriate.

Travel

Northumbria Probation trust has implemented a series of measures aimed at reducing the cost and the environmental impact of greenhouse emissions from travel including,

- a bike to work scheme,
- a Trust supported public transport scheme; and
- car sharing incentives and forum to facilitate shared journeys.

These, coupled with the overall reduction in employees, have resulted in a reduction in business miles since 2009/10 of 34%.

The Trust has also moved away from bottled water to piped water coolers.

Digitalisation

During 2012/13 the trust has started to make progress with its programme of digitising its own records the longer term impact of which will be reductions in the use of paper, printing, energy and more effective space utilisation. In addition, as part of the wider Criminal Justice System efficiency programme the trust has also achieved full digitisation of all its exchange of data with other criminal justice partners involved in the sentencing process. Apart from improving information security this has also resulted in cost savings, having removed the need to transfer large volumes of hard copy documents by post and courier.

In terms of paper we have reduced the amount used between 2011/12 and 2012/13 by 7.5 reams per employee per annum. This represents a 42% reduction and has been enabled through the installation of Multi Function Devices across the Trust.

Performance summary

Greenhouse gas (GHG) emissions

		2009/10	2010/11	2011/12	2012/13
Non-financial indicators (tCO ₂ e)	Total gross emissions for scopes 1 & 2	1,173	1,117	866	1,016
	Electricity: green/renewable	148	145	123	123
	Total net emissions for scopes 1 & 2	1,025	972	743	893
	Travel emissions scope 3	194	169	142	128
	Total gross GHG emissions (all scopes)	1,367	1,286	1,008	1,145
Non-financial indicators (kWh)	Electricity: Grid, CHP & non-renewable	857,019	836,527	709,201	712,555
	Electricity: renewable	285,673	278,842	236,400	237,518
	Gas	2,575,178	2,419,938	1,618,892	2,515,153
	Other energy sources	0	0	0	0
	Total energy	3,717,870	3,535,307	2,564,493	3,465,226
Financial indicators	Expenditure on energy	£248,320	£184,040	£166,739	£185,946
	Expenditure on official business travel	£582,906	£559,072	£317,517	£315,485

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	85	118	109	102
		Reused/recycled waste	115	68	77	77
		Energy from waste	0	0	0	0
		Total waste arising	200	186	187	179
Financial indicators	Hazardous waste	Hazardous waste	0	0	0	0
	Non-hazardous waste	Landfill waste	0	0	0	0
		Reused/recycled waste	0	0	0	0
		Energy from waste	0	0	0	0
		Total waste costs (£)	0	0	0	0

Water

		2009/10	2010/11	2011/12	2012/13
Non-financial indicators	Total water consumption (cubic metres)	15,531	20,717	12,361	9,048
Financial indicators	Total water supply costs (£)	£26,030	£44,361	£25,120	£13,726

Paper

		2009/10	2010/11	2011/12	2012/13
	Cost (excluding VAT)	£18,174	£19,670	£15,238	£13,611



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ISBN 978-0-10-298532-0



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