



Government
Equalities Office

Putting equality at the heart of government

**Annual Report and
Resource Accounts
2008–09**

July 2009

Government Equalities Office

Annual Report and Resource Accounts 2008-09

Ordered by the House of Commons to be printed 16 July 2009.

This document is part of a series of Departmental Reports which, along with the Main Estimates 2009-10, the document Public Expenditure Statistical Analyses 2009 and the Supplementary Budgetary Information 2009-10, present the Government's expenditure plans for 2009-10, and comparative outturn data for prior years.

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Introduction



I am delighted to introduce GEO's second annual report, and the first recording a full year of activity. In that year, we have made much progress:

- We prepared and then published a groundbreaking Equality Bill, streamlining and strengthening the legislative framework across all the equality strands;
- We laid the foundations for meeting challenging Public Service Agreement targets, opened up opportunities for women from Black, Asian and Ethnic Minority backgrounds to become local councillors, and set stretching cross Government targets to increase the diversity of our public bodies;
- We provided real help to disadvantaged and vulnerable groups, taking the lead to support rape crisis centres, and providing advice to women in economic difficulty;
- We built a new Department virtually from scratch, developing new systems of governance and control, and recruiting new staff;
- We supported our two key advisory and regulatory bodies, strengthening the Women's National Commission with 10 new appointments, and helping the EHRC's development;
- We engaged widely and openly with partners: we chair a regular Equality Board of key Departments in Whitehall, set up a monthly Senior Stakeholder group, overhauled our

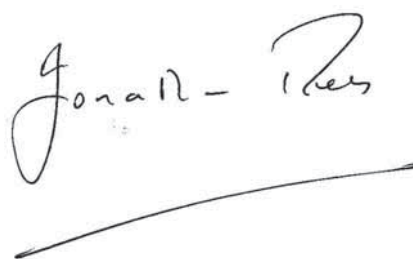
website¹, had a conference with over 200 stakeholders in March, and appointed Joan Bakewell as the Voice of Older People².

- We improved the evidence base underpinning equality, publishing on our website as well as setting up the National Equality Panel under Professor John Hills.

This Report reports on these and other achievements. It also explains where the GEO's budget goes.

The GEO has an ambitious agenda. We believe greater equality is good for individuals, for society and for the economy. As a small policy Department responsible for strategy and legislation, we work widely with a wide range of partners in Government and outside seeking to inspire, to encourage, to influence and to challenge. We therefore hope this report is useful to them, as well as to Parliament.

Finally, I should pay tribute to GEO's staff. It is a pleasure to work with such a dedicated and expert team, passionate about making a difference.



Jonathan Rees
Director General and Accounting Officer
Government Equalities Office

¹ www.equalities.gov.uk

² http://www.equalities.gov.uk/media/press_releases/voice_of_older_people.aspx

Structure of this report

This is the second Annual Report on the work of the Government Equalities Office (GEO), which was established as a separate Ministerial Department in October 2007. It has responsibility for the Government's overall strategy and priorities on equality issues.

The opening chapter sets out how the Department is structured.

Chapter 2 summarises performance on the Departmental Strategic Objective and the Public Service Agreement (PSA) target on equality (PSA15). Further detail is provided in Annex B.

Chapter 3 reports on GEO's five main priorities

Chapter 4 sets out other key areas of business

Chapter 5 sets out in more detail how the new Department managed its resources in 2008-09, and other information of public interest. The core expenditure tables are listed at Annex A and details of our public bodies are given at Annex E.

A glossary of acronyms and abbreviations is included at Annex F.

Volume 2 of this Report contains the GEO Resource Accounts.

Chapter 1: How we are organised

Who we are

GEO is a small policy Department employing just over 100 staff. We have responsibility within Government for equality strategy and legislation in Great Britain and take the lead on issues relating to women, sexual orientation and transgender equality matters. We report to 4 Ministers³:



**Rt Hon Harriet Harman
QC MP**

- Leader of the House of Commons, Lord Privy Seal and Minister for Women and Equality – Cabinet Minister for Equality



Vera Baird QC MP

- Solicitor-General – leading on the Equality Bill



Maria Eagle MP

- Minister of State⁴ at the GEO and at the Ministry of Justice – sponsor Minister for the Equality and Human Rights Commission (EHRC)



Michael Foster DL MP

- Parliamentary Secretary⁵

Our role

GEO is responsible for the Government's overall strategy and priorities on equality issues. We aim to improve equality and reduce discrimination and disadvantage for all, at work, in public and political life, and in people's life chances.

Our Departmental Board

The Departmental Board, established from April 2008, leads the work of the GEO by setting the overall strategic direction and providing direction on major operational and management issues. Because of the Department's small size, the Board includes all 7 members of the Senior Civil Service working in the GEO. 3 non-executive Directors have been appointed. An Audit and Risk Committee is a standing committee of the main Board. Its role is to assess the adequacy of the Department's risk management and audit arrangements. The Committee's remit includes the two non-departmental public bodies (NDPBs) sponsored by the GEO. It is chaired by a non-executive director of the main Board. The Director General, Director Corporate Services, Internal Audit and representatives of the National Audit Office (NAO) also attend in an *ex officio*

³ <http://www.equalities.gov.uk/ministers.aspx>

⁴ Parliamentary Secretary October 2008-June 2009

⁵ Appointed June 2009.

capacity. Decisions made by the Audit and Risk Committee are reported back to the main Board for approval.

Unlike larger Departments, the GEO does not have an Investment Board because it does not have departmental programmes and major projects on the scale that would justify this.

Our Vision and Values

Through the past year as a newly created Department, we have been developing GEO's Vision and Values in consultation with our staff, many of whom joined GEO during the year, and our non-executive Board members and Ministers.

GEO's Vision: a fair and equal society for all.

We have developed our **Values** around **Openness, Inclusion, Respect** and **Commitment**.

A summary of our draft Values as discussed at our spring 2009 staff seminar is at Annex C.

Our Business Plan

Our Business Plan for 2009-10⁶, published in May 2009, sets out our forward plans for the next year in detail. It is available on our website, and copies are available on request from: enquiries@geo.gsi.gov.uk.

Board member Responsibilities



Jonathan Rees Director General

- Accounting Officer
- Overall responsibility for the management of GEO, including GEO staff in Private Offices and supporting WNC
- Chair of Departmental Board
- Chair of PSA delivery board



Janice Shersby Director

- Deputy Head of GEO
- Policy Director
- GEO Better Regulation champion



Chris Bull Director, Corporate Services

- Finance, Human Resources, Working Environment
- Sponsorship of EHRC
- Corporate secretariat, Correspondence, Freedom of Information

⁶ http://www.equalities.gov.uk/about_geo.aspx



Alison Pritchard
Deputy Director,
Strategy

- Equalities PSA
- Cross-cutting equalities policy and strategy
- Better regulation
- Equality and the private sector



Helene Reardon-Bond
OBE
Deputy Director, Gender
Equality Policy and
Inclusion

- opening up opportunities in public and political life
- promoting physical safety and freedom from violence
- sponsorship of the WNC
- delivery of UK and international/EU gender equality commitments

Melanie Field
Deputy Director,
Discrimination Law

- modernising, streamlining and strengthening the legislative framework
- Equality Bill

Helen Carrier⁷
Chief Economist and
Deputy Director,
Evidence and Equality
at Work

- Improving equality at work and economic participation for all
- Improving life chances and public services (National Equality Panel)

Non Executive Directors



Janet Soo-Chung CBE,
consultant at NHS North
West Leadership Academy

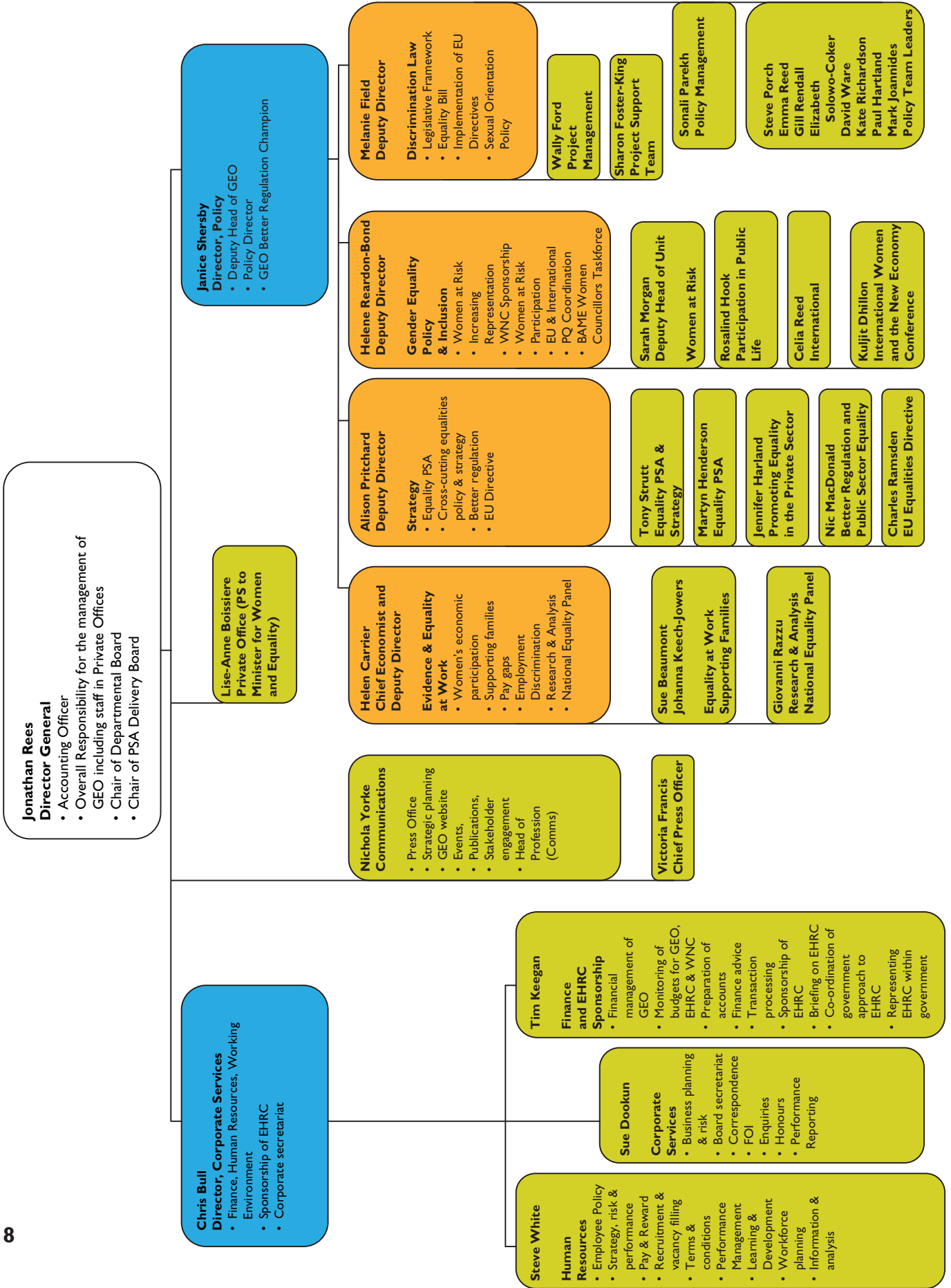


Judy McKnight CBE,
former General Secretary,
Napo (Trade union and
professional association)



Peter Bungard,
Chief Executive,
Gloucestershire County
Council. Chair, GEO audit
and risk committee.

⁷ From May 2009



Chapter 2: Progress on our Departmental Strategic Objective and Public Service Agreement

Departmental Strategic Objective

In addition to our leadership of, and participation in, the Government's cross-cutting Public Service Agreements (PSAs), in common with all Departments GEO has also agreed with HM Treasury a Departmental Strategic Objective (DSO) intended to cover the totality of our business and express the key outcomes we are seeking to deliver.

DSOs are linked to PSA delivery and help ensure the Government's key commitments are embedded in the work of all Departments. Our DSO, originally published in March 2008, reflects the wording of the Equality PSA and is supported by some of the same indicators. Additional indicators have been included to capture the full extent of GEO's work.

GEO's Departmental Strategic Objective:

To address the disadvantage that individuals experience because of their gender, race, disability, age, sexual orientation, religion or belief by:

- ensuring progress against the Ministers for Women Priorities (supporting families, tackling violence against women and improving the way we deal with women who commit crimes, and empowering BME women);
- developing and supporting delivery of the Government's equality strategy;
- reducing the Gender Pay Gap;
- increasing disabled people's choice and control;
- addressing inequalities in civic participation;
- reducing discrimination in employment; and
- addressing unfair treatment.

Successfully delivering against the equalities agenda spans right across Government and includes key areas such as education, health, employment, criminal justice and social services – which is why equality is also part of a number of other PSAs.

Overall performance on our Departmental Strategic Objective is not yet assessed. Good progress has been made on several indicators notably through introduction of the Equality Bill, and the work of the BAME women councillors' taskforce. Annex B sets out how we are measuring performance against each indicator.

Equality PSA

The Government's performance framework for the three years to 2011 includes PSA 15 (Equality) which seeks to address the disadvantage that individuals experience because of their gender, race, disability, age, sexual orientation, religion or belief. The priorities identified within this PSA are:

- Reduce the gender pay gap;
- Increase disabled people's choice and control;
- Address inequalities in civic participation;
- Reduce discrimination in employment; and
- Address unfair treatment by public services.

Responsibility for delivery is shared across Government. The Office for Disability Issues in the Department for Work and Pensions leads and co-ordinates work across Government on the commitment to increase disabled people's choice and control. Similarly, the Department for Communities and Local Government leads and

co-ordinates work across Government on the commitment to address inequalities in civic participation.

The GEO leads on the remaining three commitments and on overall programme management of the PSA, including monitoring progress on statistical indicators and reporting on delivery. We published a summary of our delivery plans in September 2008⁸ and will produce an update in August 2009.

Since the GEO's Autumn Performance Report changes have been made to three of the indicators to enable more accurate and robust measurements. On Indicator 1, the previous measure targeted a reduction in the gender pay gap based on full-time hourly wage rates. The new measure incorporates both full-time and part-time work and therefore better reflects inequality in pay between men and women.

On Indicator 2, a peer review by a leading academic of the statistical indicator used to measure progress on this priority concluded that, while our methodology for measuring choice and control is suitably robust in terms of disabled people, this is not true for non-disabled people. Consequently we revised this indicator so that it measures improvements in choice and control for disabled people, including older disabled people.

On Indicator 3, the previous measure was based on the composite average of the gaps in civic involvement by disadvantaged groups. However, this composite measure was complex and difficult to interpret. The new indicator now focuses on

three equality groups with the widest gaps in civic involvement – BME, disabled people and young people, with ongoing monitoring against each of the other equality groups. In addition GEO is leading work to increase representation of women and other groups in public life.

Due to these changes and the reliance on data that is only produced annually, it is still early to assess performance against this PSA. However, baselines have now been set for each indicator. More information about these indicators can be found at Annex B.

A full estimate of the costs related to PSA has not yet been made. The GEO's expenditure relates to staff costs and expenditure relating to; projects such as BAME Women Councillors Taskforce; the publishing of guidance; and research projects, for example, on understanding fair treatment and discrimination at work.

Table A – GEO resources 2009-10 committed to PSA Delivery Agreement 15

Programme office staff costs	£160,500
Staff costs (gender pay gap)	£340,100
Programme costs (gender pay gap)	£355,000
Staff costs (civic participation)	£135,250
Programme costs (civic participation)	£231,000
TOTAL	£1,221,850

⁸ http://www.equalities.gov.uk/what_we_do/equality_psa.aspx

Chapter 3: Progress towards GEO's 5 Main Aims

GEO's vision is a fair and equal society for all. Our overall aim is to improve equality and reduce discrimination and disadvantage. Our specific aims are to:

- Modernise, strengthen and streamline the legislative framework
- Improve equality at work and economic participation for all, particularly focusing on supporting parents and others caring for families and friends to balance work and caring responsibilities
- Improve equality of representation and involvement in public and political life
- Tackle barriers which limit people's choices and opportunities through:
 - Ensuring public policies and services promote equality and improve life chances
 - Ensuring fair access to and treatment by services (public and private sectors)
- Promote physical safety and freedom from violence, by tackling hate crime, harassment and victimisation and improving support for victims.

These 5 aims are reflected in GEO's Departmental Strategic Objective and Public Service Agreement reported on in Chapter 2. In its first year, GEO has worked to create a cross-cutting and strategic approach to tackling these issues.

Modernising, streamlining and strengthening the legislative framework

- We published in June 2008 major proposals to strengthen and streamline the legislative framework⁹;
- In July 2008, we published the Government's full response to the Discrimination Law Review consultation which took place in 2007¹⁰;
- From August 2008 to spring 2009 we held meetings of a Senior Stakeholder Group¹¹ providing advice and engaging widely as we prepared the Bill for introduction into Parliament;
- In April 2009 the Equality Bill¹² was introduced into Parliament, and is currently being scrutinised in the House of Commons¹³;
- In summer 2008 we began negotiations on a proposed EU Equal Treatment Directive¹⁴ and wide consultation with interested partners;
- In spring 2008 we implemented the EU Gender Directive through regulations to strengthen protection against sex discrimination and discrimination against transsexual people in goods and services.

9 <http://www.equalities.gov.uk/pdf/FrameworkforaFairerFuture.pdf>

10 <http://www.equalities.gov.uk/PDF/EqBillGovResponse.pdf>

11 http://www.equalities.gov.uk/equality_bill/senior_stakeholder_group.aspx

12 http://www.publications.parliament.uk/pa/cm200809/cmbills/085/09085_iw/09085_iw_en_1.htm

13 <http://services.parliament.uk/bills/2008-09/equality.html#2008-09>

14 http://www.equalities.gov.uk/international/eu_directive.aspx

Improving Equality at Work and Economic Participation for all

- We announced new proposals to extend the positive action provisions in the law – as part of the Equality Bill.
- We worked closely with BIS to give 4.5 million parents of children aged 6 to 16 the right to request flexible working from 6 April 2009 and contributed £85,000 to a cross-Government awareness-raising campaign¹⁵.
- We reconvened the Women and Work Commission under Baroness Margaret Prosser to assess the progress made against its (2006) recommendations: they will report further in summer 2009.

Opening up Opportunities in Public and Political Life

- In May 2008 we set up a new Taskforce to increase the number of Black Asian Minority Ethnic (BAME) Women Councillors. The taskforce has involved existing and past BAME women councillors from across the country and held a total of 16 events across the country from July 2008 to July 2009. Around 850 women have taken part (our aim is to reach over 1000). As a result 70% of participants have told us they are now more likely to consider becoming a councillor.



We launched the first national councillor's shadowing scheme for BAME women on 24 April 2009 with a further training scheme in community leadership. The scheme will provide tailored support to BAME women considering standing for election and taking the first steps to becoming a councillor.

- We submitted the Government's evidence to the Speaker's Conference which has been established to address under representation of women, disabled people and people from minority ethnic backgrounds in the House of Commons.
- In July 2008 GEO and Cabinet Office Ministers announced new measures to increase the number of women, disabled people, and Black, Asian and minority ethnic people appointed to the boards of public bodies, so that they reflect the diverse range of people they serve. On 17 June 2009¹⁶, we launched new cross-Government targets on gender, ethnicity and

¹⁵ http://www.equalities.gov.uk/media/press_releases/flexible_working.aspx

¹⁶ http://www.equalities.gov.uk/news/diversity_in_public_appointments.aspx

disability. This means that by March 2011, for all new public appointments regulated by the Office of the Commissioner for Public Appointments (OCPA), women will make up 50%, disabled people will make up 14% and people from an ethnic minority will make up 11% of new appointees.

- The new targets on diversity in public appointments are underpinned by a cross-Government action plan, co-led by the Government Equalities Office and Cabinet Office, which we will deliver over the next year. These measures will increase the visibility of the appointments system, ensure transparency and accountability, and tackle head on the barriers that too often women, disabled people and ethnic minorities face in putting themselves forward for a public appointment.

Improving life chances and public services

- In October 2008¹⁷ we set up the National Equality Panel under Professor John Hills CBE of the LSE to examine the relationships between different aspects of inequality in determining people's economic positions and prospects. The Panel has engaged widely holding 2 public evidence gathering sessions. It will report by the end of 2009. We provided LSE with £220,000 in 2008/09 out of a total of £400,000 funding for this work.
- The New Opportunities White Paper set out plans for a new duty on public authorities to tackle socio-economic disadvantage, on which

we consulted early in 2009 and have now included in the Equality Bill.

- Throughout 2008/9 we worked on plans for a new streamlined but more effective single equality duty. We published our proposals on this in June 2009.
- The GEO also published its delivery plan for the Equality Public Service Agreement, as discussed in Chapter 2.¹⁸

Promoting Physical Safety and Freedom from Violence

- We set up a cross Government fund¹⁹ of £1.1M to help victims of rape, to which GEO contributed £100,000. Twenty centres received grants, ensuring they were able to remain open and supporting victims.
- We have sponsored capacity building projects with sexual violence voluntary umbrella organisations to help support the valuable services they provide.
- Published a cross government narrative setting out the range of activities across government to tackle violence against women; we also worked with other departments by: contributing to the Home Office-led Tackling Demand Review which identified proposals for criminalising payment for sex and brothel closure orders; contributing to the Ministry of Justice's Review of the Law of Murder which has proposed replacing the partial defence of provocation with a new partial defence, taking gender equality into account; worked with

¹⁷ http://www.equalities.gov.uk/media/press_releases/prof_john_hills.aspx

¹⁸ http://www.equalities.gov.uk/news/equality_duties.aspx

¹⁹ http://www.equalities.gov.uk/media/press_releases/£16m_for_rape_charities.aspx

Home Office and DCMS to identify a new approach to licensing, which will give greater powers to local authorities and local communities to control the opening and regulation of lap-dancing clubs.

- Published in July 2008 a One Year On progress report *Women's Changing Lives*²⁰ on the Minister for Women Priorities, including the Priorities on tackling violence against women and increasing representation of women from ethnic minority communities.
- Worked with the Home Office in helping develop its consultation on a new Strategy on violence against women.

Our Priorities for 2009-2010

Over the next year our priorities are to:

Modernise, streamline and strengthen the legislative framework

The centrepiece is the new Equality Bill which was introduced on schedule on 24 April 2009 and we hope will be agreed by Parliament by spring 2010.

In parallel, we will be consulting on key aspects of the proposals (such as the shape of the new public sector Equality Duty and the protections from age discrimination in goods and services), and working with EHRC on much improved guidance for business and citizens.

²⁰ http://www.equalities.gov.uk/media_zone/press_releases/one_year_on_-_changing_womens.aspx

We will also continue negotiations in the European Union on the draft Equal Treatment Directive.



Improving Equality at Work and Economic Participation for all

A PSA priority is to narrow the gender pay gap. We plan a package of measures: new provisions in the Equality Bill, using the Government's procurement power, working with the private sector on gender pay gap reports, working with the EHRC to look at problem sectors. In parallel we will use the existing equality duties to improve the public sector's performance as an employer.

We will be doing considerable work on improving the position of women, supporting them through the recession and helping them come through stronger into the new economy, looking at skills, career advice, childcare, quality part-time work, access to finance and reducing barriers to women in senior positions and professions. We will be responding to the further report from the Women and Work Commission which will include recommendations on these issues.

We will seek to support families, balancing work and family life, for instance running a campaign to ensure parents and carers understand their extended rights to request flexible working, and researching the concerns of the “sandwich generation” who balance the need to care for older relatives and children.

We will also seek to reduce discrimination, and promote good practice in the workplace, working with OGC to use public procurement to promote equality, exploring a possible kite-mark scheme, and supporting the TUC evaluation of Trade Union equality representatives.

Opening up Opportunities in Public and Political Life

We intend to use the Equality Bill to extend the possibilities for positive action.

We will focus GEO’s own efforts on opening up more opportunities at national and local level, through our work on the Speaker’s Conference, BAME Women Councillor’s Taskforce, and with the Cabinet Office on public appointments; and in exploring ways to increase the participation by LGBT people in civic society, including increasing the number of role models.

Improving life chances and public services

We will use the findings of the National Equality Panel to assess the relationship between the different equality strands and other key dimensions of equality. This will help shape our policies to improve life chances and access to public services.

We will improve our understanding of how to measure inequality in the UK following our work with the LSE, Oxford University and EHRC to establish an Equality Measurement Framework.

We will use the Equality Bill to introduce a new strategic duty on public authorities to consider how to reduce socio-economic disadvantage.

We will work towards improving public services, working with DWP on improving choice and control for disabled people, with DH on tackling inequality in the health and social care sectors, especially for older people, with DfT on better access to transport, and across all services we will plan the introduction of the new single Equality Duty, building on the existing race, disability and gender duties to ensure public services meet the needs of LGBT people and people of all ages and all religions or beliefs.



We will also work closely with the Cabinet Office and the Civil Service Diversity Board to help the Civil Service be an exemplar employer²¹.

21 <http://www.civilservice.gov.uk/about/who/diversity/introduction.aspx>

We will also work closely with EHRC on ensuring the existing gender duty is understood and properly applied, and with MoJ to support delivery of the Corston Implementation Plan, ensuring that women who are not dangerous or serious offenders are diverted from custody.

Promoting Physical Safety and Freedom from Violence

We will work with the Home Office and other Government departments to pull together and implement a new cross Government strategy on Violence against Women. In particular we will closely work with the voluntary sector to maintain provision of support for women who experience sexual violence including rape. We will continue to challenge attitudes, myths and stereotypes which underpin violence against women by leading a project on violence against women and communications, identifying and sharing good practice, as well as publishing targeted information to raise awareness. We will also work with Home Office and the Ministry of Justice to tackle transphobic and homophobic hate crime, and with Department for Children, Schools and Families to tackle transphobic and homophobic bullying in schools.

Chapter 4: Other Key Areas of Work

This chapter reports on the important work we are also doing on improving our systems as a new Department, on building our evidence base, and working internationally.

Improving our Governance

The Departmental Board leads the work of the GEO by setting the overall strategic direction and providing direction on major operational and management issues. The Board consists of GEO's Senior Civil Servants and its three non-executive directors. The Board meets every two months, reviewing finance and performance and discussing a key policy issue. The minutes of the Board are circulated to all in GEO. Two sub committees oversee key corporate governance functions:

- The Audit and Risk Committee provides the board with financial and risk management assurance. The Committee is chaired by Peter Bungard, and membership includes the other non-executive directors.
- The Research Programme Board provides the Board with assurance that the GEO's research programme is agreed, and its total budget approved, by GEO senior management.

During 2009/10, we will:

- develop and implement more refined risk management procedures;
- restructure the way we work to deliver efficiencies by increasing cross-team working and greater use of project-based work;
- improve our performance through better business planning and performance reporting; and

- improve our systems and guidance, including data management, electronic filing, security and equality impact assessment guidance.

Improving our evidence base

Our strategic goal is to produce cutting-edge research across the full range of equality issues, as well as to improve the analysis of inequality more broadly.

Development of a medium-term research strategy

A key aspect of fulfilling this goal is to build up a research infrastructure that meets the needs of the department, and helps deliver better equality outcomes. Our initial 2008/09 research programme was based on four main themes – Big Picture (Equality Strategy Work; Delivering Effective Interventions; Monitoring PSA progress and Gender Equality) designed to give structure and coherence to GEO's research and analytical work during its first 12-18 months as a separate Department.

Within these themes, our current main work programmes are:

Women and other groups in the recession and the New Economy

- We will be building on initial research and survey work to enhance our understanding of how women and other equality groups are being affected by the economic recession, and how best to formulate a policy response helping to build their position in the new economy that follows. We are working with

other Government Departments, the Equality and Human Rights Commission and other partners on joint analysis, and considering where best we can add value through our own research projects.



The National Equality Panel

- The National Equality Panel was set up under the Chairmanship of Professor John Hills to assess the best available evidence on the

relationship over time between equality strands and income, class and wealth. The Panel will publish its report in January 2010 and will continue to engage with a wide range of Government Departments and stakeholders in the coming months holding a further seminar on emerging findings in summer 2009.

Improved Evidence Base on GEO-lead equality strands, particularly sexual orientation

- We are working with EHRC, the Office for National Statistics and other stakeholders to examine the existing and the emerging evidence base on the LGBT population, including an exploration of the barriers to more accurate monitoring.

Development and use of an Equality Measurement Framework

- We are working with the LSE, Oxford University and the EHRC to establish a comprehensive and robust framework for the

measurement of inequality in the UK. We aim to publish the framework in Summer 2009.

In addition, a wide range of research projects are underway or planned for 2009/10 supporting specific GEO policy work programmes described elsewhere in this Plan. These include:

- developing Impact Assessments for the Bill and for the EU Equal Treatment Directive;
- improving the evidence base for legislation to tackle age discrimination in the supply of goods, facilities and services;
- exploring equality reporting in company annual reports;
- exploring the sustainability of the violence against women voluntary sector;
- an assessment of the drivers of the gender pay gap and how these have changed over time; and
- evaluation of the success of the BAME Taskforce mentoring scheme.

International work

GEO leads for the UK on international gender and equality issues. The United Kingdom and representatives of its Devolved Administrations and Overseas Territories were examined on the implementation of CEDAW by the UN committee on 10 July 2008²². The examination lasted five and a half hours and one hundred and two questions were asked by committee members. A simultaneous video conference link was established between New York and London to provide access to cross government departments. This link proved very successful and the committee commented upon its added value. NGOs were allowed into the London conference to observe the proceedings which provided a cost effective and environmentally friendly option. The UK delegation was headed by then GEO Minister Barbara Follett with assistance from officials representing the UK, Devolved Administrations and the Overseas Territories.

We also promoted the UK's work on the impact of the recession on women internationally at both the UN and the EU.

The European Commission published a draft anti-discrimination Directive in July 2008. GEO are leading on the negotiations for the UK. DWP provide GEO with Parliamentary scrutiny co-ordination support. The draft Directive proposes to make it unlawful to discriminate against or harass someone on grounds of religion or belief, disability, age or sexual orientation in both the public and private sector in relation to:

- social protection, including social security and health care;
- social advantages;
- education;
- access to and supply of goods and services which are available to the public, including housing within the limits of the powers conferred upon the European Community.

We began a consultation on the Directive in May 2009²³. The UK Government is supportive of the aims of the Directive. We wish to draw on our experience of existing domestic discrimination law, which already goes much further than EU law currently requires, to work with partners to develop a Directive that is strong and workable and that avoids unintended consequences.

22 http://www.equalities.gov.uk/media_zone/press_releases/uk_present_to_un_on_cedaw.aspx

23 http://www.equalities.gov.uk/international/eu_directive.aspx

Chapter 5: Managing our resources and other information of interest to the public

This chapter sets out how we managed our resources in 2008-9 and what we have done to improve our capacity to deliver. It sets out the ways in which we are working to reduce the burden of our policy proposals on businesses and charities, and details the work which we have set in hand to improve the way in which we run our business.

Financial management

Administration Budget

In line with the Operational Efficiency Programme and to secure efficiencies the GEO buys most of the services we need from other Departments. For example, GEO buys HR systems, internal audit, IT and accounting systems from CLG, who also provide our accommodation. We buy in Private Office and Parliamentary support from Cabinet Office, and also since October 2008 contributed towards MoJ's private office costs for Maria Eagle.

Consultancy Spending

GEO has minimised its use of consultants in 2008-09 and only used them where this provides value for money or key objectives could not be delivered on time without their use. The main example is use of short-term expert consultants for completing work on drafting instructions for the Equality Bill in summer 2008.

Departmental approach to asset management

GEO has no significant assets and there is no current need to establish a formal asset management policy or asset register.

Human resources

In GEO's early stages Human Resource work concentrated on recruitment and agreeing a single set of terms and conditions for GEO staff, who joined the new department from a number of other government departments. Now that terms and conditions are agreed HR work is concentrating on improving our capability, learning and skills development, drawing on shared services arrangements agreed with CLG and DWP, and on monitoring the skills and diversity of our workforce. We are also working to understand staff issues through workshops and surveys.

In 2008/09 we achieved:

- Adoption of GEO's own terms and conditions in agreement with staff and trade unions;
- GEO's Single Equality Scheme²⁴
- HR shared services agreements with CLG
- Increased the size of our workforce to meet increasing work demands
- Developed a GEO HR database through CLG's PIMS system

During 2009/2010, we will:

- Complete an Equal Pay Review
- Complete actions set out in our Diversity Delivery Plan and regularly review progress
- Implement our Learning and Development Strategy

²⁴ http://www.equalities.gov.uk/about_geo/corporate_information/equality_scheme.aspx

- Ensure that staff are aware of and undertake learning and development appropriate to their needs
- Engage with our staff through a detailed staff survey and undertake necessary improvement action
- Agree GEO's pay remit with HM Treasury

The GEO had 102 staff in post at the end of June 2009.

There are currently 7 staff employed at SCS level. Pay Bands are from 1 (Deputy Director) to Band 3 (Director General) and pay ranges are shown in the Resource Accounts.

Table B: Numbers of SCS by payband

Band 3 (DG)	1
Band 2 (Director)	2
Band 1 (Deputy Director)	3

Figures current at June 2009

GEO Workforce – Gender and Ethnicity

As a new Department, the GEO is determined to be transparent in accounting for its performance. This is particularly important in our action to address discrimination and promote equality.

102 people work in the GEO of whom 66% are women and 34% men.

- There are 7 senior civil servants in our senior management team, 5 women and 2 men.
- 20% of GEO staff are from ethnic minority background.
- 4% of GEO staff have disclosed that they have a disability.

Occupational Health & Safety

GEO does not manage any premises, and relies on the Health and Safety management responsibilities discharged via CLG, for staff based in Eland House, and Cabinet Office for the private and press office staff based in Whitehall.

Consultations

Several consultations are currently being undertaken by GEO:

UK Consultation on the European Commission Proposal for an Equal Treatment Directive²⁵

This consultation was published on 5 May 2009. The closing date is 28 July 2009. The response address is: EUDirective@geo.gsi.gov.uk Views are being sought to inform the UK Government's further consideration of the proposed European Commission (EC) Directive to prohibit discrimination on the grounds of religion or belief, disability, age and sexual orientation outside the areas of employment and vocational training.

We are consulting in particular on the impact of the draft Directive in those areas where its proposals are, or might be, at variance with the current and proposed law, and on the impact of the proposals on individuals, business and others.

²⁵ http://www.equalities.gov.uk/international/eu_directive.aspx

Equality Bill: Making it work

Policy Proposals for specific duties- a consultation

On 11 June 2009, a consultation document setting out policy proposals for the specific public sector equality duties was published²⁶. Responses can be sent to: specificduties@geo.gsi.gov.uk

Ending age discrimination in services and public functions – a consultation

On 29 June 2009, a consultation document setting out how we are developing policy proposals for exceptions from the age discrimination ban was published²⁷. Responses can be sent to: age@geo.gsi.gov.uk

The closing date for both Equality Bill consultations is 30 September 2009.

We also consulted early in 2009 on a new duty on public authorities to tackle socio-economic disadvantage, and in Spring 2009 on dual discrimination. Both now form part of the Equality Bill.

Better Regulation

The Deputy Director responsible for the Better Regulation Unit sits on the GEO Board, and the Policy Director who acts as the Board Better Regulation Champion. The Board considers better regulation issues formally twice a year, but they are also routinely considered in the context of

policy discussions, for example in relation to the Equality Bill.

GEO published a revised Simplification Plan in December 2008²⁸, which outlines our main simplification achievements since December 2007 and sets out future plans. GEO is committed to ensuring that policies are implemented and delivered in line with better regulation principles. The benefits of our simplification programme will be felt by everyone. Alongside other Government Departments, GEO is committed to reducing administrative burdens.

Our key simplification action is the introduction of the Equality Bill, reducing nine pieces of legislation to one single Act. This will make the legislation easier to access, understand and implement. This will have a particularly positive impact on the private sector, more specifically small and medium business that will need less assistance to ensure they are co-operating with the requirements of the law. We expect this change to reduce our administrative burdens by at least the 25% target. However as the Bill will not be implemented until during 2010, GEO will not be in a position to meet its target by 2010.

Pending implementation of the Equality Bill, we realise the importance of simplifying the present system and have undertaken research to ensure any interim measures target areas where business feel they would have the most impact. As a result we are implementing measures to help reduce the administrative burdens of three existing discrimination information obligation forms

26 http://www.equalities.gov.uk/news/equality_duties.aspx

27 http://www.equalities.gov.uk/news/age_consultation.aspx

28 <http://www.equalities.gov.uk/PDF/081209%20GEO%20Simplification%20Plan%202008%20Final.pdf>

The total GEO admin burden is £5.7 million. The breakdown of this, as explained in the Simplification Plan, is now as follows:

Department	Regulation name	Total Admin Cost
GEO	Equal Pay (Questions and Replies) Order 2003	£1,420,107.02
GEO	Race Relations Act 1976	£186.84
GEO	Sex Discrimination (Formal Investigation) Regulations 1975	£0.00
GEO	Sex Discrimination (Questions and Replies) Order 1975 (SD74)	£3,367,428.05
GEO	Race Relations Act (Questions and Replies) Order 1976 (RR65)	£858,468.25
Departmental Total		£5,646,190.16

required by existing legislation, before further changes are made by the single Equality Bill.

Impact Assessments, and transparency of implementation plans for European legislation

We published a detailed Impact Assessment to accompany the Equality Bill²⁹ and we have published an initial Impact Assessment for the proposed Equality Directive, which is currently out for consultation. These weigh and present the relevant evidence on the effects of the Equality Bill and the EU Directive.

In the first year the Bill might cost from £233m to £272m because it will cost money for people to make themselves familiar with this new law and because of extra cases. In the same year the improved efficiency as a result of this Bill might produce benefits in the range of £84.7m to £115.4m. This means in the first year the Bill might cost between £187.2m and £117.4m. We think that from the second year onwards this Bill will create average net benefits from £21m to

£82m. In each case we have quoted a range of figures because it is difficult to accurately estimate what changes in legislation might cost. In summary, over 10 years, at the least this Bill will save £22m and at the most it might save £622m.

In relation to the Equality Bill, the EHRC have started to prepare for the implementation of the Bill, setting up a new internal structure of eight teams to deal with issues and prepare the guidance that will be needed. The GEO continues to work closely with the EHRC to ensure the new legislation is as accessible and easy to understand as possible.

Best practice examples

The *Gender Equality Checklist* is a voluntary tool for business, to provide them with tailored advice and information on how to ensure they are implementing gender equality in their workplace. The GEO worked closely with key stakeholders such as the Trades Union Congress and the Confederation of British Industry, to develop and pilot this checklist, which in turn was recommended by the Women and Work Commission. The Checklist reduces the cost to

²⁹ <http://www.equalities.gov.uk/pdf/Equality%20Bill%20Impact%20As.pdf>

business not only because the tool is web based, quick and easy to use and voluntary for employers, but also because it provides useful information on how to meet their legal obligations on equal pay. The checklist will also help make employers more aware of the implications of some of the practices they have in place, and help them to learn more about the benefits of working practices that can promote gender equality, such as flexible working and training.

The *Exemplar Employer Initiative* brings together 113 employers who are running projects and initiatives to tackle one or more of the causes of the gender pay gap. Progress of the exemplar employers has been tracked and a best practice document has been published. Again the administrative burden is reduced for employers as the best practice sharing is voluntary and entirely web based. This enables businesses to share good practice in areas which will have benefits for their business, such as increasing the percentage of women returning from maternity leave to work with the company, meaning that they do not have to incur recruitment costs.

The Government's £500k *Quality Part Time Work Fund* has funded 12 projects designed to increase the number of senior and quality jobs that are available on a part-time basis. This constructive work with employers fits with the Government's light regulatory touch approach to labour market issues. Furthermore, the Government is now reviewing the success of the projects to capture the learning points from the successful projects and considering how to spread best practice in the future.

Communications

Our specialist head of communications, Nikki Yorke, took up post in autumn 2008, reporting to our Director-General, heading a small team of 3 press officers (based in Cabinet Office), 1 speechwriter-researcher, 1 marketing and communications manager, and 1 strategic communications manager. Their objective is ensuring GEO's work is widely understood by our stakeholders. Our Business Plan for 2009/10 details further work planned on this area of our business, including the principles guiding our communication activity. Press office costs in 2008/09 were £161,000.

Public information

GEO has developed its website www.equalities.gov.uk and updated its range of factsheets during 2008/09, as well as producing a range of publications to support its main aims and other areas of business. We have also begun dealing with Freedom of Information requests, complaints and general enquiries as a separate Department via enquiries@geo.gsi.gov.uk and 020 7944 0601. GEO staff in Eland House, London can also be contacted via CLG's switchboard (020 7944 4400) and using the email format: firstname.surname@geo.gsi.gov.uk

We have the following enquiry email addresses for specific functions:

National Equality Panel

NEP-Enquiries@geo.gsi.gov.uk

BAME Women Councillors Taskforce

womencouncillorstaskforce@geo.gsi.gov.uk



Independent Voice of Older People – Dame Joan Bakewell

Voiceofolderpeople@geo.gsi.gov.uk

Working at GEO

HR@geo.gsi.gov.uk

Ministerial Correspondence

geo.corres@geo.gsi.gov.uk

Freedom of Information and Complaints

enquiries@geo.gsi.gov.uk

Better Regulation

BetterRegulation@geo.gsi.gov.uk

Legal Services

Treasury Solicitors Office (TSol) provides professional legal advice and drafting services that contribute to delivery on the full range of the Department's objectives. Key activities are drafting of primary and secondary legislation, providing advice on equalities and employment law, freedom of information, human rights and European law and on litigation as required. James Maskell heads the TSol team.

Information of Public Interest

The following information is intended to accompany the Department's resource accounts (Volume 2).

Departmental Reporting Cycle

Performance against Departmental aims, objectives and targets is formally reported in the Departmental Report and Autumn Performance Report.

The Departmental Report covers expenditure, performance against the Department's Public Service Agreement (PSA) targets and describes other activities in support of the Department's objectives. It also includes information relating to a number of units and organisations that are attached to the Department.

The Department publishes an annual Autumn Performance Report, which provides an update on progress against PSA targets since the preceding Spring Departmental Report.

The GEO will publish an annual report and accounts. These are subject to review and audit by the National Audit Office and may be considered by the Communities and Local Government Select Committee. The GEO Board considers reports on GEO budget and spend every 2 months, and the GEO Senior Management Team every other month.

Principal risks and uncertainties of GEO

GEO closely monitors its financial, operational and legal risks. Like other central government Departments the GEO is subject to machinery of government changes.

Key relationships with stakeholders that might affect the entity's long-term position

GEO has identified all key stakeholders and meets with them regularly either individually or in established forums. This minimises risks and promotes consensus as to GEO's role.

Policy and achievement of policy on social and community issues

GEO is based in CLG's administrative headquarters in Eland House in London and has adopted the social, community and environmental policies of CLG.

Policy and achievement of policy on the entity's employees

The GEO values effective working relationships with staff and consults regularly with them and trades unions on important issues such as flexible

working patterns, recruitment and other HR strategies,

policies and processes. GEO has its own terms and conditions, and organisational values. GEO monitors the equality and diversity of its employees and has a diversity delivery plan in place.

Environmental Sustainability Report

As a small Department based within the premises of another Department, the GEO does not have its own Environmental Policy. We share services with CLG and other Departments; GEO is committed to sustainable development through, for example, office accommodation and IT.

Value for Money and Efficiency

Although GEO does not have a formal value for money or efficiency target from the 2007 Spending Review, we do strive towards achieving value for money and efficiency in our work and in our sponsorship of the EHRC and WNC. GEO and WNC accommodation and other shared services arrangements (finance, IT, HR, internal audit) with CLG represent excellent value for money and contribute to CLG efficiency through office rationalisation in its Eland House headquarters. In common with other small Departments we use the Treasury solicitors and also share or procure some services with Cabinet Office (Private Office and Parliamentary) and DWP. We also work closely with HM Treasury on these issues in the context of our overall budget.

Annex A: Core Tables

Background

Core Table 1 shows Total Departmental Spending, which is the sum of the resource budget (including administration costs) and capital budget less depreciation (excluded so as to avoid double counting). Core Tables 2 and 3 break this down between resource and capital budgets respectively.:

- DEL budgets are negotiated with HM Treasury via Spending Reviews (SRs) that cover three years. The most recent (SR2007) covers 2008-09 to 2010-11. DEL consolidates the resource and capital expenditure of the Non-Departmental Public Bodies (NDPBs) that the Department sponsors.
- AME budgets – The GEO does not have any AME budgets which are usually demand-led and not easily controllable by departments.

Comparisons with Main Estimates

The categories used in these tables are the department's programmes as agreed with HM Treasury. These are different from the Sub-heads in the Main Estimate. In addition, the Main Estimates include grant-in-aid to NDPBs rather than NDPBs' expenditure as shown in these tables. The programmes used in this part of the Report are consistent with Main Estimates and HM Treasury Budget publications.

Table I: Resource Budget

£000	Outturn 2003-04	Outturn 2004-05	Outturn 2005-06	Outturn 2006-07	Outturn 2007-08	Esti- mated Outturn 2008-09	Plans 2009-10	Plans 2010-11	Plans 2011-12
Consumption of resources:									
Promoting a fair and equal society	44,799	58,819	56,236	60,001	88,559	69,741	78,765	78,185	–
Total Resource Budget	44,799	58,819	56,236	60,001	88,559	69,741	78,765	78,185	–
<i>Of which</i>									
of which: Near-cash	43,822	57,661	70,057	59,370	79,430	68,336	78,455	77,953	–
Total resource budget	44,799	58,819	56,236	60,001	88,559	71,852	78,765	78,185	–
of which: depreciation	964	1,048	1,101	717	618	2,109	564	564	–
Capital budget									
Capital DEL									
Promoting a fair and equal society	1,088	1,058	863	328	7,175	2,000	7,000	7,000	–
Total capital budget DEL	1,088	1,058	863	328	7,175	2,000	7,000	7,000	–
<i>Of which</i>									
Capital DEL	1,088	1,058	863	328	7,175	7,000	7,000	7,000	–
Total departmental spending†									
Promoting a fair and equal society	44,923	58,829	55,998	59,612	95,116	71,743	85,201	84,621	–
Total departmental spending†	44,923	58,829	55,998	59,612	95,116	71,743	85,201	84,621	–
<i>of which:</i>									
Total DEL	44,923	58,829	55,998	59,612	95,116	71,743	85,201	84,621	–
Total AME	–	–	–	–	–	–	–	–	–

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

Note Total Public Spending is resource budget plus capital budget minus depreciation

Table 2: Resource Budget

£000	Outturn 2003-04	Outturn 2004-05	Outturn 2005-06	Outturn 2006-07	Outturn 2007-08	Esti- mated Outturn 2008-09	Plans 2009-10	Plans 2010-11	Plans 2011-12
Promoting a fair and equal society	44,799	58,819	56,236	60,001	88,422	69,741	78,765	78,185	-
<i>of which</i>									
Central Administration	3,128	3,243	2,667	3,457	5,208	7,843	8,005	7,925	-
Commission for Racial Equality	18,761	28,332	18,749	20,111	9,673	-	-	-	-
Equal Opportunities Commission	8,262	8,743	9,804	8,968	3,887	-	-	-	-
Commission for Equality and Human Rights					58,614	59,395	63,000	63,000	-
Disability Rights Commission	13,941	16,074	21,399	21,010	11,046	-	-	-	-
Equality policy and Womens National Commission	707	2,427	3,617	6,455	38	2,503	7,760	7,260	-
European Year of Equal opportunity for all	-	-	-	-	-44			-	-
Total Resource Budget	44,799	58,819	56,236	60,001	88,422	69,741	78,765	78,185	

Table 3: Capital Budget

£000	Outturn 2003-04	Outturn 2004-05	Outturn 2005-06	Outturn 2006-07	Outturn 2007-08	Esti- mated Outturn 2008-09	Plans 2009-10	Plans 2010-11	Plans 2011-12
Government Equalities Office	1,088	1,058	863	328	7,175	904	7,000	7,000	
<i>of which</i>									
Central Administration	–	–	–	–	–	–	–	–	–
Commission for Racial Equality	245	676	338	255	175	–	–	–	–
Equal Opportunities Commission	99	116	–	–	–	–	–	–	–
Commission for Equality and Human Rights	–	–	–	–	7,000	904	7,000	7,000	
Disability Rights Commission	755	266	525	73	–	–	–	–	–
Equality policy and Womens National Commission	–	–	–	–	–	–	–	–	–
European Year of Equal opportunity for all	–	–	–	–	–	–	–	–	–
Total Resource Budget	1,088	1,058	863	328	7,175	904	7,000	7,000	

Table 4: Capital Employed

£000s Assets on balance sheet at end of year	Outturn 2003-04	Outturn 2004-05	Outturn 2005-06	Outturn 2006-07	Outturn 2007-08	Esti- mated Outturn 2008-09	Plans 2009-10	Plans 2010-11	Plans 2011-12
Fixed assets ⁽¹⁾	-	-	-	-	-	-	-	-	-
<i>Intangible Assets</i>	-	-	-	-	-	-	-	-	-
<i>Tangible Assets</i>	-	-	-	-	-	-	-	-	-
					31,215	88,700	50,000	50,000	50,000
Current Assets				31,215	88,700	8,617	50,000	50,000	
Creditors < 1 year	-	-	-	-31,215	-88,699	-8,239	-50,000	-50,000	
Creditors > 1 year	-	-	-	-	-	-	-	-	
Provisions ⁽²⁾	-	-	-	-	-	-	-	-	
Capital Employed within main department	-	-	-	-	1	378	-	-	-
NDPB Net Assets									
NDPB Net Assets									
Commission for Racial Equality	2,445	780	463	450					
Disability Rights Commission	1,349	1,662	1,593	1,544					
Equal Opportunities Commission	-142	-52	-239	96					
Commission for Equality and Human Rights ⁽³⁾					-1,062				
Total	3,652	2,390	1,817	2,090	-1,062	-	-	-	-
Total Capital employed in Departmental Group	3,652	2,390	1,817	2,090	-1,061	378	-	-	-

Notes

- 1 The Government Equalities Office has no fixed assets.
- 2 The Government Equalities Office does not have any provisions.
- 3 Includes in 2007-8 all assets and liabilities transferred from the legacy commission Equal Opportunities Commission, Disability Rights Commission and Commission for Racial Equality

Table 5 :Administration Costs

£000s	Outturn 2003-04	Outturn 2004-05	Outturn 2005-06	Outturn 2006-07	Outturn 2007-08	Esti- mated Outturn 2008-09	Plans 2009-10	Plans 2010-11	Plans 2011-12
Gross Administration Costs									
Pay bill	2,789	2,904	2,328	3,118	3,996	5,142	5,055	4,979	
Other	339	339	339	339	1,212	2,701	2,950	2,946	
Total Gross Admin Costs	3,128	3,243	2,667	3,457	5,208	7,843	8,005	7,925	-
Related admin cost receipts	-	-	-	-	-	-	-	-	-
Total net administration costs	3,128	3,243	2,667	3,457	5,208	7,843	8,005	7,925	-

Table 6: Staff numbers¹

	2006-7 Actual	2007-8 Actual	2008-9 Plans	2009-10 plans	2010-11 plans
Government Equalities Office					
CS FTEs ²	62	62	81	115	115
Temporary Staff ³		8	22		
Total Gross Admin Costs	62	70	103	115	115

1 All figures are based upon an average of the financial year. Excludes Minsiters and Special Advisers

2 CS FTEs refers to FTE staff in permanent civil service posts.

3 Temporary Staff refers only to those on short term contracts or agency staff appointed through GEO HR.

Annex B: Departmental Strategic Objective and Equality Public Service Agreement delivery

How we will measure performance on our Departmental Strategic Objective

DSO 1.1 Ensuring progress against the Ministers for Women Priorities

Objective	Outcome measures	Process measures – milestones/ outputs
All priorities		<ul style="list-style-type: none"> Annual progress report
1. Supporting families	<ul style="list-style-type: none"> Overall gender pay gap Awareness, availability and take-up of flexible working 	
2. Empowering BME women	<ul style="list-style-type: none"> Number of BME women councillors Proportion of women in public appointments, performance of new appointees who are women 	<ul style="list-style-type: none"> 16 events to support BME Women Councillors Taskforce Launch of new targets and action plan on public appointments
3A. Tackling violence against women	<ul style="list-style-type: none"> PSA 23.1 	<ul style="list-style-type: none"> Delivery of cross-government strategy for working with the VAW voluntary sector, January 2010 Deliver and evaluate two special funds to support the sexual violence voluntary sector, October 2008 and July 2009 Adoption of new guidance on newspaper advertising related to trafficked women, measurable reduction in this kind of advertising

Objective	Outcome measures	Process measures – milestones/ outputs
<p>3B Improve the way we deal with women who commit crimes</p>	<ul style="list-style-type: none"> • PSA24 • Every agency within the criminal justice system prioritise and accelerate preparations to implement the gender equality duty and radically transform the way they deliver services for women (Corston) 	<ul style="list-style-type: none"> • Evaluation of pilot on condition cautions for women – interim report May 2009, final report Oct. 2009 • The five women’s centres funded by CJWSU which provide support to women offenders and women at risk of offending remain operational into the new financial year 2009/10 and are eligible to apply for funding from MoJ (Round 1 of the £15.6 million allocated pot) & supporting women offenders • Support and evaluate pilot mentoring scheme for women offenders via CJWSU

DSO 1.2 Developing and supporting delivery of the Government's equality strategy, including simplifying and strengthening equality law, devising and using a framework for measuring progress towards a more equal society

Objective	Process measures – milestones/outputs
Simplifying and strengthening equality law	<ul style="list-style-type: none"> • Introduce Bill by end of April 2009 • Begin consultations on age discrimination and on specific duties by end of June 2009 • Subject to Parliamentary progress, enact Bill by April 2010 • Implement 85% of new Act by April 2011 • Work with EHRC and other departments to produce guidance over period Spring 2010 to Spring 2012
Devising and using a framework for measuring progress towards a more equal society	<ul style="list-style-type: none"> • Completion of comprehensive data audit, August 2008 • Develop process and outcome indicators by April 2009 • Publication of LSE/Oxford Report with proposed outcome and process indicators, June 2009 • Development of autonomy indicators by November 2009 • Development of web tool by December 2009 • Initial data collection by December 2010

Public Service Agreement 15 (Spending Review 2007): Equality

Definition: To address the disadvantage that individuals experience because of their gender, race, disability, age, sexual orientation, religion or belief.

Progress: Not yet assessed.

Quality of data systems: The data systems underpinning this PSA have recently been audited by the National Audit Office. All indicators were confirmed fit for purpose except for Indicator 5. GEO have commissioned research to better understand the issues relating unfair treatment and to develop a more robust approach to measurement. A report will be published in 2010.

Indicator	1: Narrow the gender pay gap
Lead Department	GEO
Assessment	Not yet assessed
Notes	Source: Annual Survey of Hourly Earnings. In 2008/9, the baseline year, the overall gender pay gap increased from 21.9% to 22.6%. The minimum target is a reduction at least 0.6 percentage points (a statistically significant change) over the three years to 2011. Data is collected annually; the next data point will be November 2009.

Indicator	2: Increase disabled people's choice and control
Lead Department	DWP
Assessment	Not yet assessed
Notes	Source: ONS Omnibus Survey. In 2008/9, the baseline year, 23% of disabled people did not have regular choice and control in their lives. The minimum change required over spending review is 2-3 percentage points. The next data point will be January 2010.

Indicator	3:Address inequalities in civic participation
Lead Department	CLG
Assessment	Not yet assessed
Notes	<p>Source: Citizenship Survey.This indicator focuses particularly on young people, disabled people and people from an ethnic minority.The indicator will be met if all three groups achieve a statistically significant reduction in their gaps in involvement with no reduction in the mean level for the overall population. The baseline gaps in civic participation (2007/8) are: BME – 10%, Disabled people – 5.3%,Young people (16-25yr olds) – 7.5%. Most recent data is Q1&Q2 2008/09:This shows the gap for disabled people decreased by 3.7 % points. But the gap for young people increased by 0.6 % points and the gap for ethnic minorities increased by 0.1% points.Also, the overall mean has declined by 1% point.We would urge caution in interpretation as this is only based on 2 quarters worth of Citizenship Survey data, and given the sample size, the changes are not statistically significant.The next full year’s data point will be July 2009.</p>

Indicator	4:Tackle discrimination in employment
Lead Department	GEO
Assessment	Not yet assessed
Notes	<p>Source: Citizenship Survey.An interim baseline of 3.2% was set using data from Quarters 1 and 2 (April to September) from the 2008-09 survey.A statistically significant reduction in the composite will be an estimated 2-3 percentage points over the three years to 2011. Most recent data is Q1&Q2 2008/09:This shows that there are slight changes in the data for each disadvantaged group, however the composite measure remains the same at 3.2% The next full year’s data point will be July 2009.</p>

Indicator	5: Understand and address unfair treatment
Lead Department	GEO
Assessment	Not yet assessed
Notes	Source: Citizenship Survey. The baseline was set as +0.2% in 2007-08; however, the finding that there are no significant gaps between groups in perceptions of unfair treatment conflicts with other evidence on this issue. The GEO will lead work to develop a better understanding of whether people feel they have been treated with dignity and respect when accessing a range of key public services.

Annex C: Our Vision and Values

Our Vision 'A fair and equal society for all'			
GEO Values			
Openness	Inclusion	Respect	Commitment
We are open, honest and committed to integrity in all that we do	We work together for GEO's vision and aims	We respect each other and value our talents, skills and diversity	We will deliver measurable improvements to equality
What it means for our staff			
<ul style="list-style-type: none"> We communicate openly and honestly with each other. We listen to what people say and what they don't say, building on each other's ideas and creating a supportive atmosphere We are transparent about how decisions are reached 	<ul style="list-style-type: none"> We learn from each other and share our skills and resources across teams for the good of GEO We encourage ideas and creativity, empower people to take risks and achieve their best We each take responsibility for working smarter and are agents for change in our own areas We are courteous, supportive and considerate of each other, keep our promises and the commitments we make to others 	<ul style="list-style-type: none"> We show respect for and value everyone for their different backgrounds, experience, styles, ideas approaches, and working patterns We seek and provide constructive feedback We give everyone the opportunity to unlock their talent and shine We challenge unacceptable behaviour 	<ul style="list-style-type: none"> We are passionate about equality and proud of what GEO is achieving We champion equality and lead by example We are focused on delivering the priorities set out in our business plan, the things that make a difference for everyone in society We are flexible and smart in how we work

What it means for our stakeholders and partners

- | | | | |
|---|--|--|---|
| <ul style="list-style-type: none"> • We are open and honest with our stakeholders and partners, sharing work plans to build trust and confidence • We listen to our stakeholders and partners, and are open and honest about what we can and can't do | <ul style="list-style-type: none"> • We regularly consult and involve stakeholders and partners • We build mutually supportive and effective relationships with our partners and share responsibility for outcomes | <ul style="list-style-type: none"> • We have effective operating frameworks with our partners and respect the interests of each organisation • We respect and value the professionalism and views of our stakeholders and partners | <ul style="list-style-type: none"> • We work collaboratively with our stakeholders and partners to achieve results • GEO and our stakeholders and partners have a collective ambition to improve equality |
|---|--|--|---|

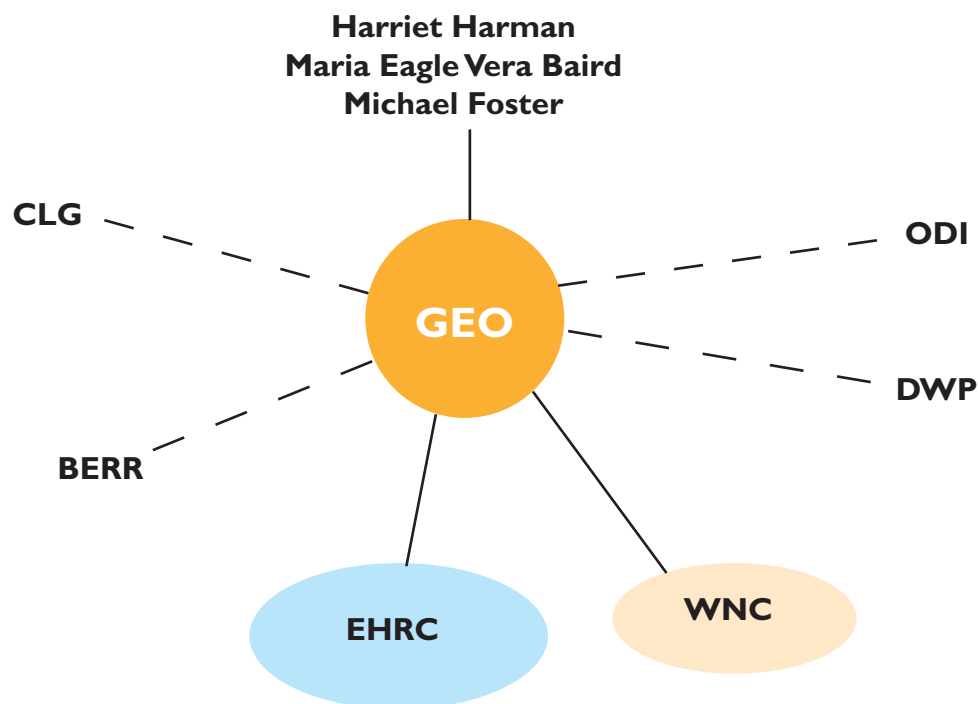
What it means for society

- | | | | |
|--|--|---|--|
| <ul style="list-style-type: none"> • We welcome people's views and respond to ensure our policies reflect the UK's diverse society • We ensure our communications are easily accessible to all equality groups | <ul style="list-style-type: none"> • We collaborate with colleagues across Government to respond to individual concerns about equality • We influence other Government Departments, the EU and the UN to tackle deep rooted problems of inequality | <ul style="list-style-type: none"> • We respect people's right to equality, to be free from prejudice and discrimination • We respect and understand the different needs of different groups. | <ul style="list-style-type: none"> • We develop policies based on evidence and research • We understand the impact of our policies on people's lives |
|--|--|---|--|

How will we know that we are living our values?

- | | | | |
|-------------------------|-------------------------|-------------------------------------|------------------------------|
| 6 monthly staff surveys | Annual staff appraisals | 360 degree appraisals for SCS staff | Stakeholder perception audit |
|-------------------------|-------------------------|-------------------------------------|------------------------------|

Annex D: Government Equalities – who does what



What the GEO leads on

Legislative framework
Discrimination Law Review
Equality Bill

Equality Act 2006
Sex Discrimination Act 1975
Sex Discrimination (Election Candidates) Act 2002
Race Relations Act 1976
Equal Pay Act 1970
Civil Partnership Act 2004
and associated secondary legislation under the above Acts

Government's overall policy and legislation on equality issues
Policy on gender equality and sexual orientation, and for integrating work on race, and on religion or belief equality, into the overall equality framework.

Government's sponsorship of the:
Equality and Human Rights Commission (EHRC)
Women's National Commission (WNC)

Equality PSA 2008-11 (PSA15)
EU Equality Directive
Ministers for Women Priorities
National Equality Panel
BAME Women Councillors Taskforce

GEO has grant-making functions under the Employment and Training Act 1973 and the Charities Act 2006.

What other Government Departments and the devolved administrations lead on

CLG continue to lead on race and faith policy (other than in respect of certain equality matters) including PSA 10 on race equality and community cohesion

DWP leads on disability policy and legislation (ODI) and on age policy (older people) including PSA17.

BIS, which leads on employment rights, has responsibility for some specific aspects of discrimination law in the workplace – age, religion or belief and sexual orientation – but not policy more generally.

DCSF, (BIS for further and higher education) and the Scottish and Welsh Governments are responsible for equality law and policy in the field of education, and for children and youth policy.

MoJ leads on human rights law and policy and on the Gender Recognition Act.

The Office of the First Minister and Deputy First Minister (OFMDFM) leads on equalities legislation and policy within Northern Ireland, as a devolved matter.

Annex E: Public Bodies

Executive Non-Departmental Public Body

The Equality and Human Rights Commission (EHRC)

We sponsor the Equality and Human Rights Commission (EHRC), providing a budget of £70m and appointing its Board. We work closely with them while seeking to put as few constraints as possible on what they do and say. GEO's prime emphasis is on setting the Government's policy agenda and legislative framework. The EHRC in turn has a complementary key role as a regulator (for instance of the public sector duties), and as an independent champion for disadvantaged groups, and through its regional, Scottish and Welsh networks.

The EHRC was established by the Equality Act 2006. The Act set out a general duty for the EHRC to encourage and support the development of a society in which:

- People's ability to achieve their potential is not limited by prejudice and discrimination,
- There is respect for and protection of each individual's human rights
- There is respect for the dignity and worth of each individual
- Each individual has an equal opportunity to participate in society, and
- There is mutual respect between groups based on understanding and valuing of diversity and on shared respect for equality and human rights.

The EHRC's vision is "a society built on fairness and respect. People confident in all aspects of their diversity". The EHRC has published a three-

year strategic plan to deliver this general duty and realise this vision. That strategic plan sets out the following strategic aims:

- Secure and implement an effective legislative and regulatory framework for equality and human rights.
- Create a fairer Britain, with equal life chances and access to services for all.
- Build a society without prejudice, promote good relations and foster a vibrant equality and human rights culture.
- Promote understanding and awareness of rights and duties – deliver timely and accurate advice and guidance to individuals and employers.
- Build an authoritative and responsive organisation.

GEO Ministers account for the EHRC's business in Parliament and approve the amount of grant-in-aid and other funds to be paid to the EHRC. The GEO provides the grant-in-aid from its budget. The Commission were allocated a budget of £70m in 2008-9 and drew down £59m in grant in aid to support their expenditure. Similar budget and grant in aid figures are planned for 2008-09. Jonathan Rees is the Principal Accounting Officer for EHRC's expenditure. A small 'sponsorship' team in GEO provides day to day advice and guidance to the EHRC on, for example, its pay remit and the appointment of Commissioners and sets the level of financial delegations for EHRC.

GEO's policy teams work closely with EHRC staff in the pursuit of shared equality and diversity objectives. For example, the Equality Bill will require EHRC to draw up effective guidance on the Bill's provisions and provide effective

enforcement once the Bill is enacted. GEO and EHRC's aims and objectives converge in many areas and both parties are committed to an open and transparent relationship that is based on sharing information and a mutual understanding of relevant issues.

The EHRC brings together three former commissions: the Commission for Racial Equality, the Disability Rights Commission and the Equal Opportunities Commission. The Commission's responsibilities cover England, Scotland and Wales. In Scotland and Wales there are statutory committees responsible for the work of the EHRC. There is also a statutory Disability committee.³⁰

More information on the EHRC is available at: www.equalityhumanrights.com

During 2009/2010, we will:

- Strengthen the EHRC Board through the recruitment of new Commissioners
- Work closely with EHRC to help in implementing its new 3 year Strategic Plan, for instance working in partnership on effective timely and targeted guidance to support the Equality Bill
- Review our sponsorship arrangements, and in the light of experience, agree a new Framework Agreement
- Assess the results of the EHRC's Inquiries into the financial services and construction industries, and lead the Government response to them.

30 <http://www.equalityhumanrights.com/our-job/who-we-are/disability-committee/>

EHRC is responsible for salary and expenses payments to its Commissioners, three of whom are members of the House of Lords.

Neil Kinghan CB was appointed interim Director-General in May 2009³¹, following the former chief executive Dr Nicola Brewer CMG's return to the diplomatic service.

One of the EHRC's transition Commissioners from CRE, Kay Hampton, resigned in April 2009.

Advisory Non-Departmental Public Body

Women's National Commission

The Women's National Commission, established in 1969, is an umbrella organisation representing women and women's organisations in England, Northern Ireland, Scotland and Wales. Its aim is to ensure women's views are aired in government and in wider public debate. The current WNC Board consists of the Chair, Baroness Joyce Gould³² and 15 Commissioners.

10 new commissioners were appointed in September 2008³³. Among them former MP Helen Jackson, former Fawcett Society chief executive Mary Ann Stephenson, and the writer Beatrix Campbell OBE. GEO is now looking to appoint Commissioners to replace those whose terms expire in 2009 and Sabin Malik who has recently resigned to take up a new post at the Home Office.

31 <http://www.equalityhumanrights.com/our-job/who-we-are/the-team/>

32 <http://www.thewnc.org.uk/about-wnc/wnc-commissioners/commissioners-biographies.html>

33 <http://www.thewnc.org.uk/about-wnc/wnc-commissioners.html>

WNC is accountable for salary and expenses payments to its Commissioners, three of whom are members of the House of Lords.

Barbara-Ann Collins was appointed as the WNC's new director³⁴ in the autumn of 2008.

During 2009/10, we will:

- publish a Memorandum of Understanding between GEO and the WNC, taking account of the requirements placed on the WNC by the Ministers for Women and Equality and GEO;
- support the WNC to be an effective two-way communication channel between Government and women's organisations, organising regular meetings and events with senior officials and

Ministers to exchange dialogue and feed into the development of gender policy;

- complete an Operating Framework and review the recommendations of the 2007 light-touch review to ensure that delivery has been implemented; and
- conduct a public appointment exercise to recruit Commissioners to ensure that the Board has its full complement of Commissioners.
- WNC will produce its own Business Plan for 2009/10. This will include help to GEO's work to promote the UK's international commitments on gender equality.

Equality and Diversity information for GEO's NDPBs

Table C: Total public appointments to bodies for which GEO is responsible, as at 1 January 2009

	Total appointees	Male appointees	Female appointees	Female appointees (%)
EHRC	16	6	10	62.5
WNC	16	0	16	100
Total	32	6	26	81.2

	Total appointees	Disabled appointees	Disabled appointees (%)
EHRC	16	3	18.8
WNC	16	1	6
Total	32	4	12

	Total appointees	Ethnic minority appointees	Ethnic minority appointees (%)
EHRC	16	6	37.5
WNC	16	3	18
Total	32	9	28

³⁴ <http://www.thewnc.org.uk/about-wnc/about-us-wnc-directorate.html>

Annex F: Glossary of acronyms and abbreviations

AME	Annually Managed Expenditure	EU	European Union
BAME	Black, asian and minority ethnic	FTE	Full Time Equivalent
BERR	the former Department for Business, Enterprise and Regulatory Reform	FTI	Floor Target Interactive
BIS	Department for Business, Innovation and Skills	GEO	Government Equalities Office
BME	Black and minority ethnic	GVA	Gross Value Added
BRE	Better Regulation Executive	HMT	Her Majesty's Treasury
CEDAW	Convention on the Elimination of all Discrimination Against Women	HRA	Human Rights Act
CLG	Department for Communities and Local Government	IA	Impact Assessment
CRE	the former Commission for Racial Equality	LSE	London School of Economics
CSR 2007	Comprehensive Spending Review 2007	MfW	Minister for Women
DCSF	Department for Children Schools and Families	MoJ	Ministry of Justice
DEL	Departmental Expenditure Limit	NAO	National Audit Office
DLR	Discrimination Law Review	NDPBs	Non-Departmental Public Bodies
DRC	the former Disability Rights Commission	NHS	National Health Service
DSO	Departmental Strategic Objective	NS	National Statistics
DWP	Department for Work and Pensions	ODI	Office for Disability Issues
EHCR	Equality and Human Rights Commission	OGC	Office of Government Commerce
EOC	the former Equal Opportunities Commission	OGDs	Other Government Departments
ETN	Efficiency Technical Note	ONS	Office for National Statistics
		OTS	Office of the Third Sector
		PAC	Public Accounts Committee
		PFI	Private Finance Initiative
		PSA	Public Service Agreement
		QC	Queen's Counsel
		RIA	Regulatory Impact Assessment
		RRA	Race Relations Act 1976
		RRO	Regulatory Reform Order



SCS	Senior Civil Service
SDA	Sex Discrimination Act 1975
SR2007	Spending Review 2007
TSol	Treasury Solicitors
VFM	Value for Money
WANE	Women and the New Economy
WEU	the former Women and Equality Unit
WNC	Women's National Commission
WWC	Women and Work Commission

Annex G: Useful addresses

Government Equalities Office

Eland House
Bressenden Place
London SW1E 5DU
Telephone: 020 7944 0601
Fax: 020 7944 0602
E-mail: enquiries@geo.gsi.gov.uk
Website: www.equalities.gov.uk
Executive Non-Departmental Public Body

Equality and Human Rights Commission

Telephone : 0845 604 6610 – England main number
E-mail : info@equalityhumanrights.com
For full details see Contact Us at **www.equalityhumanrights.com**

Advisory Non-Departmental Public Body

Women's National Commission

Eland House
Bressenden Place
London SW1E 5DU
Telephone: 020 7944 0585
Fax: 020 7944 0583
E-mail: wnc@communities.gsi.gov.uk
Website: www.thewnc.org.uk

Volume 2 – Resource Accounts

Annual Accounts 2008-2009

as at 31 March 2009

Items of Public Interest

Statutory background

On 26th July 2007 the Prime Minister announced the establishment of the Government Equalities Office to strengthen further, the government's ability to deliver across the entire equalities agenda. At that stage the Government Equalities Office was to be part of the Department for Work and Pensions. On the 12th October 2007 a Transfer of Functions Order came into effect and the Government Equalities Office became a separate department required to produce its own report and accounts.

The Government Equalities Office presents the Annual Report and Accounts for the financial year ended 31 March 2009. The accounts have been prepared in accordance with the direction given by HM Treasury in pursuance of section 7(2) of the Government Resources and Accounts Act 2000.

These financial statements relate solely to the Government Equalities Office's expenditure, and have been prepared in accordance with the accruals concept to give a true and fair view of the Department's affairs.

Results for the year

The Operating Cost Statement shows:

The net operating cost amounted to £69.583 million (2007-08 £83.016 million).

The net operating cost has been calculated after taking into account notional costs which are not currently charged to the Government Equalities Office but which are borne centrally by the Exchequer.

The net resource outturn amounted to £69.583m against an Estimate total of £85.006 million.

Resource funding by Parliament

The Government Equalities Office is a supply financed Government Department and, as such, remains subject to gross expenditure control under the Parliamentary Vote system. The GEO is accountable to Parliament for its expenditure and Parliamentary approval for its spending plans is sought through Supply Estimates presented to the House of Commons.

Employment of disabled persons

People with disabilities, as defined in the Disability Discrimination Act 1995, are employed within the Government Equalities Office. Government Equalities Office aims to improve services for disabled staff and undertakes reasonable adjustments to the working environment where necessary.

Commitment to equality and valuing diversity

The Government Equalities Office is committed to providing services which embrace diversity and which promote equality of opportunity. As an employer we are also committed to equality and valuing diversity within our workforce. Our goal is to ensure that these commitments are embedded in our day-to-day working practices.

Employee involvement

The Government Equalities Office respects its staff as people and values their contribution. An internal communications network is in place, reinforced by focus groups and regular discussions with staff.

Staff have access to welfare services and trade union membership. The Government Equalities Office has established procedures for consulting with trade unions.

Payments to suppliers

The Government Equalities Office is committed to the prompt payment of bills for goods and services received. Payments are normally made when goods and services are received. A payment may be made earlier if it is legally due under a contract term. If there is no specific deadline in a contract, GEO has a target to make all payments within 30 days of acceptance of the relevant goods and services, or receipt of a valid invoice or claim whichever is the later. For 2008-09, GEO achieved a prompt payment performance of 93% against this target, while performance statistics were not separately available for 2007-08 as all invoices were processed by the Department for Communities and Local Government on their systems. GEO are working towards the government target of making payments within 10 days.

The 'Late Payment of Commercial Debts (Interest) Act 1998' which came into effect from 1 November 1998 and the 'late payment of Commercial Debts Regulations 2002' which came into force on 7 August 2002 provides all businesses and public sector bodies with the following entitlements:

- i. the right to claim interest for late payment;
- ii. the right to claim reasonable debt recovery costs, unless the supplier has acted unreasonably;

- iii the right to challenge contractual terms that do not provide a substantial remedy against late payment; and
- iv. the right for 'representative bodies' to challenge contractual terms that are grossly unfair on behalf of small and medium sized enterprises.

No such charges have been incurred.

External Auditor

These accounts have been audited by the Comptroller and Auditor General at a notional cost of £57k (2007-08 £50k); this comprises £54k for the audit of the 2008-09 statutory accounts and £3k for the audit of the 1 April 2008 Restated Balance Sheet under International Financial Reporting Standards.

As far as the Accounting officer is concerned, there is no relevant audit information of which GEO's auditors are unaware, and the Accounting Officer has taken all the steps he ought to have taken to make himself aware of any relevant audit information and to ensure that GEO's auditors are aware of that information.

The Euro

The Government Equalities Office continues to maintain its changeover planning and preparation activities such that, in the event of a positive decision to join the Single European Currency, the changes required to the computer systems, business systems and products will have been identified and quantified to enable them to meet the timescales set out in the HM Treasury's Third Outline National Changeover Plan.

Personal Data related incidents

There were no reported personal data related incidents during 2008-09.

Sickness Absence Data

The average working days lost during the year due to sickness is 1.91 per person.

Public Sector Information Holders

The Government Equalities Office is a Public Sector Information Holder, and has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

Appointment and remuneration of the Director General

The permanent head of the Government Equalities Office was appointed by the Lord Privy Seal. The appointment is for an indefinite term under the terms of the Civil Service Commissioners' Recruitment Code.

Management Board (Senior Management Team)

Members of the Management Board (Senior Management Team) during the year were:

Jonathan Rees	Director General and Accounting Officer
Janice Shersby	Deputy Head and Policy Director
Chris Bull	Director of Corporate Services
Melanie Field	Deputy Director, Discrimination Law
Alison Pritchard	Deputy Director Equality PSA and Strategy
Helene Readon-Bond	Deputy Director, Gender Equality Policy and Inclusion
Charles M. Ramsden	Deputy Director Evidence and Equality at Work

Board of Management responsibilities

The Board has responsibility for leading the Government Equalities Office to ensure that it delivers on the aims set by the ministers, builds its capability for the future and maintains high standards of propriety. In the preparation of the accounts, the Board of Management has selected suitable accounting policies and applied them consistently; made judgements and estimates that are reasonable and prudent; and has prepared the accounts on a going concern basis.

The Salary and Pension Entitlements of the most senior managers are set out in the Remuneration Report.

Remuneration Report

Service Contracts

Civil service appointments are made in accordance with the Civil Service Commissioners' Recruitment Code, which requires appointment to be on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made.

Unless otherwise stated below, the officials covered by this report hold appointments which are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commissioners can be found at www.civilservicecommissioners.gov.uk.

Salary and pension entitlements

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

Remuneration

Ministers

2008-2009

In 2008-09 the Government Equalities Office reported to Minister for Women and Equality Rt. Hon Harriet Harman, QC MP, Maria Eagle MP (then Parliamentary Under Secretary of State) and Vera Baird, QC MP (Solicitor-General). Harriet Harman is Lord Privy Seal and as such her Ministerial salary and pension declaration is reflected in the accounts of the Cabinet Office.

Maria Eagle's ministerial salary declaration is reflected in the accounts of Ministry of Justice as she is also a Minister at the Ministry of Justice.

Vera Baird is the Solicitor General and as such her Ministerial salary and pension declaration is reflected in the accounts of Attorney General's Office.

The following information has been audited.

The Board

The GEO Board is made up of the following non-executive and executive Directors.

Non-Executive Directors

The Non-Executive Directors of the Board received the following remuneration for their services during the year.

Non-Executive Directors	2008-2009		2007-2008	
	Salary £	Benefit- in-Kind (to nearest £100)	Salary £	Benefit- in-Kind (to nearest £100)
Peter Bungard	£2,000 (£2,500 full year equivalent)	–	–	–
Judy McKnight	£2,000 (£2,500 full year equivalent)	–	–	–
Janet Soo-Chung	2,500	–	–	–

Note: There were no Non-Executive directors during 2007-08

Executive Directors

Executive Directors	2008-2009		2007-2008	
	Salary £'000	Benefit- in-Kind (to nearest £100)	Salary £'000	Benefit- in-Kind (to nearest £100)
Jonathan Rees¹	125-130	–	5-10 (115-120 full year equivalent)	–
Janice Shersby²	90-95	–	65-70 (105-105 full year equivalent)	–
Chris Bull³	95-100	–	40-45 (90-95 full year equivalent)	–
Melanie Field⁴	65-70	–	45-50 (70-75 full year equivalent)	–
Alison Pritchard⁵	20-25 (70-75 full year equivalent)	–	N/A	N/A
Helene Reardon-Bond⁶	30-35 (65-70 full year equivalent)	–	N/A	N/A
Charles M. Ramsden⁷	20-25 (50-55 full year equivalent)	–	N/A	N/A

2007-2008

1. Figure quoted is for the period 25 February 2008 to 31 March 2008.
2. Figure quoted is for the period 26 July 2007 to 31 March 2008.
3. Figure quoted is for the period 15 October 2007 to 31 March 2008.
4. Figure quoted is for the period 26 July 2007 to 31 March 2008.

2008-2009

- 5 Figure quoted is for the period 23 November 2008 to 31 March 2009
 - 6 Figure quoted is for the period 20 October 2008 to 31 March 2009
 - 7 Figure quoted is for the period 20 October 2008 to 31 March 2009.
- Charles M. Ramsden left the GEO at the end of May 2009 and was replaced by Helen Carrier.

Salary

'Salary' includes gross salary; performance pay or bonuses; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation.

This presentation is based on payments made by the Department and thus recorded in these accounts. In respect of ministers in the House of Commons, departments bear only the cost of the additional ministerial remuneration; the salary for their services as an MP and various allowances to which they are entitled are borne centrally.

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.

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a 'final salary' scheme (classic, premium or classic plus); or a 'whole career' scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with changes in the Retail Prices Index (RPI). Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a good quality 'money purchase' stakeholder pension with a significant employer contribution (partnership pension account).

Employee contributions are set at the rate of 1.5% of pensionable earnings for classic and 3.5% for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits in respect of service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 calculated as in premium. In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with RPI. In all cases members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus and 65 for members of nuvos.

Further details about the Civil Service pension arrangements can be found at the website www.civilservice-pensions.gov.uk.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries.

Real increase in CETV

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

Government Equalities Office SMT 2008–09	Real Increase in Pension at Age 60	Real Increase in Lump Sum at Age 60	Accrued Pension at Age 60 31/03/2009	Accrued Lump sum at Age 60 31/03/2009	CETV as at 31/03/2008	CETV as at 31/03/2009	Real Increase in CETV during the year
	£000	£000	£000	£000	£000	£000	£000
Jonathan Rees	0–2.5	0	60–65	0	969	1,051	16
Janice Shersby	0–2.5	0–2.5	25–30	80–85	380	415	7
Chris Bull	0–2.5	0–2.5	35–40	105–110	664	721	7
Melanie Field	0–2.5	0–2.5	15–20	50–55	238	260	4
Alison Pritchard	0–2.5	0	5–10	0	75	80	3
Helene Reardon-Bond	0–2.5	2.5–5	25–30	80–85	484	504	21
Charles M. Ramsden	0–2.5	0–2.5	25–30	80–85	501	498	0

Jonathan Rees
 Director General and Accounting Officer
 9th July 2009

Statement of Accounting Officer's responsibilities

1. Under the Government Resource and Accounting Act 2000, the Government Equalities Office is required to prepare Resource Accounts for each financial year, in conformity with Treasury direction, detailing the resources acquired, held or disposed of during the year and the use of resources by the Government Equalities Office during the year.
2. The Resource Accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Government Equalities Office, the net resource outturn, resources applied to objectives, recognised gains and losses, and cash flows for the financial year.
3. Her Majesty's Treasury has appointed the permanent Head of the Government Equalities Office as Accounting Officer with the overall responsibility for preparing the Government Equalities Office's accounts and for transmitting them to the Comptroller and Auditor General.

In preparing the accounts, the Government Equalities Office is required to comply with the Financial Reporting Manual prepared by HM Treasury, and in particular to:

- observe the Accounts Direction issued by Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards have been followed, and disclose and explain any material departures in the financial statements;
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the Government Equalities Office will continue in operation.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and for safeguarding the Department's assets, are set out in *Managing Public Money* published by HM Treasury.

Statement on Internal Control

Scope of responsibility

As Accounting Officer I have responsibility for maintaining a sound system on internal control that supports the achievement of GEO's policies, aims and objectives whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in *Managing Public Money*.

Ministers set the political direction of the Department. Our business priorities are set out in our Business plan, in our Departmental Strategic Objective, in the Public Service Agreement on Equality and in the Ministers for Women's priorities. I advise and support Ministers and ensure that advice put to them enables them to make informed decisions, by including options and a clear indication of the operational and financial implications of those options.

As Accounting Officer I am accountable to Parliament for all the expenditure, including grant in aid and the conditions attaching to it, given to the Equality and Human Rights Commission (EHRC) and the Women's National Commission. Each year GEO and the Commissions consult on budgets and on business and financial plans. In terms of the EHRC, whose budget amounts to some 85 per cent of the GEO's estimate, I meet regularly with the Commission's Chair and Chief Executive and manage a small sponsorship team in GEO which works closely with EHRC's finance officials, to ensure that they understand their obligations to manage all resource issues properly and cost-effectively. This relationship is governed by a Framework Document which is based on HM Treasury guidance. In light of operational experience, we are updating that Framework Document in consultation with the EHRC and that will be a key project for financial year 2009-10.

The purpose of the system on internal control

The system on internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system on internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of departmental policies, 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 system on internal control has been in place in GEO for the year ended 31 March 2009 and up to the date of the approval of the annual report and accounts, and accords with Treasury guidance.

Given the scale and nature of GEO operations – I have just over 100 staff with 85 per cent of them working on policy issues – our internal controls are designed to keep any risks to GEO's vision, priorities and financial integrity to a reasonable level. They are based on a continuing review of the changing risks to GEO's vision and priorities, which themselves change quickly in response to

Ministerial imperatives and the changing external circumstances. Since I made the Statement on Internal Control in last year's annual report and accounts, there have been significant advances, particularly in terms of the establishment of the Audit and Risk Committee, improved reporting on finance and performance issues, and financial delegations.

In terms of capturing and processing operational information accurately the National Audit office's report on Public Service Agreement 15 (to address the disadvantage that individuals experience because of their gender, race, disability, age, sexual orientation or belief) assesses the data systems underpinning four of our five indicators as 'green'. The remaining indicator is rated 'red' but the report acknowledges that we are taking action to address the problems we have encountered. (NAO report: "Validation of the data systems for the PSA 15, Spending Review Period 2008-11").

Capacity to handle risk and the risk and control framework

GEO staff assess the financial implications of all policy and operational options put to Ministers and GEO work takes account of better regulation requirements and the need to assess new burdens arising from prospective legislation.

Contracting for research to inform our policy-making – a main part of our programme expenditure – is governed by a Research Management Board which routinely considers propriety in contracting and financial implications.

GEO's Board meets every two months and Senior Management Team every week. Both forums receive reports on finance and control issues. The Board consists of my senior officials and three non-executive directors, recruited to provide a variety of perspectives on governance and business management. The Audit and Risk Committee is chaired by a non-executive director and works to terms of reference based on the HM Treasury Audit Committee handbook. It takes all matters relating to the accounts, risk registers and audit reports in a regular pattern of discussion and challenge.

The GEO buys some services from Communities and Local Government (accounting systems, internal audit, accommodation, IT), the Department for Work and Pensions (HR and parliamentary estimates services) and Treasury Solicitors (legal services to support the Bill work). We work closely with these Departments to ensure that our needs are met and services received represent good value and are properly accounted for.

CLG's Internal Audit Services provided governance and finance health-checks in the year. In their latest health-check Internal Audit record that risk management, control and governance systems are operating effectively but there are some weaknesses and further measures are necessary. Their high priority recommendations covered the need to:

- finalise the GEO risk register (currently in draft and for the SMT and Audit And Risk Committee to consider again in May 2009 and June 2009 respectively);
- Ensure the financial delegations policy is embedded; and
- Do more to ensure separation of duties in financial systems, while recognising that GEO resources are very limited.

Review of effectiveness

As Accounting Officer I have responsibility for reviewing the effectiveness of the system on internal control. My review of the effectiveness of the system on internal control is informed by the work of the internal auditors and the executive managers within the department who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the result of my review of the effectiveness of the system on internal control by the Board and the Audit and Risk Committee. The Head of Internal Audit's opinion on the effectiveness of the system on internal control is that GEO is making progress in a number of control areas but proper and adequate risk management, control and governance structures needed to be embedded across the whole department. These reviews show that while there has been progress in the development of accounting and internal control systems, there are still areas for improvement. We have already addressed some of these, for instance on delegations, and have plans to address them all.

We expect and welcome challenge from our external auditors, the NAO. Their interim management letter for 2008-09 made important points, among others, about careful monitoring of the tight administration budget and the regularity of expenditure by the EHRC, the need to develop a counter-fraud policy, and the need to put financial controls in place.

In particular we recognise the need to do more to underpin our relationship with the EHRC, to embed risk assessment and mitigation and to implement our agreed counter-fraud policy. Overall I believe we have made significant progress on internal control issues in the year and there are no known problems to report.

Jonathan Rees
Director General and Accounting Officer
9th July 2009

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

I certify that I have audited the financial statements of the Government Equalities Office for the year ended 31 March 2009 under the Government Resources and Accounts Act 2000. These comprise the Statement of Parliamentary Supply, the Operating Cost Statement, the Balance Sheet, the Cash Flow Statement and the Statement of Operating Costs by Departmental Strategic Objectives and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

The Accounting Officer is responsible for preparing the Annual Report, which includes the Remuneration Report, and the financial statements in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions made thereunder and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Accounting Officer's Responsibilities.

My responsibility is to audit the financial statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000. I report to you whether, in my opinion, the information which comprises Volume 2, Management Commentary is consistent with the financial statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if the Department has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by HM Treasury regarding remuneration and other transactions is not disclosed.

I review whether the Statement on Internal Control reflects the Department's compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or to form an opinion on the effectiveness of the Department's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises Volume I – Annual Report and Annexes and the unaudited part of the Remuneration Report. I consider the implications for my

certificate if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

Basis of audit opinions

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Accounting Officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Department's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

Opinions

In my opinion:

- the financial statements give a true and fair view, in accordance with the Government Resources and Accounts Act 2000 and directions made thereunder by HM Treasury, of the state of the Department's affairs as at 31 March 2009, and the net cash requirement, net resource outturn, net operating cost, net operating costs applied to departmental strategic objectives, recognised gains and losses and cash flows for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with HM Treasury directions issued under the Government Resources and Accounts Act 2000; and
- information which comprises Volume 2 – Management Commentary is consistent with the financial statements.

Opinion on Regularity

In my opinion, in all material respects, the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Report

I have no observations to make on these financial statements.

Amyas C E Morse
Comptroller and Auditor General
National Audit Office
151 Buckingham Palace Road
Victoria
London
SW1W 9SS

12 July 2009

Financial Statements

Statement of Parliamentary Supply

Summary of Resource Outturn 2008-09

£000	Request for Resource	Note	Estimate			Outturn			2008-09	2007-08
			Gross Expenditure	A in A	Net Total	Gross Expenditure	A in A	Net Total	Net Total outturn compared with Estimate: saving/(excess)	Outturn Net Total
I		3	85,039	33	85,006	69,610	27	69,583	15,423	83,716

The underspend relates to:

- Administration – Programme expenditure at the GEO where there is an under spend due to late commencement of some programmes.
- Payments to NDPBs – Grant in aid not required by the Commission for Equality and Human Rights (operating as the Equality and Human Rights Commission) to finance expenditure due to an underspend of around £11m at the Commission.

Net Cash Requirement 2008-09

	Note	Estimate	Outturn	2008-09	2007-08
				Net Outturn compared with Estimate: outturn savings/(excess)	Outturn
			£000	£000	£000
Net cash requirement	4	85,005	69,918	15,087	83,666

Summary of income payable to the Consolidated Fund

	Note	Forecast 2008-09		2008-09 Outturn	
		Income	Receipts	Income	Receipts
		£000	£000	£000	£000
(In addition to appropriations in aid, the following income relates to the Department and is payable to the Consolidated Fund)		0	0	0	700
Total	5	0	0	0	700

The notes on pages 70 to 86 form part of these accounts.

Operating Cost Statement

for the year ended 31 March 2009

		2008-09		2007-08	
	Note	£'000	£'000	£'000	£'000
Administration Costs					
Staff costs	7	5,142		3,996	
Other administration costs	8	2,701		1,212	
Gross Administration Costs		7,843		5,208	
Operating Income	10	0		0	
Net Administration Costs			7,843		5,208
Programme Costs					
Request for Resource I					
Staff Costs	7	324		329	
Grant-in-aid payments	9	59,264		77,047	
Other programme costs	9	2,179		1,473	
Gross Programme Costs		61,767		78,849	
Income	10	(27)		(1,041)	
Net Programme Costs			61,740		77,808
Net Operating Costs	3,11		69,583		83,016

These accounts do not include a Statement of Recognised Gains and Losses because GEO has no gains or losses other than the net operating costs.

The notes on pages 70 to 86 form part of these accounts.

Balance Sheet

As at 31 March 2009

		31 March 2009		31 March 2008	
	Note	£'000	£'000	£'000	£'000
Fixed Assets					
		0		0	
			0		0
Current Assets					
Debtors: Amounts falling due within one year	12	1,309		700	
Cash at bank and in hand	13	7,308		88,000	
		8,617		88,700	
Current Liabilities					
Creditors: Amounts falling due within one year	14	(8,239)		(88,700)	
Net Current Assets/(Liabilities)			378		0
Total Assets less Current Liabilities			378		0
Provisions for Liabilities and Charges		0		0	
			0		0
			378		0
Taxpayers' Equity					
General fund	15		378		0
			378		0

The notes on pages 70 to 86 form part of these accounts.

Jonathan Rees
Director General and Accounting Officer

9th July 2009

Cash Flow Statement

for the year ended 31 March 2009

		2008-09	2007-08
	Note	£'000	£'000
Net cash outflow from operating activities	16a	(151,692)	(29,254)
Net Financing from the Consolidated Fund	16b	71,000	88,000
Financing from the National Insurance Fund			
Increase/(Decrease) in cash in the period		(80,692)	58,746

Consolidated Statement of Operating Costs by Departmental Strategic Objectives

for the year ended 31 March 2009

	2008-09			2007-08		
	£000			£000		
Main Objectives	Gross	Income	Net	Gross	Income	Net
Objective 1	69,610	(27)	69,583	84,057	(1,041)	83,016

Objective 1. To address the disadvantage that individuals experience because of the gender, race, disability, age, sexual orientation, religion or belief.

The notes on pages 70 to 86 form part of these accounts.

Notes to the accounts

for the year ended 31 March 2009

1. Statement of accounting policies

The financial statements have been prepared in accordance with the 2008-09 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM follow UK Generally Accepted Accounting Practice for companies (UK GAAP) to the extent that it is meaningful and appropriate to the Public Sector.

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

1.1 Fixed Assets

1.1.1 The Government Equalities Office does not own any fixed or intangible assets. The Capitalisation threshold is £5,000, except for land, for which there is no minimum.

1.1.2 The Office allows grouping of items for Strategic IT equipment.

Where the Office replaces key components of grouped assets, the replacement is depreciated over the remaining useful life of the asset. Where regular maintenance is performed, this is expensed during the year.

1.2 Stocks

The Government Equalities Office holds stocks of stationery, free publications, computer spares and similar consumable materials. Due to the nature of these items the Government Equalities Office does not consider it appropriate to reflect their value in the Balance Sheet. Accordingly the Government Equalities Office has charged all expenditure on consumable items to the Operating Cost Statement.

1.3 Administration expenditure

Administration costs reflect the direct costs of running the Government Equalities Office as defined under the administration cost control regime, together with associated operating income.

1.4 Grants Payable

A grants payable liability arises when the grant recipient carries out the specific activity which forms the basis of the entitlement, or otherwise meets the grant entitlement criteria.

1.5 Operating income

Income is recorded on an accruals basis at the transacted amounts, or the amounts at which customers are committed to pay.

1.6 Cost of Capital charge

This is a charge, reflecting the cost of capital utilised by the Government Equalities Office. The charge is calculated at the real rate set by HM Treasury (currently 3.5 percent) on the average carrying amount of all assets less liabilities, except for:

- a. cash balances within the Office of HM paymaster General, where the charge is nil.
- b. assets and liabilities in respect of amounts due from, or to the Consolidated Fund where the charge will be at a nil rate.

1.7 Foreign Currency Transactions

Foreign currency payments are accounted for at the Sterling equivalent at the exchange rate ruling on the day the payment is made.

1.8 Pensions

Pension benefits are provided through the Civil Service pension arrangements. GEO staff may be in one of four statutory based defined benefit schemes (Classic, Premium, Classic Plus and Nuvos). Classic, Premium and Classic Plus are now closed to new members. New entrants after 30 July 2007 may choose between membership of Nuvos or joining a good quality money purchase stakeholder based arrangement with a significant employer contribution (partnership pension account).

Classic Scheme

Benefits accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. Members leaving after 1 October 2007 also have an option to commute some of their pension for a further lump sum up to a maximum of 33 / 14 times pension (the commutation rate is £12 of lump sum for each £1 of pension given up). Members pay contributions of 1.5 per cent of pensionable earnings. On death, pensions are payable to the surviving spouse at a rate of half the member's pension. On death in service, the scheme pays a lump sum benefit of twice pensionable pay and also provides a service enhancement on computing the spouse's pension. The enhancement depends on length of service and cannot exceed ten years. Medical retirement is possible in the event of serious ill health. In this case, pensions are brought into payment immediately without actuarial reduction and with service enhanced as for widow(er) pensions."

Premium Scheme

Benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike Classic, there is no automatic lump sum, but members may commute some of their pension to provide a lump sum up to a maximum of 30 / 7 times pension (the commutation rate is £12 of lump sum for each £1 of pension given up). For the purposes of pension disclosure the tables assume maximum commutation. Members pay contributions of 3.5 per cent of pensionable earnings. On death, pensions are payable to the surviving spouse or eligible partner at a rate of 1/160th the member's final pensionable earnings for each year of reckonable service. On death in service, the scheme pays a lump-sum benefit of three times pensionable earnings and also provides a service enhancement on computing the spouse's pension. The enhancement depends on length of service and cannot exceed ten years. Medical retirement is possible in the event of serious ill health. In this case, pensions are brought into payment immediately without actuarial reduction. Where the member's ill health is such that it permanently prevents them undertaking any gainful employment, service is enhanced to what they would have accrued at age 60."

"> Classic Plus Scheme

This is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per classic."

Nuvos Scheme

Benefits accrue at the rate of 2.3 per cent of pensionable earnings for each year of service. The maximum pension that Nuvos will provide is 75 per cent of pensionable earnings. Nuvos has a pension age of 65. There is no automatic lump sum, but members may commute some of their pension to provide a lump sum up to a maximum of 30 / 7 times pension (the commutation rate is £12 of lump sum for each £1 of pension given up). For the purposes of pension disclosure the tables assume maximum commutation. Members pay contributions of 3.5 per cent of pensionable earnings. On death, pensions are payable to the surviving spouse or eligible partner at a rate of 3/8ths the member's pension (before any commutation). On death in service, the scheme pays a lump-sum benefit of two times pensionable earnings and also provides a service enhancement on computing the spouse's pension. The enhancement depends on length of service and cannot exceed ten years. Medical retirement is possible in the event of serious ill health. In this case, pensions are brought into payment immediately without actuarial reduction. Where the member's ill health is such that it permanently prevents them undertaking any gainful employment, service is enhanced to what they would have accrued at age 65."

Pensions payable under Classic, Premium, Classic Plus and Nuvos are increased in line with the Retail Prices Index.

Partnership Pension Account

This is a stakeholder-type arrangement where the employer pays a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product. The employee does not have to contribute but where they do make contributions, these will be matched by the employer up to a limit of 3% (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of risk benefit cover (death in service and ill health retirement). The member may retire at any time between the ages of 50 and 75 and use the accumulated fund to purchase a pension. The member may choose to take up to 25% of the fund as a lump sum."

1.9 Provisions

The Government Equalities Office provides for legal or constructive obligations which are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the Treasury discount rate of 2.2% in real terms.

1.10 Value Added Tax

Prior to 1 April 2008 the Department for Communities and Local Government accounted for VAT on transactions incurred by the Government Equalities Office.

On 1 April 2008 the Government Equalities Office became VAT registered. Most of the activities of the Office are outside the scope of VAT. Input VAT is recovered on certain contracted out services. Irrecoverable VAT is charged to the relevant expenditure category or, if appropriate, capitalised with additions of fixed assets. Where output tax is charged or input VAT is recoverable, the amounts will be stated net of VAT.

2 Analysis of net resource outturn by section

Request for resources I

Request for Resource I: Promoting a fair and equal society where everyone has the opportunity to prosper and reach their full potential	2008-09						2007-08		
	Admin	Other Current	Grants	Resource Expenditure	A in A	Net Total	Estimate Net Total	Net Total outturn compared with Estimate	Prior Year
	£000	£000	£000	£000	£000	£000	£000	£000	£000
A) Administration	7,843	2,375	0	10,218	27	10,191	13,878	3,687	6,669
B) Payments to NDPBs	0	0	59,264	59,264	0	59,264	71,000	11,736	77,047
C) Grants to Private Sectors and Charities	0	0	128	128	0	128	128	0	0
	<u>7,843</u>	<u>2,375</u>	<u>59,392</u>	<u>69,610</u>	<u>27</u>	<u>69,583</u>	<u>85,006</u>	<u>15,423</u>	<u>83,716</u>

The underspend relates to:

- Administration – Programme expenditure at the GEO where there is an under spend due to late commencement of some programmes.
- Payments to NDPBs – Grant in aid not required by the Commission for Equality and Human Rights to finance expenditure due to an underspend of around £11m at the Commission.

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

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

		2008-09		2007-08
		£000		£000
	Note	Outturn	Supply estimate	Outturn compared with estimate saving/ (excess)
Net Resource Outturn	2	69,583	85,006	15,423
Non-supply income (CFERs)	5	0	0	0
Net operating cost		69,583	85,006	15,423
				83,716
				-700
				83,016

3b) Outturn against final Administration Budget

		2008-09		2007-08
		Budget	Outturn	Outturn
		£000	£000	£000
Gross Administration Budget		8,086	7,843	5,208
Income allowable against Administration Budget		0	0	0
Net Outturn against final Administration Budget		8,086	7,843	5,208

4. Reconciliation of resources to cash requirement

		2008-09		2008-09
				Net total outturn compared with estimate saving/ (excess)
	Note	Estimate	Outturn	Outturn
		£000	£000	£000
Resource Outturn	2	85,006	69,583	15,423
Non Cash Items	8	-1	-43	42
Changes in Working Capital other than Cash			378	-378
Net Cash Requirement		85,005	69,918	15,087

5 Analysis of income payable to the Consolidated Fund

	Forecast 2008–09		Outturn 2008–09		
	Note	Income	Receipts	Income	Receipts
Other operating income and receipts not classified as A in A		0	0	0	700
		0	0	0	700
Excess cash surrenderable to the Consolidated Fund		0	0	0	700
Total income payable to the Consolidated fund		0	0	0	700

6 Reconciliation of income recorded within the Operating Cost Statement to operating income payable to the Consolidated Fund

	Note	2008–09	2007–08
		£000	£000
Operating Income	10	27	1041
Income authorised to be appropriated-in-aid		-27	-341
Operating income payable to the Consolidated Fund	5	0	700

7 Staff Numbers and Related Costs

(a) Staff costs

Prior to 1 August 2008, the GEO inherited staff from Communities and Local Government, DWP, Home Office and the former DTI who worked on loan to GEO, under the terms and conditions applying in their parent departments.

On 1 August 2008, these staff were harmonised into the terms and conditions of the GEO.

Staff costs consist of:

					2008-09	2007-08
	Staff with a permanent UK employment contract	Others	Ministers	Special Advisors	Total	Total
	£'000	£'000	£'000	£'000	£'000	£'000
Wages and salaries	3,832	475	0	0	4,307	3,518
Employer's National Insurance	337	0	0	0	337	249
Superannuation and Pension costs	822	0	0	0	822	558
VER & ER Lump Sum Payments	0	0	0	0	0	0
Total Net Costs	4,991	475	0	0	5,466	4,325

a. Staff costs borne by programme expenditure is £324k

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme which prepares its own scheme statements. The Government Equalities Office is unable to identify its share of the underlying assets and liabilities. The Scheme Actuary (Hewitt Associates) conducted a full actuarial valuation as at 31 March 2007. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice-pensions.gov.uk).

For 2008/9, pursuant to the Superannuation Act 1972, employer's contributions of £822k were payable to the PCSPS (2007/8 £558k) at one of four rates in the range 17.1% to 25.5% of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. For 2009/10, the salary bands will remain the same but the rates will be revised to within the range 16.7% to 24.3%. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees joining after 1 October 2002 can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employer's contributions, paid to appointed stakeholder

pension providers, and also to the Principal Civil Service Pension Scheme to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees, were immaterial.

(b) Average number of persons employed

The average number of whole-time equivalent persons employed during the year is shown in the table below.

Objective	Staff with a permanent UK employment contract	Others	Number		2008-09	2007-08
			Ministers	Special Advisors	Total	Total
1 Legislative Framework	22	4	0	0	26	21
2 Ministers for Women Priorities	20	9	0	0	29	19
3 Equality PSA and Strategy	20	7	0	0	27	12
4 Sponsorship of Commissions	0	0	0	0	0	0
5 Directorate and Corporate Services	15	2	0	0	17	14
6 Minister's Private Office	4	0	0	0	4	6
Total	81	22	0	0	103	72

- a. Sponsorship of Commissions team integrated with Directorate and Corporate Services in May 2008
- b. Total staff number for 2007-08 includes one Minister and one Special Advisor.

8. Other administration costs

		2008–09	2007–08
	Note	£'000	£'000
Goods and services	8a	1,309	753
Legal Costs	8b	1,000	0
Accommodation costs	8c	349	385
Fees (OGD)		0	24
Non-cash items			
Auditor's remuneration and expenses	8d	57	50
Cost of Capital charge		(14)	0
		2,701	1,212

- Goods and services expenditure is mainly in respect of IT services, travel and subsistence, contracted out office services, staff training, management and professional fees, printing and stationery, telephone costs and general postage;
- Legal costs relate to professional legal advice on policy development, new bills, European directives and litigation provided by Treasury Solicitor's Department;
- The rental charge for GEO floor space in Eland House was £385k (2007-08: £385k), of which £73.5k has been allocated to programme costs, as this is the element of the charge that relates to the Women's National Commission. The element of the rental charge allocated as administrative expenditure has been included in accommodation costs.
- Audit fees comprise £54k (2007-08: £50k) for the audit of financial statements and £3k (2007-08: £0k) for the audit of restated 31 March 2008 balance sheet under International Financial Reporting Standards.

9. Programme Costs

	2008–09	2007–08
	£'000	£'000
Grant in Aid Payment:		
Disability Rights Commission	0	10,500
Commission for Racial Equality	0	10,721
Equal Opportunities Commission	0	4,975
Commission for Equality and Human Rights	59,264	50,851
Other Programme costs	2,179	1,473
Staff costs for Women's National Commission	324	329
Total Net Programme Costs	61,767	78,849

- Disability Rights Commission, Commission for Racial Equality and Equal Opportunities Commission merged to become the Commission for Equality and Human Rights on 1 October 2007

10. Operating income

Programme income

	2008–09	2007–08
	£'000	£'000
Programme income		
Income not Appropriated in Aid (CFER)	0	(700)
European Year of Opportunity	0	(341)
WNC	(27)	0
Total Programme Income	(27)	(1,041)
Total	(27)	(1,041)

11. Analysis of net operating cost by spending body

		2008–09	2007–08
		£'000	£'000
Spending Body	Estimate	Outturn	Outturn
Government Equalities Office	13,878	10,191	5,969
Non-departmental public bodies			
Disability Rights Commission	0	0	10,500
Commission for Racial Equality	0	0	10,721
Equal Opportunities Commission	0	0	4,975
Commission for Equality and Human Rights	71,000	59,264	50,851
Grant to Private Sector and Charities			
Rape Crisis Centres	128	128	0
Net Operating Costs	85,006	69,583	83,016

12. Debtors

a) Analysis by type

	2008-09	2007-08
	£'000	£'000
Amounts falling due within one year:		
Debtor for CFER	0	700
VAT	171	0
Other debtors	138	0
Prepayments and accrued income	1,000	0
	<u>1,309</u>	<u>700</u>

a. Government Equalities Office has no debtors falling due after one year.

b) Intra-Government Balance

The following table analyses total debtor balances across the categories shown:

Amounts falling due within one year	2008-09	2007-08
	£'000	£'000
Balances with other central government bodies	309	700
Balances with bodies external to government	1,000	0
Total debtors at 31 March	<u>1,309</u>	<u>700</u>

13. Cash at bank and in hand

	2008-09	2007-08
	£'000	£'000
Balance at 1 April	88,000	29,254
Net change in cash balances	(80,692)	58,746
Balance at 31 March	<u>7,308</u>	<u>88,000</u>

The balance is held with The Office of HM Paymaster General (OPG) which provides a current account banking service.

14. Creditors

a) Analysis by type

	2008-09	2007-08
	£'000	£'000
Amounts falling due within one year:		
Consolidated Fund Extra Receipts due to be paid to the Consolidated Fund – Received	(700)	(700)
Trade creditors	(879)	(116)
Accruals and deferred income	(1,242)	(83,550)
Amount issued from the Consolidated Fund as Supply, but not spent at year end	(5,416)	(4,334)
Other taxation and social security	(2)	0
	(8,239)	(88,700)

- The high creditor balance in 2007-08 reflects the fact that Department for Communities and Local Government and Department for Work and Pensions paid expenditure costs on behalf of GEO in its first year of operation. These liabilities were settled in 2008-09.
- GEO has no creditors falling due after one year.

b) Intra-Government Balance

The following table analyses total creditor balances across the categories shown:

Amounts falling due within one year	2008-09	2007-08
	£'000	£'000
Balances with other central government bodies	(7,280)	(88,068)
Balances with Local Authorities	(24)	0
Subtotal of Intra government balances	(7,304)	(88,068)
Balances with bodies external to government	(935)	(632)
Total creditors at 31 March	(8,239)	(88,700)

15. General Fund

		2008-09		2007-08	
	Note	£'000	£'000	£'000	£'000
Balance as at 1 April		0	0	0	0
Net Parliamentary Funding:					
Drawn Down	16b	71,000		88,000	
Deemed Supply		4,334		0	
Year End Adjustment					
Supply (Creditor)/Debtor-Current Year		(5,416)		(4,334)	
Net Transfer from Operating Activities					
Net Operating Costs		(69,583)		(83,016)	
CFERs payable to Consolidated Fund		0		(700)	
			335		(50)
Non Cash Charges					
Auditor's Remuneration			57		50
Cost of Capital			(14)		0
Net movement in General Fund			378		0
General Fund as at 31 March			378		0

16. Notes to the Consolidated Cash Flow Statement

		2008-09	2007-08
	Note	£'000	£'000
(a) Reconciliation of operating cost to operating cash flows			
Net operating cost		(69,583)	(83,016)
Adjustment for non-cash transactions	8	43	50
(Increase)/Decrease in Debtors		(609)	1,261
Increase/(Decrease) in Creditors		(80,461)	57,485
Less Movement in Creditors relating to items not passing through the OCS		(1,082)	(5,034)
Net cash outflow from operating activities		(151,692)	(29,254)
(b) Analysis of financing			
Cash from the Consolidated Fund (supply) – current year	15	71,000	88,000
Net Financing		71,000	88,000

17. Capital commitments

There are no capital commitments at 31 March 2009

18. Commitments under leases

Operating Leases

Annual commitments are as follows:

	2008-09		2007-08	
	Land and Buildings	Other	Land and Buildings	Other
Leases expiring within:				
Under one year	0	0	385	0
One to five years	0	5	0	0
	<u>0</u>	<u>5</u>	<u>385</u>	<u>0</u>

19. Other financial commitments

Communities and Local Government

Communities and Local Government's Financial Shared Services Division will provide payment processing services to the Government Equalities Office over the next year at a price to be negotiated.

20. Financial Instruments

As the cash requirements of the department are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts for non-financial items in line with the Department's expected purchase and usage requirements and the Department is therefore exposed to little credit, liquidity or market risk.

The Government Equalities Office had the following financial instruments at 31 March 2009

Categories of Financial Instruments

Financial Assets as at 31 March 2009:

	Receivables
	£'000
Trade and other debtors	138
Cash at hand and in hand	7,308
Total	<u>7,446</u>

Financial Liabilities as at 31 March 2009:

	Other financial liabilities
	£'000
Trade and other creditors	(2,121)
Total	<u>(2,121)</u>

a. GEO does not hold any held-to-maturity investment or available-for-sale financial assets

21. Contingent Liabilities

The Government Equalities Office does not have any Contingent Liabilities.

22. Losses and Special Payments

The Government Equalities Office did not have any Losses or make any Special Payments.

23. Related Party Transactions

The Government Equalities Office sponsors two commissions, the Equality and Human Rights Commission and the Women's National Commission. The Government Equalities Office grants some £59 million to the Equality and Human Rights Commission in 2008-2009 and met the £485k costs of the Women's National Commission.

During the year the Government Equalities Office had significant transactions with other government departments and other central government bodies including Department for Communities and Local Government, Department for Work and Pensions and Treasury Solicitor's Department.

No Minister, Board Member or Key officer has undertaken material transactions with the Government Equalities Office during the year.

24. Post Balance Sheet Events

These accounts were authorised for issue on 12 July 2009.

Alternative Formats:

We will consider any requests for alternative formats that may be required.
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