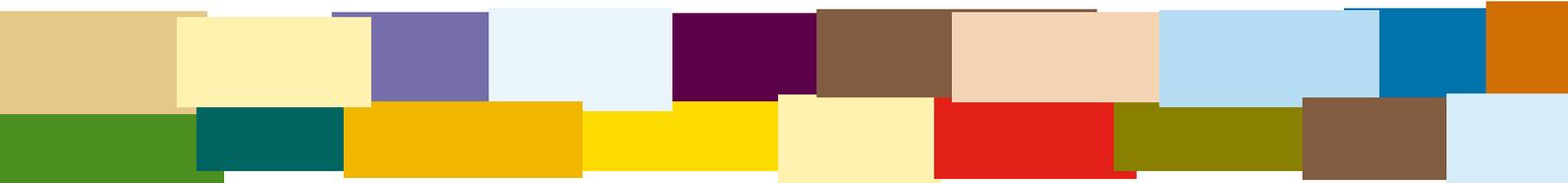


Reforming, Improving, Delivering  
Annual Report and Accounts 2007–08



## Reforming, Improving, Delivering Annual Report and Accounts 2007-08



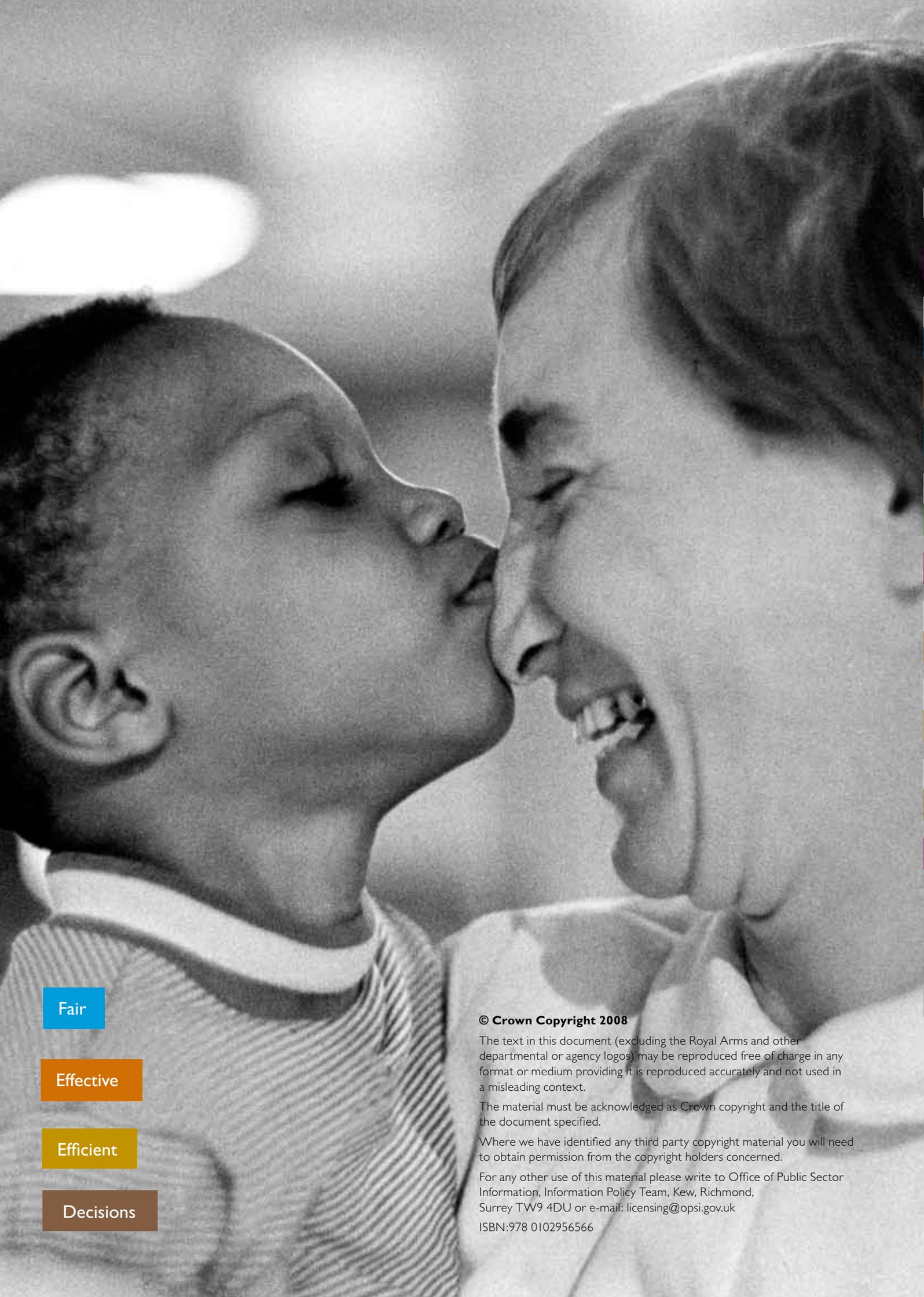
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## Contents

	Chief Executive's foreword	5
	Introduction	
	Vision and values	6
<b>Chapter 1</b>	The Tribunals Service	7
	Delivering against our objectives	
<b>Chapter 2</b>	Delivering an effective service	11
<b>Chapter 3</b>	Focus on customers and the wider community	15
<b>Chapter 4</b>	Efficient use of resources and infrastructure	21
	Our people	
<b>Chapter 5</b>	Building our capacity to deliver through our people	25
<b>Chapter 6</b>	Effective partnerships with the judiciary and our stakeholders	29
	The future	
<b>Chapter 7</b>	Our aims for 2008-09	31
	Governance	
<b>Chapter 8</b>	Our governance arrangements	36
	Financial performance	
<b>Chapter 9</b>	Our financial performance	41
<b>Chapter 10</b>	Accounts	45
	Remuneration report	46
	Statement of Chief Executive's responsibilities	52
	Statement on internal control	53
	Audit certificate	61
	Financial statements and supporting notes	64
	Annexes	89
	A: Tribunals and their jurisdictions	90
	B: Performance against performance indicators for 2006-07	95
	C: Performance against other performance indicators for 2006-07	97
	D: Performance against performance indicators for 2007-08	98
	E: Receipts and disposals	100
	F: Staffing levels	101
	G: Glossary of abbreviations	102



## Foreword

by the Chief Executive

**It gives me great pleasure to present the annual report of the Tribunals Service.**

The Tribunals Service was created in April 2006 with a mission to establish, for the first time, a unified administration for the tribunals system.

Our purpose in this last year was to:

- provide a responsive and efficient Tribunals Service and administration;
- promote and protect the independence of the judiciary;
- contribute to the improvement of the quality of original decision-making across government; and
- reform the tribunals' justice system for the benefit of customers and the wider public.

I believe that we have succeeded against each of these aims.

The Tribunals, Courts and Enforcement Act received Royal Assent on 19th July 2007, enabling us to make procedural and judicial reforms to move most individual jurisdictions to a new two tier tribunal. We have improved performance significantly across most of our jurisdictions and restructured our organisation to create cross-jurisdictional leadership, supported by central corporate services and a new regional structure.

Our goal is to ensure that the public at large has the opportunity to exercise its rights and to seek effective redress. I believe that the Tribunals Service has made good progress towards achieving that goal.

We are committed to a Tribunals Service that is a leading public service provider. We aim to work in partnership with our customers, our staff, the judiciary and our other stakeholders. I should like to extend my sincere thanks to staff, judiciary and all those across the tribunals organisation who have contributed to another successful year.

**Peter Handcock**  
Tribunals Service Chief Executive

## Vision and values

### Purpose

The primary tasks of the Tribunals Service are:

- to provide a responsive and efficient tribunals administration;
- to promote and protect the independence of the judiciary;
- to contribute to the improvement of the quality of decision-making across government; and
- to reform the tribunals' justice system for the benefit of its customers and the wider public.

### Vision

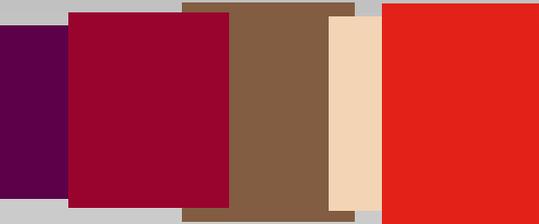
In delivering our primary tasks we aim to be a modern, customer-focused organisation that delivers excellent performance in improving the quality of original decision making and the resolution of tribunals disputes. We will:

- work effectively in partnership with the judiciary and others;
- drive up standards of original decision making;
- use creativity and innovation to transform service delivery;
- provide customers with choice, where possible, in the way they access services;
- engage with everyone – staff, customers and other stakeholders – at each stage of the business; and
- make efficient and effective use of resources.

### Values

In common with the rest of the Ministry of Justice we will value:

- customers – putting our customers first;
- achievement – valuing our people and their contributions to service delivery and making the Tribunals Service a place where people are proud to work;
- leadership and teamwork – giving people the freedom and support to succeed;
- personal responsibility – doing what we promise and making a difference; and
- diversity – recognising that we are all different.



**CHAPTER I** The Tribunals Service



## CHAPTER I

# The Tribunals Service

The Tribunals Service	2007-08	2006-07
Scope	UK-wide	UK-wide
Number of Tribunals (as at 31st March)	28	25
Number of cases dealt with in-year	548,592 <sup>1</sup>	569,455
Staff (as at 31st March, excluding short term contracts and agency)	2728	2747
Net cost of operations	£305m	£287m

The Tribunals Service is an executive agency of the Ministry of Justice and currently brings common sponsorship to 28 tribunals. The Care Standards Tribunal (CST) and the Asylum Support Tribunal (AST) transferred to the Service in April 2007 and the new Charity Tribunal was introduced in March 2008.

## Scope

Created in April 2006, the Tribunals Service forms an important part of the justice system, dealing with over half a million cases a year and handling more cases than the civil courts.

Many of these disputes involve society's most vulnerable people, and they relate to a very diverse range of social and regulatory matters including:

- Asylum and immigration
- Social security and pensions
- Employment
- Social care and mental health
- Special educational needs
- Criminal injuries compensation
- Property and land
- Finance and tax
- Transport
- Data protection

<sup>1</sup> The fall in the number of disposals is largely due to the increased receipt of Employment Tribunal multiple claims.

The Service continues to make changes to build an effective, efficient, value for money, user-focused service by integrating the administrative and judicial functions of its various jurisdictions. The Tribunals, Courts and Enforcement Act 2007 (TCE Act) enables the service to move most jurisdictions to a new two-tier structure.

## Links to the wider departmental agenda

The Tribunals Service continues to support the Ministry of Justice (MoJ) in the delivery of its departmental strategic objectives and in recognition of this, continues to work particularly closely with Her Majesty's Courts Service (HMCS).

In January 2008, the MoJ announced its intention to create an 'Access to Justice' Group, which will work towards delivering more effective and integrated working between HMCS, Tribunals Service and other bodies, including the Legal Services Commission.

The Tribunals Service looks forward to participating in this group and delivering a better service for citizens.

## Our strategic objectives

Our vision is to deliver an efficient, effective and customer-focused Tribunals Service. We aim to move toward this vision by:

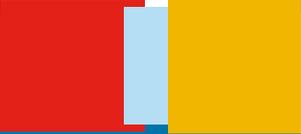
- delivering effective services within the tribunals;
- focussing on customers and the wider community;
- making efficient use of available resources and infrastructure;
- building our capacity to deliver by unlocking our people's potential; and
- working effectively in partnership with the judiciary and others.

The following chapters expand upon how we performed against these objectives.

‘to provide a responsive and efficient tribunals administration’



**CHAPTER 2** Delivering an effective service



## CHAPTER 2

# Delivering an effective service

Over the past year, the Tribunals Service has committed itself to both the continued delivery of performance against key published targets in all of our tribunal jurisdictions and to restructuring our business to create new regional and area management teams. We have made good progress over the year in both these key areas.

### Delivering on key performance target areas over 2007-08

Over the year, we developed a standardised, consistent set of performance measures. In particular, we have developed a standard measure of waiting times. Each tribunal has its own target time for dealing with applications, but Key Performance Indicator 1 (KPI 1) is the consolidated measure across all tribunals. For the Tribunals Service as a whole, KPI 1 was met with 75% of applications dealt within target time. There were, however, some significant variations both within and across jurisdictions. Annex D provides a detailed breakdown of this performance for all tribunals.

Over 90% of Tribunals Service caseload is handled within our three largest jurisdictions – Social Security and Child Support Appeals (SSCSA), Employment Tribunal (ET) and Asylum and Immigration Tribunal (AIT). Overall, the number of applications received exceeded the number forecast by 15% and totalled 613,000 for 2007-08. This has led to an increase in outstanding caseload.

The number of applications received by the AIT was 167,500, this being 9% higher than expected due to higher numbers of entry clearance and visit visa appeals. The outstanding number of cases in AIT increased to 63,400, up 15% from 53,300 in March 2007.

SSCSA performed strongly with 87% of hearings taking place within 14 weeks of receipt. Received applications were 4% higher than expected, with the outstanding number of cases increased to 44,500, up from 41,700 in March 2007.

The ET received 189,300 claims, 42% higher than expected. This was mainly due to the receipt of high volume multiple claims. These types of claim remain in the system much longer than other types of claims and subsequently contributed to a 73% increase in the number of outstanding cases from 138,200 in April 2007 to 239,300 in March 2008.

The smaller tribunals performed well overall, with many exceeding their targets. Among the smaller tribunals, the Lands Tribunal received 1430 applications, 78% higher than expected. This was due to the large volume of multiple cases received by the Tribunal.

## **Restructuring our business to support new, integrated ways of working to deliver service improvements.**

The Tribunals Service successfully implemented a new regional management structure in 2007, led by a newly appointed senior management team, which has been in place since August 2007.

This structure (illustrated in Fig.1) divides the UK into two regions, managed by regional directors, with each region divided into three areas, managed by area managers, as follows:

- North – Scotland, North East and North-West, Midlands, Northern Ireland (AIT only)
- South – Wales and South-West, Greater London and South-East, Central London

To ensure we maintain a national focus on specific jurisdictional performance, area managers were given an additional lead jurisdictional role. Groups of judges and administrators for specific jurisdictions considered the effect of policy and procedural changes within the government agencies and departments undertaking original decision-making that the tribunals review.

The changes outlined have been undertaken in partnership with our judiciary. Area managers have also formed Area Leadership Forums where they now meet regularly with senior judiciary from each of the tribunals within their areas. This has further fostered a broader understanding of our shared issues, and a more collegiate approach in developing improved ways of working.

We also reviewed and significantly restructured our staff training provision over the final quarter of the year, introducing regional training teams who have collective expertise in all jurisdictions. Their focus is on skilling our people across our business areas to build our capability and capacity to deliver service improvements.

The progress outlined above lays strong foundations for the implementation of our new business delivery model, and the creation of our new network of administrative support centres and hearing centres over the next three years.





**CHAPTER 3**

Focus on customers and the wider community



## CHAPTER 3

# Focus on customers and the wider community

One of our key strategic objectives was to provide improved access to services by focusing on and meeting the diverse needs of our customers and the wider community. To achieve this goal we put in place a number of initiatives, which we believe enable our customers to have better access to the range of services and information that they need. In doing this we have listened to the views of our customers and put in place measurement tools to understand how we are meeting our customer needs and how we can improve upon what we do.

As well as improving the service to our customers, we have also set ourselves some very clear challenges to implement pilot schemes for an alternative dispute resolution procedure, to present customers with more choice and a more user-friendly form of redress. In addition, we took the first steps to develop our customer strategy to deliver a unified customer service structure across the whole of the Tribunals Service. Our aim for 2008-09 is to further develop our customer strategy, which puts our customer at the heart of everything we do.

### Improving original decision-making

The strategic vision of our parent department, the Ministry of Justice, sets out our ambition to ensure that people should “have access to the information and the range of services they need to understand their rights and responsibilities, and avoid legal problems where possible and, where not, to resolve their disputes effectively and proportionately.”

Two pilot trials were implemented to see how to better achieve this objective by using Alternative Dispute Resolution (ADR) techniques.

The first pilot was conducted in the Employment Tribunal (ET) using judicial mediation. Judicial mediation is an alternative approach to settling disputes and involves a trained tribunal chairman assisting parties to reach their own settlements. Successful judicial mediation enables the early settlement of a case without the need for a formal hearing.

Three ET centres: London Central; Birmingham; and Newcastle, were involved and judicial mediation was used in discrimination cases. The pilot was independently

evaluated and the report is being considered by the project's steering group prior to recommendations being made on the future of judicial mediation.

The second ADR pilot is currently underway in the Social Security and Child Support Appeals (SSCSA) Tribunal using an ADR technique called Early Neutral Evaluation (ENE). ENE involves Disability Living Allowance or Attendance Allowance cases being subjected to an early assessment by a trained chairman so that an initial view of the likely case outcome can be obtained with the objective of securing an earlier resolution.

The pilot began at the SSCSA Sutton office in September 2007 and subsequently extended to Bristol, in January 2008. Positive partnerships with the Disability and Carers Service and several user representative groups have helped promote and deliver the pilot, which is expected to complete in September. This pilot is also being independently evaluated and the evaluator's final report is expected in December.

## Customer service standards

During 2007 we developed a range of customer service standards for implementation in 2008-09 which will enable us to measure our performance across tribunals:

Area	Indicator	Target
Replying to correspondence	Reply to all correspondence within 10 working days of receipt	95%
Complaints and claims for compensation	Reply to administrative complaints, including claims for compensation within 10 working days of receipt	90%
Letters to MPs	Reply to Ministerial correspondence within the timetable set by the Ministerial Correspondence Unit	95%
Written requests under the Freedom of Information Act 2000 and written subject access requests under the Data Protection Act 1998	Deal with Freedom of Information within 20 working days	100%
	Deal with Data Protection Act within 40 working days	100%
Answering the telephone	Answer telephone calls within 6 rings	95%

The standards will introduce a consistent range of targets for the timeliness of key services we provide to our customers including the length of time we take to respond to customer correspondence and the time we take to answer the telephone. In addition, we have started to develop a number of best practice recommendations concentrating on the quality of service that our customers receive. These will enable us to get to the heart of our service delivery and include managing our customers' expectations, keeping parties informed throughout the process and the experience of attending a hearing.

## National satisfaction survey

In 2007, we commissioned a tribunal wide three-year customer satisfaction survey to gain a better insight into how our service meets the needs of our customer base. This first survey focused on the major areas that we know our customers are interested in: satisfaction with the service; standards of service; timeliness; availability of information; dealing with needs and ease of access. Our overall performance resulting from the national satisfaction survey for 2007-08 was 68%. This result has allowed us to introduce a performance target of 72% for the customer satisfaction Key Performance Indicator 2 (KPI 2) for 2008-09. In addition, the insight into our customer expectations and priorities that we gain from the customers who took part in the survey will be fundamental in understanding the way we develop the Tribunals Service moving forward.

## Customer feedback

We reviewed the processes for recording and monitoring the different types of feedback from our customers and as a result standardised how we categorise our customer compliments and concerns. This standardisation has helped us to review and understand in more detail what it is our customers are saying about us and the service they receive. This new and revised approach will help us to share best practice with other organisations and with our focus groups so that we develop our services based on customer feedback.

## Charter Mark and the Customer Service Excellence Standard

Throughout 2007 we used the Charter Mark framework to independently validate our service delivery retaining accreditation in the following tribunals; Asylum & Immigration, Employment, Employment Appeals, The Commissioners' Office, Pensions Appeal, Lands, Transport, Adjudicator to Lands Registry, Immigration Services and the Finance & Tax Tribunals. With the introduction of the new government customer service excellence standard in March 2008, we will further develop our policies to embed the fundamentals of good customer service.

The new standard will give us the opportunity to test in greater depth those areas that customers who use government services have indicated are a priority to them such as; service delivery, timeliness, information, professionalism and staff attitude. We will focus more on developing our customer insight, understanding the user's experience and developing a robust measurement of service satisfaction. Our Charter Mark achievements have provided us with a sound infrastructure and will support our aim to achieve Tribunals Service wide accreditation using the new government standard in line with our target date of 2010-11.

## The wider community

Over the course of the last year, the Environment Matters Committee (formerly the Sustainable Development Committee) has made significant inroads in raising environmental awareness and highlighting the importance of sustainable development both within and outside the organisation.

The Tribunals Service has keenly supported the green agenda and, over the year, we have:

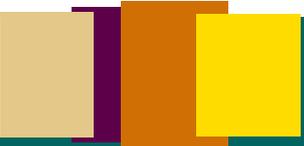
- run a series of successful road shows to make staff more ecologically aware of our work environment and to explore ways that the Tribunals Service can contribute to minimising our impact on the planet, including recycling;
- begun work towards gaining International Standards Organisation (ISO) accreditation for having an environmental management system in place. We will be undertaking a pilot of pre-accreditation audits across ten of our sites before applying for full accreditation across all of our sites. Our Tribunals Service pilot sites will include: Liverpool, Glasgow, Bradford, Cardiff, Birmingham (Phoenix House), Birmingham (Auchinleck House), Loughborough, London (Procession House, Croydon ETS and Hatton Cross AIT);
- created our first sustainable development action plan;
- created a new web page on the Tribunals Service Intranet, which will be developed over the forthcoming year;
- run a series of environmental based workshops in March 2008 to highlight to staff the importance of sustainable development in and around the workplace; and
- participated in a wider government sustainable development network run by the Sustainable Development Commission.

As part of the work around sustainable offices in government estates, we are also looking at ways of capturing key information about travel, waste and utilities usage.

‘work effectively  
in partnership  
with the judiciary  
and others’



**CHAPTER 4** Efficient use of resources and infrastructure



## CHAPTER 4

# Efficient use of resources and infrastructure

### Transformation programme

The Transforming Tribunals Programme (TTP) has been established to deliver a programme of administrative reforms, which, together with the legal reforms of the Tribunals Courts and Enforcement (TCE) Act, will radically transform the delivery of services to our customers.

The programme will develop and roll out a multi-jurisdictional service delivery model for the Tribunals Service. This change is to create a high quality, efficient, independent and customer focused public service.

The programme's strategic delivery objectives are to:

- transform service delivery through the reorganisation of the operational business model and the introduction of a multi-jurisdictional management structure;
- improve customer access to services and rationalise the estate by developing a network of multi-jurisdictional hearing centres in major towns and cities focused on providing a choice of services to customers; and
- develop six multi-jurisdictional administrative support centres (ASCs) to maximise operational efficiencies by bringing together the work of the various tribunals to enable, where possible, simple processing systems.

Over the last year the programme has set up three projects in order to begin implementation of this change.

- Delivery of the first of the regionally based administrative support centres, which support the new business model. The first 'pathfinder' office is due to go live in October 2008.
- The hearing centre implementation project will establish the network of multi-jurisdictional hearing centres. The project will develop an approach for the order and time-scale of the roll out of the multi-jurisdictional hearing centres. This work will be aligned to the establishment of the six multi-jurisdictional administrative support centres.

- The TCE Act implementation project will ensure that the work of the programme is properly integrated with the implementation of the Act, which is creating a new legal framework for tribunals. (Asylum and Immigration Tribunals and Employment Tribunals are outside the scope of the TCE Act). The project will establish a two-tier system for most jurisdictions – a First-tier Tribunal and Upper Tribunal. Both tribunals will consist of chambers, grouping jurisdictions dealing with similar work or requiring similar skills together.

The five First-tier Tribunal chambers are: Social Entitlement; Health, Education and Social Care; General Regulatory; Taxation and Land, Property and Housing.

The three Upper Tribunal chambers are: Administrative Appeals; Finance and Tax and Lands.

The first chambers are due to be implemented in November 2008. *Further details on the TCE Act can be found on page 30 of this report.*

## Estates strategy

During 2007-08 we have developed a 10-year estate strategy taking us to 2018, designed to take a broad overview of the estate and ensure that there is consistency between our strategic direction and the efficient management of the estate. The strategy recognises the need to plan our future accommodation requirements in the context of the wider Ministry of Justice and government requirements and to utilise property space in accordance with high performing asset management and sustainable development standards. The detailed proposals are being developed in conjunction with TTP.

A number of estate changes have been completed or are well advanced and include:

- the acquisition of additional space in Leicester for the relocation of the Mental Health Review Tribunal (MHRT) from London, delivering Tribunals Service commitment in line with recommendations from the Lyons Review;
- the acquisition of the proposed pathfinder administrative support centre in Birmingham;
- the refurbishment of our Bristol office to facilitate creation of a centralised Tribunals Service Finance Support Centre;
- relocation of HQ staff to other offices outside of London;
- continuing the consolidation of venues, reducing the Tribunals Service estate from 133 to 120 sites. During the year, although we closed a number of venues, none has resulted in the removal of a service in the given location.

With the Tribunals Service move to Access to Justice, an asset management strategy is being considered for the Access to Justice business group.

## IT strategy

An IT Director was appointed in October 2007 to drive forward further IT improvements. Changes have included the introduction of new suppliers to the service, with the aim of promoting flexible working and an opportunity for the service to migrate to one IT infrastructure. Work is also underway to support the opening of the new pathfinder ASC in Birmingham in autumn 2008, as part of TTP.

The Caseflow IT system is a joint venture between the Employment Tribunal and the Advisory Conciliation and Arbitration Service (ACAS). This system will automate high levels of postal interaction between the two organisations and capture claims and other correspondence electronically. The system is currently undergoing rigorous testing in readiness for operation in 2009.

## Staffing

To ensure better utilisation of resources and maximise on our current skills set, we have successfully reduced our overall headcount across the Tribunals Service, surpassing our MoJ target for the financial year. This has been achieved primarily through the improvement of our finance and resource business structure and the absorption of roles into a more integrated and streamlined Tribunals Service framework.

The appointment of Attendance and Wellbeing Champions and the introduction of new controls to manage attendance have contributed to the reduction in overall sickness across the service by 12% since 2006-07. Although we fall short of the MoJ target on sickness, we are continuing to make further improvements to meet this in future.

## Fees

Prior to the Tribunals Service launch in April 2006, one of the key conditions that HM Treasury attached was that the service should aim to generate as much fee income as possible over successive comprehensive spending review (CSR) periods, leading to eventual full cost recovery (or as near to this as is practicable).

Accordingly, we have initiated a review of fees across all the tribunals. We are reviewing the fees in the Lands Tribunal, which have not been increased since 1996. We are also investigating the possibility of initiating fees for the Immigration Appeals Tribunal and analysing the cost of its operation, having consulted with the Treasury, the Home Office and the UK Border Agency (UKBA) on appropriate fee charging points for the recovery of costs. Further consultation will be planned over the next year to detail the proposed new fees structures.

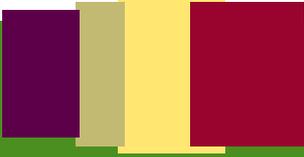
We aim to expand our review of fees and assess the potential for introducing fee charging schemes within the smaller regulatory and commercial tribunals.



## CHAPTER 5

Building our capacity to deliver through our people

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## CHAPTER 5

# Building our capacity to deliver through our people

### Our people

Our capacity to deliver both business-as-usual as well as the ability to deliver change has been approached on a number of different levels.

The restructure of the Tribunals Service senior management team, earlier in the year, focused on the need for building the leadership capacity of our managers. To help build this capacity, we ran a series of 'Leading Through Change' workshops. These workshops provided managers with a clear understanding of the Tribunals Service change programme and their role in driving issues forward, delivering change and supporting their staff through it. These events also provided focus on the new performance management system and helped to embed the process across the organisation.

The Tribunals Service launched its Future Leaders Scheme in September. The focus of the scheme has been to develop individuals with the operational delivery skills needed to lead the organisation in the future. At a local level we have run development schemes for those staff looking to progress to supervisory and junior management roles.

To improve our capacity to deliver appropriate training to meet business needs we have established a unified business skills training team. The new team is responsible for standardising and improving the quality of the training material and its delivery to the business. Additionally, we have provided self-assessment tools and workshops for managers to help them identify further development needs.

To improve our attendance management, we have appointed attendance and wellbeing champions across the business. Their role has been to both support managers in handling attendance issues as well as to promote health and wellbeing.

## Equality and diversity

Over the last year, Tribunals Service has been actively involved in taking forward initiatives to ensure equality & diversity principles are embedded across the organisation. A Tribunals Service Equality & Diversity Group has been established to develop and manage the Tribunals Service Disability, Race and Gender Equality Scheme action plans as well as looking at equality and diversity work and issues across the organisation.

Equality impact assessments (EIAs) are an essential factor in the organisation's compliance with the equality schemes. The EIAs assess the effects of any changes to policies or procedures to ensure due consideration is given to anyone who may be adversely effected and appropriate remedial actions are planned to mitigate these effects. They are written according to the criteria set by Ministry of Justice, with all Tribunals Service programme and project managers kept fully informed of the need to complete EIAs on all projects.

A combination of awareness sessions and regular articles in Tribunals Service publications, such as Tribunals Today, are used to promote the awareness of equality and diversity principles and the importance of completing EIAs to staff.

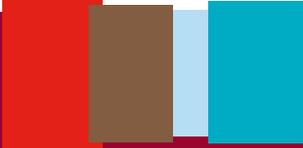
The Tribunals Service is seeking to complete EIAs for all existing business activities by 2010, in line with MoJ requirements.

‘to promote  
and protect the  
independence  
of the judiciary’



**CHAPTER 6**

Effective partnerships with the judiciary and our stakeholders



## CHAPTER 6

# Effective partnerships with the judiciary and our stakeholders

### The Tribunals, Courts and Enforcement Act 2007

This year saw the completion of the passage of the Tribunals, Courts and Enforcement Act 2007 ('The Act'), which obtained Royal Assent in July 2007. The Act creates a new statutory framework for tribunals and is being brought into force in phases. The first was in September 2007, which established the office of Senior President of Tribunals and brought into force the provisions necessary to create the chambers of the new tribunals and their procedure. Lord Justice Carnwath was sworn in by the Lord Chief Justice as the first Senior President of Tribunals on 12 November 2007.

The second phase was the establishment of the new Administrative Justice and Tribunals Council on 1 November 2007. The new Council replaced the former Council on Tribunals. It will keep under review the administrative justice system as a whole with a view to making it accessible, fair and efficient. It will seek to ensure that the relationships between the courts, tribunals, ombudsmen and alternative dispute resolution providers satisfactorily reflect the needs of users.

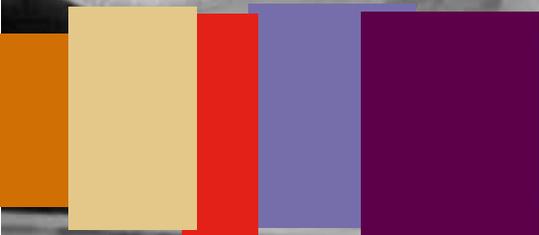
Detailed implementation work continued throughout the year, including in particular the publication in November 2007 of a major statement of government intentions and consultation document in *Transforming Tribunals: Implementing part 1 of the Tribunals, Courts and Enforcement Act 2007 in November 2007*.

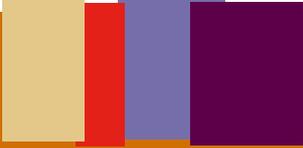
### Stakeholder engagement

To ensure that Tribunals Service takes a wider, strategic view across government, a new senior management team was appointed with each member allocated a lead contact role with the main appeals sponsoring departments. Their remit is to work closely with the relevant area manager with lead jurisdictional responsibility and to provide strategic support and advice.



**CHAPTER 7**    Our aims for 2008-09





## CHAPTER 7

# Our aims for 2008-09

### Commitment to our customers

During 2008-09 the Tribunals Service expect to process over 600,000 cases, whilst delivering significant efficiencies and ensuring improvements to service delivery. In partnership with the judiciary, our parent departments and agencies, we will ensure that our end to end processes are joined up, efficient and deliver consistent standards of service.

We will also retain the 3 Key Performance Indicators (KPIs) that we use to measure the timeliness of our service, customer satisfaction and our efficiency over the coming year.

### Business priorities

This year we have already established our regional structure, and, following the new legal framework endorsed by the Tribunals, Courts and Enforcement Act, we are now in a position to develop our multi-jurisdictional capability, alongside the judiciary.

Over the course of the forthcoming year, we will:

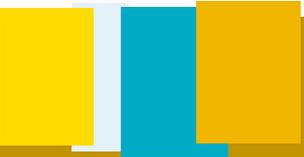
- work towards a new operating model – this autumn will see the opening of the Birmingham ASC pathfinder, and the development of ASC and hearing centre networks across the UK to improve services to customers and reduce costs;
- implement a new Tribunals Service structure – this year we will look to set up the first two chambers and create the Upper Tribunal;
- improve end to end processes – this year we will look to make improvements in initial decision-making and further develop alternatives to a formal tribunal hearing;
- undertake a review of judicial terms and conditions – this year we aim to harmonise the judicial terms and conditions in conjunction with the work to create new judicial chambers;
- enhance risk control – we will develop and embed a corporate governance framework;

- implement sustainable development – by the end of the financial year, we are aiming to have achieved full International Standards Organisation (ISO) and environmental management system (EMS) accreditation for ten nominated Tribunals Service sites;
- develop fee-charging regimes – we will develop and agree with HM Treasury and the UK Border Agency appropriate fee-charging regimes for the points based and family visit appeal channels. We will also undertake a review to assess the feasibility of introducing fees within the smaller regulatory and commercial tribunals; and
- further develop our people – we will strive to develop our organisational culture in line with our vision and values and ensure that our people are fully supported, developed and empowered at all levels so to enable them to deliver high-quality customer service.

‘make efficient  
and effective use  
of resources’



**CHAPTER 8** Our governance arrangements



## CHAPTER 8

# Our governance arrangements

### Tribunals Service Management Board

The Tribunals Service Management Board (the Management Board) provides strategic oversight and direction to the agency.

The Management Board undertakes the following activities to support the Chief Executive:

- leads and oversees the process of change and innovation to ensure delivery of strategic business objectives;
- agrees and reviews achievement against strategic and business plans to achieve the Tribunals Service's (and wider Ministry of Justice) strategic aims and objectives;
- advises on allocation of the Tribunals Service's financial and human resources to achieve those aims, and review and scrutinise their management;
- ensures delivery of excellent services to tribunal users;
- ensures compliance with the Freedom of Information Act and other guidance on information handling, including prompt response to public requests for information;
- ensures compliance with equality and diversity guidance;
- ensures that the agency operates sound environmental policies and practices in accordance with Government guidance;
- assesses and manages risk; and
- complies with corporate governance principles.

The members of the Management Board (previous titles are noted in brackets) during the year to 31 March 2008 were:

Peter Handcock CBE	Chief Executive and Chair
Jeanne Spinks	Deputy Chief Executive and Chief Operating Officer
Martin John	Director of Business Development (previously Director of Asylum and Immigration)
Guy Tompkins	Regional Director South (previously Director of Tribunals Development Group)
Paul Stockton	Director of Tribunals Judicial Office (previously Director of Reviews and Legislation)
Valerie Vaughan-Dick	Director of Finance and Resources
Norman Egan	Regional Director North (previously Head of Field Operations SSCSA/ETS)
Janette Durbin	Human Resources Director
Paul Shipley	IT Director (appointed October 2007)
The Rt Hon. Lord Justice Carnwath CVO	Senior President
The Rt Hon. the Lord Newton of Braintree OBE, DL	Administrative Justice and Tribunals Council (AJTC) (previously Council on Tribunals)
Francis Dobbyn	Non-Executive Director
Annette Kelleher	Non-Executive Director
John Butler	Non-Executive Director

## Tribunals Service Executive Team



From left to right:

Peter Handcock CBE  
Jeanne Spinks  
Martin John



Guy Tompkins  
Paul Stockton  
Valerie Vaughan-Dick



Norman Egan  
Janette Durbin  
Paul Shipley

The Tribunals Service Executive Team (TSET) is responsible for the day-to-day operational management of the agency to ensure it delivers against its objectives and key performance indicators. The members of the Executive Team (previous titles are noted in brackets) during the year to 31 March 2008 were:

Peter Handcock CBE	Chief Executive and Chair
Jeanne Spinks	Deputy Chief Executive and Chief Operating Officer
Martin John	Director of Business Development (previously Director of Asylum and Immigration)
Guy Tompkins	Regional Director South (previously Director of Tribunals Development Group)
Paul Stockton	Director of Tribunals Judicial Office (previously Director of Reviews and Legislation)
Valerie Vaughan-Dick	Director of Finance and Resources
Norman Egan	Regional Director North (previously Head of Field Operations SSCSA/ETS)
Janette Durbin	Human Resources Director
Paul Shipley	IT Director (appointed October 2007)

Joan Watson (Head of Communications) also attended Executive Team meetings as required.

## Tribunals Service Audit Committee

The Tribunals Service Audit Committee supports the Tribunals Service Chief Executive in the discharge of his responsibilities for the management of resources and assets, financial reporting, audit arrangements, risk management, control, governance and associated assurance. The Chair of the Audit Committee submits a written report to the Board after each Audit Committee and presents an Annual Report to the Chief Executive. The report will be published late July and will be available on the Tribunals Service Internet.

Members of the Audit Committee during the year to 31 March 2008 were:

Francis Dobbyn	Non-Executive Director and Chair
John Butler	Non-Executive Director
Howard Cressey	External Member
Mike Hathorn	External Member (Resigned with effect from 31 August 2007)

The Chief Executive is not a member of the committee but attends its meetings, as do the Director of Finance and Resources and representatives of the Head of Internal Audit and of the external auditors (the National Audit Office).

No committee member had any other directorship or significant interest, which conflicts with their responsibilities as a member of the Tribunals Service Audit Committee.

The committee maintains a forward agenda and met four times during the financial year at quarterly intervals.

In December 2007 the National Audit Office facilitated a Tribunals Service Audit Committee Self-Assessment Workshop. The workshop confirmed that the Tribunals Service Audit Committee is performing at a high level and in accordance with current requirements and good practice across all areas. The main areas where further enhancements to present practices might provide added value were:

- increased access for members to information on developments within Tribunals Service;
- greater integration of internal and external audit work, and the development of assurance mapping;
- improved arrangements for tracking the implementation of recommendations; and
- annual reviews of the committee's skills and training needs.

Actions are underway to address all of these recommendations, which will be in place early in 2008-09.

## Directorships and other significant Interests

A register is maintained by the Tribunals Service that includes details of company directorships and other significant interests held by Board members which may conflict with their management responsibilities. This register is available for public inspection upon request.

## Review of governance

During the year the Tribunals Service introduced a new regional structure allowing greater clarity of roles, responsibilities and accountabilities, together with better alignment with organisational objectives. As part of this process a number of posts were introduced or amended in support of a strengthened governance structure, including the Head of Corporate Governance and Financial Accounts and the creation of a central Corporate Governance Team.

To ensure common understanding the Corporate Governance Team developed a programme of workshops on the concepts and principles of corporate governance, risk management and internal control to be delivered across the organisation. These workshops, the objective of which was to educate and inform staff on the approach being taken by the Tribunals Service, were aimed at senior managers, including Executive Directors. The first tranche of delivery took place between November 2007 and March 2008. During the new financial year more detailed training will be undertaken for relevant staff in the processes for these areas.

Work was undertaken during the year to improve upon the inherited arrangements and develop a risk management system that fits with the operational structure of the Tribunals Service. The revised Ministry of Justice Risk Management Strategy and Handbook will be fully adopted once finalised and in the interim the main aspects are being followed such as the revised style risk register and definitions of risk to include risk, cause and effect.

To ensure that the risk management process is fully embedded a facilitated workshop was undertaken in April 2008 at the Solutions Centre, run by the Pensions Agency, at which there was representation from all key staffing groups. The intended outcome from this approach is a detailed risk management process that fulfils the requirements of the Ministry of Justice and is embedded within the operations of the Tribunals Service.

The following strategies and frameworks were developed during the year and will be rolled out in 2008-09:

- Corporate Governance Strategy
- Assurance Strategy
- Internal Control Framework

## Relationship with the Administrative Justice and Tribunals Council

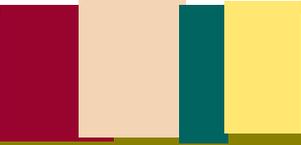
The Administrative Justice and Tribunals Council (AJTC) was created by the Tribunals, Courts and Enforcement Act 2007 and came into existence on 1 November 2007. It replaced the Council on Tribunals. The Tribunals Service and the Council on Tribunals developed a close working relationship which respected the statutory independence of the Council. This continues with the new AJTC. The service provides assistance and information necessary for the council to carry out its statutory functions of keeping under review, and reporting on, the constitution and working of the tribunals within its oversight and the council provides feedback to the Tribunals Service on the workings of the particular tribunals it oversees. The service also works with the AJTC in its broader role in relation to the administrative justice system as a whole.

The Council on Tribunals supported the creation of a unified Tribunals Service as a major step in achieving real independence for tribunals, and the AJTC continues to be closely involved in the implementation process. The Council's chairman is an ex-officio member of the Tribunals Service Management Board and plays an active part in meetings of the Tribunals Presidents' Group. Despite these close links the Council continues to provide constructive challenge to the Tribunals Service on a wide range of issues, including legislation, reform plans and operational performance.

Officials from the Tribunals Service worked closely with the secretariat of the AJTC in developing those parts of the Tribunals Courts and Enforcement Bill relating to tribunals and inquiries and the creation of the AJTC, and the Chairman took an active part in the debates in the House of Lords on the Bill. Officials worked with the secretariat and the Welsh Assembly Government to implement the AJTC provisions and establish the AJTC's Welsh Committee.



**CHAPTER 9** Our financial performance



## CHAPTER 9

# Our financial performance

## Financial performance

### Accounts

The annual accounts for 2007-08 are on pages 64 to 87. The accounts have been produced in accordance with the accounts direction issued by HM Treasury on 11 December 2007 under Section 7 of the Government Resources and Accounts Act 2000, and by the Secretary of State for Justice on 30 May 2007 in accordance with the Criminal Injuries Compensation Act 1995 and Criminal Injuries Compensation Scheme 2001. The latter accounts direction is a legacy of the Criminal Injuries Compensation Appeals Panel's previous existence as a non-departmental public body and the need for it to produce its own statement of accounts. The Tribunals, Courts and Enforcement Act will enable this statutory requirement to be repealed in due course. In the meantime, to meet his statutory obligation, the Secretary of State has issued an accounts direction requiring a statement of accounts for CICAP to be provided as a Note to the Tribunals Service annual accounts (see page 87).

### Accounting policies

The Tribunals Service adopts the accounting policies of the MoJ except where the recognition criteria may need to be adjusted to reflect the size and nature of the Agency. This is in keeping with the Government policy of achieving consistency of accounting policies across Government to support the integrity of Whole of Government Accounts.

The Head of Corporate Governance and Financial Accounts is a member of the MoJ's Accounting Policies Forum which has been created to discuss and develop accounting policies consistently across the MoJ family.

### Financial summary

Net operating costs for 2007-08 amounted to £305.5m (2006-07: £286.8m) after the inclusion of £28.8m of operating income (2006-07: £28.2m). The increased expenditure includes £5m for the Change Programme and £3.2m for two new tribunals. After

adjusting for these items the remaining increase in expenditure, £10.5m, can be analysed into the following major areas:

		£m	%
Income	- increased by	(0.6)	(2.3)
Staff pay costs	- decreased by	(1.1)	(1.5)
Judicial pay costs	- increased by	5.9	4.4
Estates costs	- increased by	4.7	9.6
Other operating costs	- increased by	1.6	2.7
		10.5	

Overall, payroll costs form the major part of operating costs, accounting for 64% of gross operating expenditure. Including the Change Programme team and staff in the new tribunals, the number of administration staff employed fell by 3.9%. The number of fee-paid judicial full time equivalents has increased by 13%, while the total judicial fees and salaries, including those in the new tribunals, increased by 5.3%. Within estates expenditure there has been an additional £1.6m spent on maintenance and building services, compared with 2006-07.

Capital expenditure, including transfers from other Government departments, totalled £2.3m, while the annual depreciation charge was £3m. With a £0.2m increase in asset values due to annual indexation the overall net book value decreased by £0.5m. Debtor balances were very similar to those in 2006-07, but the balance at the Office of the Paymaster General closed at £19.2m compared to £8.3m at the end of 2006-07, due to an earlier than expected receipt of £23.9m from the National Insurance Fund (a contribution towards the cost of National Insurance related appeals). Creditors at the end of 2007-08 total £49.5m compared with £51.3m at the end of 2006-07.

### Going concern

In common with other Government departments, the future financing of the MoJ's (including Tribunals Service's) liabilities is to be met by future grants of Supply and the application of future income, both to be approved annually by Parliament. There is no reason to believe that future approvals will not be forthcoming. Accordingly, it has been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

### Payments to suppliers

The Tribunals Service follows MoJ policy for payment of suppliers. The MoJ complies with the British Standard for Achieving Good Payment Performances in Commercial Transactions (BS 7890). MoJ policy is to pay bills in accordance with contractual obligations or, where no such conditions exist, within 30 days of the receipt of the goods or services or the presentation of a valid invoice, whichever is the later. For the financial year 2007-08, 95.7% of invoices (2006-07: 95.6%) were paid within payment terms based on date of receipt at Liberata UK Ltd, which provides the payment function for Tribunals Service.

## Pension liabilities

Tribunals Service administration staff are members of the Principal Civil Service Pension Scheme; details can be found in Note 4.1.3 to the annual accounts at page 72. Salaried judiciary are members of the Judicial Pensions Scheme; details can be found in Note 4.2.3 to the annual accounts at page 73.

## Audit

These accounts have been audited by the Comptroller and Auditor General. The cost of the audit for 2007-08 is £110k (2006-07: £110k). No charge was made for non-audit work. So far as the Accounting Officer is aware, there is no relevant audit information of which the Agency's auditors are unaware, and the Accounting Officer has taken all the steps that he ought to have taken to make him aware of any relevant audit information and to establish that the Agency's auditors are aware of that information.

Sections 6 and 7 of the Government Resource and Accounts Act 2000 require the Comptroller and Auditor General to examine, certify and report on the accounts before they are laid before Parliament.



**CHAPTER 10** Accounts



## CHAPTER 10

# Remuneration report

### Remuneration of Chief Executive and other Board members

This Remuneration Report has been prepared in accordance with Section 234B and Schedule 7A of the Companies Act 1985 and the requirements of the Government Financial Reporting Manual (FrM) as issued by HM Treasury. The report provides information on Tribunals Service policy for the remuneration of its Board members and senior managers. It also contains details of the contracts of employment for these individuals along with information relating to their pension benefits.

Ministers with responsibility for the Tribunals Service during the financial year were:

- Secretary of State for the Ministry of Justice and Lord Chancellor  
Lord Falconer of Thoroton, until 27 June 2007  
The Rt. Hon. Jack Straw, MP, from 28 June 2007
- Parliamentary Under Secretary  
The Rt. Hon. Baroness Ashton of Upholland, until 8 May 2007  
Gerry Sutcliffe, MP, from 9 May 2007 to 3 July 2007  
Bridget Prentice MP, from 4 July 2007

Neither this report nor the 2007-08 Tribunals Service annual accounts include any details or amounts relating to ministerial salaries; these are disclosed and reported by the MoJ and can be found in the MoJ Annual Report and Accounts for 2007-08.

### Remuneration policy

The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries. In providing this advice, the Review Body considers a wide range of issues that include:

- the need to recruit, retain and motivate suitably qualified people to exercise their different responsibilities;
- regional and local variations in labour markets and their effects on the recruitment and retention of staff;
- Government policies for improving public services, including a requirement to meet the output targets for the delivery of services;
- the funds available to departments and agencies as set out in the Government's departmental expenditure limits;

- the Government's inflation target; and
- evidence about wider economic considerations and the affordability of its recommendations.

## Board members' remuneration (audited)

The salaries of the Tribunals Service Management Board members were determined by the Permanent Secretary of the MoJ in accordance with the rules set out in Chapter 7.1, Annex A of the Civil Service Management Code.

Table I – salaries paid to Tribunals Service Management Board members and benefits in kind they received during the financial year

Name	2007-08		2006-07	
	Salary (excluding pension contributions) £'000	Benefits in kind (rounded to nearest £100) £	Salary (excluding pension contributions) £'000	Benefits in kind (rounded to nearest £100) £
Peter Handcock CBE Chief Executive (until 31 March 2008)	125 – 130	1,700	130 – 135	900
Jeanne Spinks Acting Chief Executive (from 1 April 2008)	100 – 105	Nil	105 – 110	Nil
Valerie Vaughan-Dick Director of Finance and Resources	100 – 105	Nil	85 – 90	Nil
Martin John Director of Business Development	80 – 85	Nil	80 – 85	Nil
Guy Tompkins Regional Director, South	70 – 75	Nil	60 – 65	Nil
Paul Stockton Director of Tribunals Judicial Office	85 – 90	Nil	80 – 85	Nil
Norman Egan Regional Director, North	85 – 90	Nil	70 – 75	Nil
Janette Durbin Director of Human Resources – MoJ	Nil	Nil	Nil	Nil
Paul Shipley IT Director (from October 2007) – MoJ	Nil	Nil	Nil	Nil
The Rt Hon. Lord Justice Carnwath CVO Senior President of Tribunals	N/A	N/A	N/A	N/A
John Butler Non-Executive Director	5 – 10	Nil	5 – 10	Nil
Frances Dobbyn Non-Executive Director	10 – 15	Nil	5 – 10	Nil
Annette Kelleher Non-Executive Director	0 – 5	Nil	0 – 5	Nil
The Rt Hon. The Lord Newton of Braintree OBE, DL Administrative Justice and Tribunals Council	N/A	N/A	N/A	N/A

## Notes to table 1:

- Salary includes gross salary; performance pay or bonuses; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances and any other allowances to the extent that it is subject to UK taxation. Performance pay or bonuses are based on an assessment against a consistent set of criteria designed to measure the individual's scale of performance against the objectives and targets as set and agreed by the individual with their manager.
- There were no amounts payable to third parties in respect of board members in 2007-08.
- Where a member was appointed to, or resigned from the Tribunals Service Board during the financial year their salary reflects only the amounts received whilst they were a member of the Board.
- The monetary value of benefits in kind covers any benefits provided by the employer and treated by the Inland Revenue as a taxable emolument.
- Unless otherwise indicated all members of the Tribunals Service Management Board were in-post for the whole reporting year.
- Janette Durbin and Paul Shipley are employed by, and have their salaries and any benefits in kind paid by, the MoJ.

### *Benefits in kind*

- The monetary value of benefits in kind covers any benefits provided by the employer and treated by Her Majesty's Revenue and Customs as a taxable emolument. Peter Hancock was allocated an official car for the period April 2007 to March 2008.

### *Tribunals Service Management Board members' service contracts*

- Civil Service appointments are made in accordance with the Civil Service Commissioners' Recruitment code, which requires appointments to be on merit on the basis of fair and open competition but also includes the circumstances when appointments may otherwise be made.
- The officials covered by this report are employed on contracts which are open-ended until they reach normal retirement age. 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](http://www.civilservicecommissioners.gov.uk).

Table 2 – Tribunals Service Management Board members' pension benefits and the cash equivalent transfer values (CETV) of those benefits during and at the end of the financial year.

Name	Real increase in pension at age 60 and related lump sum £'000	Accrued pension at age 60 at 31 March 2008 and related lump sum £'000	CETV at 31 March 2008 £'000	CETV at 31 March 2007 £'000	Real increase in CETV £'000
Peter Handcock CBE	0 – 2.5 plus 0 – 2.5 lump sum	60 – 65 plus 0 – 5 lump sum	1,257	1,067 <sup>1</sup>	40
Jeanne Spinks <sup>2</sup>	0 – 2.5 plus 2.5 – 5.0 lump sum	30 – 35 plus 95 – 100 lump sum	658	554	23
Valerie Vaughan-Dick <sup>2</sup>	0 – 2.5 plus 0 – 2.5 lump sum	20 – 25 plus 0 – 5 lump sum	379	295	34
Martin John	0 – 2.5 plus 2.5 – 5.0 lump sum	10 – 15 plus 40 – 45 lump sum	198	153	14
Guy Tompkins <sup>2</sup>	0 – 2.5 plus 2.5 – 5.0 lump sum	15 – 20 plus 50 – 55 lump sum	276	214	24
Paul Stockton	0 – 2.5 plus 0 – 2.5 lump sum	25 – 30 plus 65 – 70 lump sum	701	602 <sup>1</sup>	20
Norman Egan	2.5 – 5.0 plus 7.5 – 10.0 lump sum	35 – 40 plus 105 – 110 lump sum	820	669	66

<sup>1</sup> These CETV values, as at 31 March 2007, were recalculated by the pensions administrator, resulting in a restatement of the figures originally published in the 2006-07 Remuneration Report.

<sup>2</sup> The figures for Jeanne Spinks, Valerie Vaughan-Dick and Guy Tompkins are estimates only, as the pension administrators were unable to provide complete data for them, within the required time frame. The estimates have been carried out using a model provided by the pension administrators and known dates of scheme membership.

## Pension benefits

- 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). The 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 Price 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 3 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 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). The employer also contributes 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 Principal Civil Service Pension Scheme (PCSPS) arrangements can be found at the website: [www.civilservice-pensions.gov.uk](http://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 benefits at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction in benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

## Real increase in CETV

- This reflects the increase in CETV effectively funded by the employer. It 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.

**Jeanne Spinks**  
**Acting Chief Executive and Interim Accounting Officer**  
**1 July 2008**



## CHAPTER 10

# Statement of Chief Executive's responsibilities

Under Section 7(2) of the Government Resources and Accounts Act 2000, HM Treasury has directed the Tribunals Service (the Agency) to prepare a statement of accounts (the annual accounts) for each financial year in the form and on the basis set out in the Accounts Direction issued by HM Treasury on 11 December 2007. The annual accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Agency at the financial year-end and of its net cost of operations, recognised gains and losses and cash flows for the financial year.

The Accounting Officer for the Ministry of Justice has designated the Tribunals Service Chief Executive as the Agency's Accounting Officer. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of public finances for which they are answerable, for keeping proper records, for safeguarding the Agency's assets and for preparing the Tribunals Service annual accounts, are set out in the 'Accounting Officers' Memorandum' issued by HM Treasury and published in the Government Accounting Manual.

In preparing the Agency's annual accounts, the Accounting Officer is required to comply with the requirements of the Government Financial Reporting Manual and in particular to:

- observe the Accounts Direction issued by HM Treasury, including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis;
- observe the accounts direction issued by the Lord Chancellor and Secretary of State for Justice on 30 May 2007 in accordance with Section 6(3)(a)(ii) of the Criminal Injuries Compensation Act 1995 and paragraph 4 of the Criminal Injuries Compensation Scheme 2001;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed and disclose and explain any material departures in the annual accounts; and prepare the annual accounts on a going concern basis.



## CHAPTER 10

# Statement on internal control

### 1 Scope of responsibility

As Agency Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Tribunals Service's policies, aims and objectives, set by the Department's Ministers, 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.

My responsibilities as Agency Accounting Officer are more fully defined in a letter from the Permanent Secretary. This provides that I am responsible to the Minister and accountable to Parliament for the Agency's use of resources in carrying out its functions.

### 2 The purpose of the system of internal control

The system of 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 of internal control is based on an ongoing process designed to:

- Identify and prioritise the risks to the achievement of agency and departmental policies, aims and objectives.
- Evaluate the likelihood of those risks being experienced and the impact should they be realised, and
- Manage them efficiently, effectively and economically.

The system of internal control has been in place in the Tribunals Service for the year ended 31 March 2008 and up to the date of approval of the annual report and accounts, and accords with HM Treasury guidance.

### 3 Capacity to handle risk

In providing leadership on the management of risk, I review the strategic risk register and report, on a monthly basis, the escalation of any risks to the Ministry of Justice and the Corporate Management Board.

My Executive Team is responsible for championing risk management across the Agency. The team meets on a monthly basis and is responsible for reviewing the strategic risk register, and providing updates on the risks to achievement of the targets and objectives for which team members are individually accountable.

Monthly performance reports are provided to and reviewed by the Executive Team covering performance against key and other performance indicators, including management information on financial performance, and budget and workforce management, all of which are risk related. Similar reports are provided to the Tribunals Service Management Board (TSMB).

The Audit Committee supports me in the discharge of my responsibilities for risk management, control, governance and associated assurances. Its terms of reference are consistent with HM Treasury's Audit Committee Handbook.

The Risk Management Committee (RMC) supports me in my responsibility for corporate governance and embedding risk management. The chair of the RMC provides a report to the Audit Committee on the main issues each quarter, adhoc reports as necessary and reports to the Tribunals Service Executive Team (TSET) and TSMB when appropriate. The RMC was convened in October 2007 and has met quarterly since then. It has responsibility for ensuring that risk management is operating effectively across the organisation through challenge, oversight and review of all risks on the strategic risk register, providing approval for all new/closed risks, and ensuring strategic risks are escalated to the Ministry of Justice as appropriate. Although the RMC reviews and monitors all types of risk, the Security & Business Continuity Steering Group is responsible for security and business continuity related risks. Membership of the RMC is representative of corporate, regional and business development functions and partners (Human Resources/Information Technology). The Chair of the RMC is also chair of the Security and Business Continuity Steering Group.

The work of Business Development and the Tribunals Judicial Office supported the delivery of changes and innovation to processes, policies, business model and the structure of Tribunals Services. Clear and appropriate responsibility for managing risks associated with programmes/projects is delegated through staff key deliverables/objectives. The development of programme/project manager's skills, knowledge and understanding of risk management has facilitated the embedding of risk management processes within programme/project work and the appropriate escalation of risks.

The Transforming Tribunals Programme (TTP) is critical to the development of the Tribunals Service. The scope of TTP was reduced following an Office of Government Commerce (OGC) Gateway Review recommendation. Work continues in areas of governance within TTP, to address the recommendations of this review, although the recent changes in the Ministry of Justice structure and the introduction of the Access to Justice Business Group will affect this going forward.

Since August 2007, there has been a considerable reorganisation from jurisdictional to regional/area structures. To help ensure that risks are managed in a consistent way across the new structure, a core group of senior and area managers at the regional level are responsible for managing the business and the associated risks. Work will be carried out in 2008-09 to formalise risk management processes across Tribunals Service.

The Tribunals Service Executive Team held a risk workshop with non executive directors in January 2008 and agreed that representatives from across the Agency should participate in a facilitated workshop to develop agreed solutions on the risk management processes to be implemented and embedded across the Agency. This workshop took place in April 2008, and the solutions, which align with Ministry of Justice principles, inform the Risk Management Committee and its deliberations on risk management arrangements, including suitable criteria and arrangements for setting the Agency's risk appetite and delegated risk tolerance levels.

To drive the implementation of risk management across the Agency and assist in the development and embedding of agreed risk solutions, interim staff with specialist knowledge, experience and skills in corporate governance, risk management and internal controls have been employed within the corporate governance team in Finance & Resources Directorate. As the corporate governance team becomes fully resourced with permanent staff, formal training plans will be implemented to ensure any gaps in knowledge and skills are addressed, and linkages will be made with performance reviews.

High level workshops on the principles and concepts of corporate governance, risk management, internal controls and fraud have been held across the Tribunals Service, being provided to senior and middle management to enable dissemination of key messages across the organisation. Guidance and training in business continuity, security and health and safety has also been provided, including guidance and training on risk management in procurement and contract management.

## 4 The risk and control framework

### Policy and principles

As in its inaugural year the Tribunals Service continued to follow the DCA Risk Management Policy and Framework at the start of the financial year. A decision was made to await the changes in the reporting mechanisms within the Tribunals Service, as a result of the new regional structure, before producing new risk management documentation.

In April 2007 the report from an independent review of risk management arrangements at the Tribunals Service was received. This review, referred to as a Risk Healthcheck, was carried out against the Office of Government Commerce (OGC) Management of Risk best practice guidance.

The Healthcheck report stated that, whilst good progress had been made during the previous year, risk management was not sufficiently well advanced or embedded across the organisation as a whole. The main issues identified included the following:

- lack of approved formal documentation specific to the Tribunals Service and lack of a consistent approach to risk management;

- lack of formal training for risk management; and
- lack of an agreed risk appetite and delegated risk tolerance levels.

As part of the restructure within the Finance & Resources Directorate a senior post was created with responsibility for corporate governance, the Head of Corporate Governance & Financial Accounts. A full-time post of Risk Manager was also introduced within the newly formed Corporate Governance Team. Whilst these posts were being recruited, additional expertise was brought into the Tribunals Service on an interim basis.

During the year, the Ministry of Justice drafted a new Risk Management Strategy and Handbook, based on generally accepted best practice for risk management. As part of the consultation process the Tribunals Service circulated these documents to relevant staff and groups such as the Audit Committee and Risk Management Committee and comments were fed back. Whilst these documents remain in draft form the main principles and concepts have been accepted by the Tribunals Service and used as part of the risk management training programme developed in year.

In the early part of the financial year a Board level workshop was undertaken on risk management, facilitated by the business liaison and risk management branch of the Ministry of Justice. The corporate governance team has since developed a programme of workshops on corporate governance, risk management, internal control and the inter-linkages between the three. The first of these workshops, delivered during the months November 2007 to March 2008, concentrated on the principles and concepts of these areas and was aimed at senior and middle management. During these workshops introduction was made to the draft Ministry of Justice Risk Management Strategy, in particular the new risk register template and key terms within.

The next level of training will be concentrating on the process for the relevant members of staff and will be rolled out at the start of the 2008-09 financial year. However, a number of specific workshops have been undertaken for particular business areas to provide detailed training in risk management and assess departmental risks against objectives.

The Tribunals Service has also produced its own corporate governance strategy and underpinning internal control framework and assurance strategy, to be embedded across the organisation in 2008-09. This will be supported by the Risk Management Strategy once finalised.

To ensure that the process for risk management used across the organisation is fully embedded, an exercise was undertaken in April 2008 during which a cross representation of staff agreed the mechanism for introducing the risk management strategy at operational level. This process will be rolled out over the coming year.

### The Tribunals Service Executive Team, Tribunals Service Management Board and Risk Management Committee

The current top risks identified for the Agency are the implementation of the recommendations of the Senior Salary Review Board, the delivery and development of our change programme, implementation of a common IT platform across the organisation and information security.

The Executive Team and Management Board assess the organisation's management of risk during its annual planning and monthly and quarterly performance review cycle.

The Risk Management Committee approves which risks are included or closed on the strategic risk register, which is then reviewed at executive team and board level.

## Stakeholders and partners

Risks are also managed with stakeholders and partners in a variety of ways. Regular meetings are held with delivery partners in other government departments, including the Department for Work and Pensions, UK Border Agency, and the Criminal Injuries Compensation Authority. Tribunals Service has a seat on the UK Border Agency (UKBA) Board and attends the UKBA Audit Committee. The Asylum and Immigration Tribunal has input into the Agency's approval process. A joint risk register is maintained with Her Majesty's Revenue and Customs on the tax appeal modernisation as part of the Transforming Tribunals Programme. Tripartite governance of the dispute resolution review is in place with the Department for Business, Enterprise and Regulatory Reform and the Advisory, Conciliation and Arbitration Service. The Tribunals Service and the Administrative Justice and Tribunals Council continue to maintain a close working relationship that respects the statutory independence of the Council. The Service provides assistance and information necessary for the Council to carry out its statutory functions of keeping under review, and reporting on, the constitution and working of the tribunals within its oversight. The Council provides feedback to the Tribunals Service on the workings of the particular tribunals it administers. The Tribunals Service has a seat on the Department of Health Act implementation group, ensuring that arrangements are in place for managing the risks arising from changes to mental health legislation.

## Business continuity

The Agency has continued to improve upon crisis management arrangements in accordance with departmental standards and all sites have a local crisis management plan. In addition, a national crisis management plan has been implemented and successfully tested to ensure a system is in place if there is a failure of processes on either a national scale or of a high impact to the Agency giving high level co-ordination. To reflect the new regionalised structure of the Agency area crisis management plans are currently being introduced which will ensure a system is in place if there is a failure of processes in a geographical area, regionalised flooding being an example. An emergency contact number for staff and judiciary is currently in place, and initiatives such as contingency mobiles and a document recovery facility are currently being introduced. The Tribunals Service has continued to be represented on the departmental business continuity board and continues to meet required standards. The Tribunals Service continues to liaise with departmental partners regarding best practice.

## Security

The security regime addresses risks to assets and internal security, including maintenance of a fixed asset register and associated asset checks. The Tribunals Service is working to the MoJ security policy but incoming tribunals have tended to operate policies and procedures inherited from their former parent departments. A draft policy on security is under consultation with the Judiciary and once issues have been taken on board will be issued. There will be a number of changes to the way we address security and again a plan will be prepared once the guidance has been agreed. Compliance with information

security procedures is monitored and assured by ensuring that appropriate accreditation is obtained for its systems and applications, and that individual programmes and projects are properly accredited. Managers and staff are made aware of their responsibilities for keeping information and IT systems secure, and for reporting incidents and concerns appropriately. The Agency complies with relevant data protection legislation and takes appropriate action to minimise unauthorised disclosures of any personal information it is required to hold as a result of its business.

Since January 2008 there has been a programme of activity to enhance information security to comply with Cabinet Office directives. This has included protect marking for personal information, encryption of laptop data and portable media. Controlled disposal of sensitive information has been reconsidered at an operational level across the regions.

### Health and safety

The Tribunals Service health and safety procedures and guidance manual has been published. A programme of health and safety training for senior managers was run and we will be running more courses in the new financial year. A programme of training staff to undertake the health & safety co-ordinators role at all sites not managed through the DWP PFI contract has also been rolled out, and more training will be delivered to the business on this role. We rolled out a system of self-assessments and we are now having an internal audit of this carried out during March. This will help provide the action plan for the new financial year.

We have also been working with Ministry of Justice on the corporate manslaughter legislation, which came into effect in April this year. An article has been sent to all staff to raise awareness of the legislation, and a brief will be given to all managers to explain what it means to us as a tribunal and more specifically to the responsibilities this puts on all managers.

We have also had to put changes in place in our sites to enable us to comply with the new Fire Regulatory Reform Order that came into effect during this period.

### Fraud

The Tribunals Service was represented on the DCA Fraud Working Group up until the Ministry of Justice was created. Since then we have been involved in discussions with our Ministry partners on the constitution of a replacement group. The facility to share and discuss issues has been maintained throughout the year. A fraud risk assessment has been completed in the required departmental format and consistent with HM Treasury guidance. The Tribunals Service has one trained fraud investigator, and is able to draw more widely across the department if necessary. Fraud investigations are always carried out by Ministry of Justice Internal Audit and a Tribunals Service fraud investigator. Six more staff have been identified for training in 2008-09.

## 5 Review of effectiveness

As Accounting Officer, I also have responsibility for reviewing the effectiveness of the system of internal control. My review of the effectiveness of the system of internal control is informed by the work of the Ministry of Justice internal auditors and the

executive managers within the Agency 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.

The Management Board, my Executive Team, the Risk Management Committee, and the Audit Committee have advised me on the effectiveness of the system of internal control, and plans to ensure continuous improvement of the system are in place.

## Audit Committee

The Audit Committee met quarterly in 2007-08, and has also met subsequently to oversee the production of the annual report and accounts for the year. It discussed the system of internal control, received reports from Internal Assurance Division and, where appropriate, representatives of the National Audit Office (NAO). The Committee is chaired by a non-executive Director and the Committee's terms of reference and membership are in accordance with the HM Treasury publication 'The Audit Committee Handbook'. The Chair of the Audit Committee submits a written report to the Board after each Audit Committee and presents an Annual Report to the Chief Executive.

## Improving risk management

The Tribunals Service has continued to work on standardising the inherited disparate risk and control environments, policies and processes. Work has started on an integrated assurance system that will ensure the Corporate Governance Team is able to provide an informed challenge across the organisation.

A Risk Management Committee was established, improving responsibility for risk management. This decision was made on the basis that there was a need for an executive committee who held responsibility for ensuring that risk management is operating effectively across the organisation. The committee is chaired by the Director of Finance and Resources, has executive directors as members, is attended by internal audit and meets quarterly.

Existing frameworks for process controls were reviewed and a common template to promote consistency designed to produce a compliance regime. This is being introduced on a risk basis across the organisation.

Governance workshops will continue in the coming year to ensure members of staff understand their role in the risk management and internal control processes. These workshops cover fraud awareness and responsibilities.

An internal audit/review of Information Handling was commissioned in February 2008. We are considering the recommendations of the report received in April and any control weaknesses identified will be proportionately rectified to reduce the risk of information loss, corruption, fraudulent use, personal injury or financial loss. Specific Tribunals Service policies are being drafted in line with MOJ to improve information handling and security. The Information Risk Policy will enhance the beneficial use of information held and minimise the risk of information incidents. A framework to support the policy is being developed that will specifically task individuals as Information Owners to review and report risks to information integrity throughout the year. The current data reporting mechanism will be enhanced and directly linked to an incident policy framework.

The KPI working group was established last year to oversee the development of improved common performance measures and indicators for 2008-09; develop common definitions and terminology; examine information requirements and improve reporting systems. As a first step towards a robust reporting system within the Tribunals Service, a set of standard definitions were set, agreed and approved by the working group and introduced in June 2007. As a result of the work done by the group, the reasons for adjournment and postponement, a common way of recording venue utilisation, will be recorded from April 2008. The group has also contributed to the development of customer service standards and discussed the Tribunals Service customer satisfaction survey in addition to the development of performance indicators for 2008-09. A quality review of management information will be commencing in 2008-09.

The health and wellbeing initiative is now well established across the Tribunals Service and a recent re-assessment by the internal auditors has been very positive. The wellbeing team has worked closely with members of the learning and development team and separate return to work courses are now available for deputies and new managers. Stress management courses for individuals and team leaders are once more in place. The attendance and wellbeing champions are liaising with their area managers to further improve attendance and many wellbeing initiatives have been run in local offices following the co-ordinated launch events in October. The regional teams are now responsible for collecting and collating the monthly sick figures and forms have been adapted for the new year to better answer the requirements of the Tribunals Service. Quality assurance has recently been reviewed and the champions now sample 10% of cases from the monthly attendance returns from each office monthly. By the end of February there had been an improvement of approximately one-day per person in attendance when compared to the same period in the previous year.

### Internal audit

The agency has an internal audit division that operates to government internal audit standards. It submits regular reports, including the Head of Internal Audit's independent opinion on the adequacy and effectiveness of the Tribunals Service's governance, control and risk management arrangements together with recommendations for improvement. It works closely with the Tribunals Service to help ensure robust systems of prevention, detection, investigation, reporting and recovery are in place.

## 6 Significant internal control problems

There were no significant internal control problems in the year.

**Jeanne Spinks**  
**Acting Chief Executive and Interim Accounting Officer**  
**1 July 2008**



## CHAPTER 10

# Audit Certificate

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

I certify that I have audited the financial statements of the Tribunals Service for the year ended 31 March 2008 under the Government Resources and Accounts Act 2000. These comprise the Operating Cost Statement and Statement of Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement 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 Agency, the Chief Executive and auditor

The Agency and Chief Executive, as Accounting Officer, are 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 Section 6(3) of the Criminal Injuries Compensation Act 1995, the Criminal Injuries Compensation Scheme 2001, and directions made thereunder by the Lord Chancellor and the Secretary State for Justice and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Chief Executive'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 and directions issued by the Lord Chancellor and Secretary of State for Justice under Section 6(3) of the Criminal Injuries and Compensation Act 1995 and the Criminal Injuries Compensation Scheme 2001. I report to you whether, in my opinion, the information, which comprises The Tribunals Service, Delivering against our objectives, The future, Governance and Our financial performance, included in the Annual Report, 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 Agency 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 Agency'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 Agency'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 Vision and values and Our people. I consider the implications for my report 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 opinion

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 judgements made by the Agency and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the Agency'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 and Section 6(3) of the Criminal Injuries Compensation Act 1995, the Criminal Injuries Compensation Scheme 2001 and directions made thereunder by the Lord Chancellor and the Secretary State for Justice, of the state of the Agency's affairs as at 31 March 2008, and of the net operating cost, 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 directions issued by the Lord Chancellor and Secretary of State for Justice under Section 6(3) of the Criminal Injuries and Compensation Act 1995 and the Criminal Injuries Compensation Scheme 2001; and
- information, which comprises The Tribunals Service, Delivering against our objectives, The future, Governance and Our financial performance, included within the Annual Report, 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.

**T J Burr**  
**Comptroller and Auditor General**  
**National Audit Office**  
**157–197 Buckingham Palace Road**  
**Victoria**  
**London SW1W 9SP**  
**4 July 2008**

## CHAPTER 10

# Financial statements and supporting notes

### Operating Cost Statement for the year ended 31 March 2008

	Notes	2007-08		2006-07	
		£'000	£'000	£'000	£'000
<b>Income</b>					
Operating income	3		28,818		28,170
<b>Expenditure</b>					
Staff and judiciary costs	4	(214,406)		(206,312)	
Other operating costs	5.1	(117,409)		(105,378)	
Depreciation	6	(2,953)		(2,832)	
<b>Total operating costs</b>			(334,768)		(314,522)
Net cost of operations before interest			(305,950)		(286,352)
Interest receivable/(payable)	5.2		477		(461)
<b>Net cost of operations</b>			<b>(305,473)</b>		<b>(286,813)</b>

All activities are continuing.

### Statement of Recognised Gains and Losses for the year ended 31 March 2008

	Note	2007-08	2006-07
		£'000	£'000
Unrealised surplus on revaluation of tangible fixed assets	11.2	606	479
Recognised gains and losses		606	479

The notes on pages 67 to 87 form part of these accounts.

## Balance Sheet

as at 31 March 2008

	Notes	31 March 2008		31 March 2007	
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible fixed assets	6		30,616		31,098
<b>Current assets</b>					
Debtors	7	9,068		9,462	
Cash at bank and in hand	8	19,214		8,317	
			28,282		17,779
<b>Creditors:</b> amounts falling due within one year	9.1	(49,479)		(51,290)	
<b>Net current assets</b>			(21,197)		(33,511)
<b>Total assets less current liabilities</b>			9,419		(2,413)
<b>Provisions for liabilities and charges</b>	10		(3,886)		(2,474)
<b>Total net assets</b>			<b>5,533</b>		<b>(4,887)</b>
<b>Taxpayers' equity</b>					
General fund	11.1		(2,362)		(13,054)
Revaluation reserve	11.2		7,895		8,167
<b>Total taxpayers' equity</b>			<b>5,533</b>		<b>(4,887)</b>

Jeanne Spinks  
Acting Chief Executive and Interim Accounting Officer  
1 July 2008

The notes on pages 67 to 87 form part of these accounts.

## Cash Flow Statement

for the year ended 31 March 2008

	Notes	2007-08 £'000	2006-07 £'000
<b>Net cash outflow from operating activities</b>			
Net cost of operations		(305,473)	(286,813)
Adjust for notional and non-cash costs	17.1	24,107	22,506
Adjust for movements in working capital other than cash	17.2	(1,346)	(28,401)
Cash movement in provisions	10	(239)	(749)
		(282,951)	(293,457)
<b>Net cash outflow from investing activities</b>			
Purchase of fixed assets	17.3	(2,065)	(179)
Proceeds from disposal of fixed assets		3	–
		(2,062)	(179)
<b>Net cash inflow from financing activities</b>			
Funding from MoJ	11.1	295,900	297,279
		295,900	297,279
<b>Increase/(decrease) in third party balances</b>	9.2	10	(1)
<b>Increase in cash in the year</b>	8	<b>10,897</b>	<b>3,642</b>

The notes on pages 67 to 87 form part of these accounts.

## CHAPTER 10

# Notes to the accounts

### I Accounting policies

The Tribunals Service is an Executive Agency of the Ministry of Justice (MoJ). These accounts have been prepared in accordance with the 2007-08 Government Financial Reporting Manual (FReM) issued by HM Treasury, using the historical cost convention, modified to account for the revaluation of fixed assets at their value to the business by reference to their current cost.

On 1 April 2007 two tribunals transferred to the Tribunals Service from other Departments: the Asylum Support Tribunal (AST), formerly the Asylum Support Adjudicators, transferred from the Home Office and the Care Standards Tribunal (CST) from the Department of Health. Due to the comparatively low value of the assets and liabilities transferred with these entities the transfers have been treated as in-year transactions. Therefore, prior year comparative figures have not been amended to reflect these transfers. After adjusting fixed asset values to bring them in to line with MoJ accounting policies, the values included within the in-year movements, are:

	AST	CST	Total
	£'000	£'000	£'000
Fixed assets – net book value	–	336	336
Debtors < 1 year	44	71	115
Creditors < 1 year	(13)	(41)	(54)
Revaluation Reserve	–	(20)	(20)
General Fund	(31)	(346)	(377)

Without limiting the information given, the accounts meet the accounting and disclosure requirements of the Companies Act, the Accounting Standards Board and HM Treasury, in so far as those requirements are appropriate.

The Accounting Officer has determined that these accounts can be prepared on a going concern basis.

## 1.1 Fixed assets

Freehold land and buildings are included on the basis of professional valuations, which are conducted for each property at least once every five years. When properties are vacated and are awaiting disposal they are valued at open market value.

Plant, equipment, furniture, ingoing works on operating leases and vehicles are included at cost in the month of purchase and are restated annually thereafter using Price Index Numbers for Current Cost Accounting (Office for National Statistics).

## 1.2 Depreciation

Depreciation is provided at rates calculated to write off the valuation of freehold buildings or current replacement cost of other tangible fixed assets, less the estimated residual value, spread evenly over their estimated useful lives, or for leased assets, over the life of the lease. Depreciation of land and buildings is based on opening balance sheet values, while all other assets are depreciated on closing balance sheet values. Asset lives are within the following ranges:

Category:	Asset life:
Freehold land	Not depreciated
Freehold buildings	Shorter of: remaining life, or 60 years
Leasehold buildings	Shorter of: remaining life, remaining lease period, or 50 years
Leasehold land	Remaining lease period (except leases with more than 125 years remaining, which are not depreciated)
Assets under construction	Not depreciated
Plant, equipment, computers and software	5 to 7 years
Furniture	10 years
Vehicles	3 to 4 years
Finance leases	Lease period
Operational antiques	50 years

## 1.3 Stock

Stocks of consumable stores, for example, stationery held, are not considered material and are written off in the Operating Cost Statement as they are purchased.

## 1.4 Operating income

Operating income is income which relates directly to the operating activities of the agency. It principally comprises charges for services provided on a full cost basis to external customers and the recovery of costs from other government departments. Other operating income includes rents receivable and miscellaneous receipts (for example, sale of publications). Income is stated net of VAT.

## 1.5 Value added tax

Irrecoverable VAT is charged to the relevant expenditure category, or if appropriate, capitalised. Income and expenditure are otherwise shown net of VAT. This treatment is in accordance with Statement of Standard Accounting Practice (SSAP) 5.

## 1.6 Pensions

Most Tribunals Service staff are members of the Principal Civil Service Pension scheme (PCSPS), which is a multi-employer pay-as-you-go defined benefit scheme. Departments and Agencies covered by this scheme make employer contributions to the cost of pension cover provided for their staff by payment of charges calculated on an accruing basis. For the Tribunals Service these employer contributions are a charge on the Operating Cost Statement. Pension benefits payable under the schemes are financed from the Consolidated Fund on an annual basis through a separate Resource Supply, voted each year by Parliament. The employer contributions and benefits paid are accounted for in the separate Resource Accounts of the individual schemes.

## 1.7 Early departure costs

The Tribunals Service is required to pay the additional cost of benefits beyond the normal PCSPS benefits, in respect of employees who retire early, unless the retirement is on approved medical grounds. The total cost is provided in full when the early departure programme has been announced and is binding on the Tribunals Service.

## 1.8 Research and development

The Tribunals Service does not have Research and Development expenditure.

## 1.9 Notional and non-cash charges

### *Capital charge*

A charge reflecting the cost of capital utilised by the Tribunals Service is included in operating costs. This charge is at the Government's standard rate of 3.5% on the average net book value of the asset over the year with the following exceptions:

- for land and buildings, including dwellings, the charge is calculated using opening balances plus additions at cost, less disposals at their opening balance sheet values, less impairment and depreciation;
- the charge is nil for amounts due to, or from the Consolidated Fund, liabilities in respect of advances from the Contingencies Fund, cash holdings with the Office of Paymaster General, and amounts due to, or from the MoJ through any interagency transactions.

### *Other*

Other notional and non-cash charges include: the external auditors' remuneration, which represents the National Audit Office's cost for the audit of the Tribunals Service accounts, and departmental overhead charges, which are recharged to the Tribunals Service by the MoJ.

## 1.10 Leases

Where assets are financed by leasing agreements giving rights approximating to ownership (finance leases) the assets are treated as if they had been purchased outright. The amount capitalised is the fair value of the leased assets. The corresponding leasing commitments are shown as obligations to the lessor. At the 2007-08 year-end Tribunals Service did not hold any finance leases.

Rentals under operating leases are charged to the Operating Cost Statement on a straight-line basis over the lease term.

This treatment is compliant with SSAP 21 – Accounting for Leases and Hire Purchase Contracts.

## 1.11 Consolidated by MoJ

As an Executive Agency of the MoJ, falling within the Department's accounting boundary, the Tribunals Service is included within the MoJ Consolidated Resource Accounts, which can be obtained from: [www.moj.gov.uk](http://www.moj.gov.uk).

## 2 Segmental analysis

The Tribunals Service is required, in accordance with HM Treasury's Fees and Charges Guide, to disclose performance results for the areas of its activities where fees and charges are made. The following analysis is not intended to meet the requirements of Statement of Standard Accounting Practice 25 – Segmental Reporting, which is not applicable to the Tribunals Service under the Government Financial Reporting Manual.

	Income	Expenditure	Deficit	Fee recovery actual	Fee recovery target
	£'000	£'000	£'000	%	%
<b>2007-08:</b> Lands Tribunal	375	(1,730)	(1,355)	22	50
<b>2006-07:</b> Lands Tribunal	393	(1,476)	(1,083)	27	50

The historical target for Lands Tribunal Fees was to achieve 50% full cost recovery. During 2006-07, the Tribunals Service undertook a review of fees which identified that the Lands Tribunal had not increased the level of fees since 1996. Accordingly, the percentage of costs recovered has not kept pace with inflation and now stands at only 22%. A detailed review of the fee structure is currently underway and revised charges are scheduled to be introduced from April 2009.

No other area of activity meets the parameters set out in HM Treasury's Fees and Charges Guide for inclusion within this note.

### 3 Operating income

	2007-08	2006-07
	£'000	£'000
Fee income	430	423
Other income:		
Income from the National Insurance Fund	25,004	24,965
Income from the Scottish Executive	515	535
Miscellaneous income	2,869	2,247
<b>Total operating income</b>	<b>28,818</b>	<b>28,170</b>

#### Fee income

Fee income comprises primarily Lands Tribunal receipts for rating appeals (see note 2).

#### Other income

Income from the National Insurance Fund is a contribution towards the cost of National Insurance related appeals. The income from the Scottish Executive is a contribution towards the cost of Scottish cases heard by the Criminal Injuries Compensation Appeals Panel (see also note 22). The remainder of the income is received from other Government departments and from sales of publications, vending machine receipts, telephone boxes and casual lettings.

The 2006-07 income from the National Insurance Fund has been restated to include £1,019k that had previously been incorrectly reported under 'Miscellaneous income'. There is no change to the overall total for 2006-07.

### 4 Staff and judiciary costs and numbers

Staff costs and numbers are broken down between those attributable to employees of the Tribunals Service and those attributable to members of the judiciary. Each category is dealt with in the following notes, with the total costs summarised in the table below.

		2007-08	2006-07
	Notes	£'000	£'000
Staff costs	4.1.1	74,279	73,209
Judicial costs	4.2.1	140,127	133,103
<b>Total staff and judicial costs</b>		<b>214,406</b>	<b>206,312</b>

Ministers' remuneration is set by the Ministerial and Other Salaries Act 1975 and the Ministerial and Other Pensions and Salaries Act 1991. No elements of Ministerial salaries are included in these accounts (see also Remuneration Report and MoJ Resource Accounts).

## 4.1 Tribunals Service Staff

### 4.1.1 Staff costs

	2007-08	2006-07
	£'000	£'000
Wages and salaries	61,621	60,496
Social security costs	3,567	3,602
Employer's pension contributions	9,261	9,180
	74,449	73,278
Less: recoveries in respect of outward secondments	(170)	(69)
<b>Total staff costs</b>	<b>74,279</b>	<b>73,209</b>

Included within wages and salaries is £6,492k (2006-07: £6,429k) relating to agency and contract staff.

### 4.1.2 Staff numbers

The average number of full-time equivalent persons paid during the year, including Board members, was:

	2007-08	2006-07
Asylum and Immigration Tribunals staff	1,009	1,123
Social Security and Child Support Appeals staff	663	691
Employment Tribunals staff	585	617
Tribunals Development Group staff	351	363
Corporate staff	80	69
Change Programme	19	–
Agency and contract staff	271	236
<b>Total staff numbers</b>	<b>2,978</b>	<b>3,099</b>

The figure for 2006-07 agency and contract staff differs from that in the published accounts for 2006-07 as it was found that casual staff had, inadvertently, been omitted from this note, although their cost was included correctly within note 4.1.1.

### 4.1.3 Superannuation scheme

The PCSPS is an unfunded multi-employer defined benefit scheme, which prepares its own accounts, but for which the Tribunals Service is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out at 31 March 2007. Details can be found in the resource accounts of the Cabinet Office; Civil Superannuation at 'www.civilservice-pensions.gov.uk.'

For 2007-08, employer's contributions of £9,261k were payable to the PCSPS (2006-07: £9,180k) at one of four rates in the range 17.1% to 25.5% of pensionable pay based on salary bands (2006-07: 17.1% to 25.5%). The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2007-08 to be paid when the member retires, and not the benefits paid during this period for existing pensioners.

## 4.2 Judiciary

### 4.2.1 Payroll costs of the judiciary

Members of the judiciary are independent of the Tribunals Service. Their payroll costs are met directly by the Tribunals Service. All costs are included within Tribunals Service's accounts to ensure the full cost of operations is disclosed.

The payroll costs for the year were as follows:

	2007-08	2006-07
	£'000	£'000
Wages and salaries	114,767	109,520
Social security costs	11,560	11,044
Employer's pensions contribution	13,800	12,539
<b>Total payroll costs of the judiciary</b>	<b>140,127</b>	<b>133,103</b>

As well as salaried judicial officers, the Tribunals Service also meets the cost of fee-paid judiciary. Included in the figures above are £68,364k (2006-07: £65,866k) for fees and £6,273k (2006-07: £4,352k) for the associated social security costs of the fee-paid judiciary.

### 4.2.2 Judiciary numbers

The amounts disclosed in note 4.2.1 include salary costs for an average of 406 judicial officers (2006-07: 419) and fees for 1,352 full time equivalent fee-paid judiciary (2006-07: 1,196).

### 4.2.3 Superannuation scheme

The Judicial Pension Scheme is an unfunded multi-employer defined benefit scheme, which prepares its own accounts, but for which the Tribunals Service is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out at 31 March 2005. Details can be found in the Resource Accounts of the Judicial Pension Scheme: [www.official-documents.co.uk](http://www.official-documents.co.uk).

Judicial pensions are paid out of the Consolidated Fund where the judicial office holder's salary was paid from that Fund, or the Judicial Pension Scheme where the salary has been paid from the Department's supply estimate. Superannuation has been included for judicial salaries using a rate of 32.15% (2006-07: 30.75%).

The benefits payable are governed by the provisions of either the Judicial Pensions Act 1981 for those judicial office holders appointed before 31 March 1995, or the Judicial Pensions and Retirement Act 1993 for those newly appointed or appointed to a different judicial office on, or after that date.

## 5 Other administrative costs

### 5.1 Other operating costs

	2007-08	2006-07
	£'000	£'000
Accommodation, maintenance and utilities	31,038	27,503
PFI suppliers	1,228	1,577
Staff travel and subsistence	3,289	3,216
Judicial travel and subsistence	3,610	3,194
Other staff costs	3,134	640
Other judicial costs	17,379	17,266
Contracted services	3,062	2,375
Consultancy	1,503	1,400
Communications, office supplies and services	6,322	5,978
Miscellaneous expenditure	319	145
<b>Operating leases:</b>		
Property rents	24,145	22,037
Hire of plant and machinery	770	806
Other expenditure	19	17
<b>Non-cash costs:</b>		
External auditor's remuneration	110	110
Loss on disposal of assets	95	–
Permanent impairment in asset value	327	197
Movement in provisions	1,651	103
Departmental recharge	19,408	18,814
<b>Total other operating costs</b>	<b>117,409</b>	<b>105,378</b>

#### *Other staff costs*

This has increased significantly due to early departure costs of £2.6m, as a result of the reorganisation of the Finance and Resources Division.

### Other judicial costs

The components of this area of expenditure are:

	2007-08	2006-07
	£'000	£'000
Interpreters' costs	6,058	5,585
Members' expenses	5,338	5,445
Judicial typing	2,581	2,487
Judicial books and newspapers	1,439	1,537
Appellants' and witnesses' expenses	956	990
Training and conference costs	819	1,104
Other expenditure	188	118

### Departmental recharge

The departmental recharge represents the cost of services shared with the MoJ including human resources, IT, legal and judicial services, and finance and administration.

## 5.2 Interest (receivable)/payable

	2007-08	2006-07
	£'000	£'000
Notional interest on capital	(481)	450
Finance charges on leased assets	4	11
<b>Total interest (receivable)/payable</b>	<b>(477)</b>	<b>461</b>

The notional interest on capital charge reflects the cost of capital utilised by the Tribunals Service to undertake its business and deliver services. Even though this is a notional non-cash cost, it is still charged as an expense through the Operating Cost Statement and is reflected in the net cost of operations figure. Note 1.9 on notional and non-cash charges provides further details on the calculation of this cost.

The notional interest calculation for 2007-08 includes balances due to and from other parts of the MoJ (see intra-departmental debtors and creditors in notes 7 and 9.1), whereas for the 2006-07 calculation these balances were excluded. The reason for the change is a clear directive from MoJ to include such items in the calculation, hence the large movement from a payable position to a receivable one.

## 6 Tangible fixed assets

	Land and buildings excluding dwellings	Information technology	Plant and equipment	Furniture fixtures and fittings	Assets under construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost and valuation:</b>						
<b>As at 1 April 2007</b>	24,566	9,365	1,473	4,402	2,894	42,700
Additions	172	253	–	139	1,481	2,045
Disposals	(136)	–	(73)	–	–	(209)
Revaluation	475	(455)	42	166	–	228
Reclassifications	(4,442)	(471)	(373)	(55)	(158)	(5,499)
Transfers	333	10	–	(43)	–	300
<b>As at 31 March 2008</b>	20,968	8,702	1,069	4,609	4,217	39,565
<b>Depreciation:</b>						
<b>As at 1 April 2007</b>	5,823	3,606	1,298	875	–	11,602
Charged in year	1,461	943	109	440	–	2,953
Disposals	(44)	–	(67)	–	–	(111)
Revaluation	33	(126)	33	27	–	(33)
Reclassifications	(4,399)	(618)	(373)	(55)	–	(5,445)
Transfers	–	7	–	(24)	–	(17)
<b>As at 31 March 2008</b>	2,874	3,812	1,000	1,263	–	8,949
<b>Net book value:</b>						
<b>As at 31 March 2008</b>	<b>18,094</b>	<b>4,890</b>	<b>69</b>	<b>3,346</b>	<b>4,217</b>	<b>30,616</b>
<b>As at 31 March 2007</b>	<b>18,743</b>	<b>5,759</b>	<b>175</b>	<b>3,527</b>	<b>2,894</b>	<b>31,098</b>

The value of freehold land included within 'Land and buildings excluding dwellings' is £1,040k (2006-07: £1,040k).

Included in 'Information Technology' are assets representing the capitalised value of elements of the payments made under the County Court Systems (CCS) PFI contract (see note 15), which under FRS5 are deemed to be assets of the Tribunals Service. These have a net book value of £21k (2006-07 re-stated: £177k). Included within the depreciation charge for the year is an amount of £148k (2006-07: £273k) relating to these assets.

The reclassification line is normally used when assets are moved from one category to another, such as from 'Assets under Construction' to 'Information Technology'. However, following an in-depth review of the General Ledger cost and depreciation balances against the balances within the Fixed Asset Register it was found that, while from a net book value perspective most items were fully aligned, there were some significant discrepancies on a separate cost and depreciation basis. These differences were found to have arisen before Tribunals Service was formed as an Executive Agency and were carried across from MoJ. It was agreed with the auditors that this situation should be rectified and the reclassification line was used to record the movements.

## 7 Debtors

	2007-08	2006-07
	£'000	£'000
Amounts falling due within one year:		
VAT recoverable	653	516
Trade debtors	347	627
Deposits and advances	270	648
Other debtors	353	299
Prepayments and accrued income	5,517	5,419
Pre-funding for early retirement	–	28
Intra-departmental debtor	1,928	1,925
<b>Total debtors falling due within one year</b>	<b>9,068</b>	<b>9,462</b>

There were no debtors due after one year in 2007-08 or 2006-07.

### *Intra-departmental debtor*

In the 2006-07 published accounts intra-departmental debtors and creditors were not separately disclosed. To ensure consistency across MoJ, the intra-departmental debtors and creditors have been separately disclosed in 2007-08, with comparatives restated accordingly.

### *Prepayments and accrued income*

The main element of prepayments pertains to property rent both in 2007-08 and 2006-07.

The table below provides a further analysis of the Tribunals Service debtors by the types of organisations for which amounts are owed to the Tribunals Service.

## 7.1 Analysis of debtor balances by organisational type

Tribunals Service holds debtor balances for the following types of organisations (all due within one year):

	2007-08	2006-07
	£'000	£'000
Other central government bodies	3,434	4,129
Public corporations and trading funds	3	558
Bodies external to government	5,631	4,775
<b>Total debtors</b>	<b>9,068</b>	<b>9,462</b>

## 8 Cash at bank and in hand

	2007-08	2006-07
	£'000	£'000
Balance at start of year	8,317	4,675
Increase in cash during the year	10,897	3,642
<b>Balance at year-end</b>	<b>19,214</b>	<b>8,317</b>
Comprises:		
Balances at Office of HM Paymaster General (OPG)	19,190	8,287
Commercial banks	13	19
Cash in hand	1	1
Imprests	10	10
<b>Balance at year-end</b>	<b>19,214</b>	<b>8,317</b>

The balances of cash at bank and in hand include £31k (2006-07: £21k) held on behalf of third parties. The amount is also disclosed as a creditor.

## 9 Creditors

### 9.1 Amounts falling due within one year

		2007-08	2006-07
	Note	£'000	£'000
Taxation and social security		4,743	4,764
Trade creditors		4,514	274
Other creditors		1,254	1,797
Accruals and deferred income		30,967	18,999
Obligations under finance leases		–	96
Intra-departmental creditor		7,970	25,339
		49,448	51,269
Cash balances held on behalf of third parties	9.2	31	21
<b>Total amounts falling due within one year</b>		<b>49,479</b>	<b>51,290</b>

#### *Accruals and deferred income*

The main reason for the increase in this category of creditor is the inclusion of a large accrual for another Government department for property costs for the first quarter of 2007-08, for which invoices had not been received at the balance sheet date, plus an accrual for March 2008.

#### *Intra-departmental creditor*

In the 2006-07 published accounts intra-departmental debtors and creditors were not separately disclosed. To ensure consistency across MoJ, the intra-departmental debtors and creditors have been separately disclosed in 2007-08, with comparatives restated accordingly.

Furthermore, the balance has reduced significantly due to changes in the way payroll and tax creditors are settled. In 2006-07 this was carried out by another part of the MoJ family and re-charged to Tribunals Service via the intra-departmental accounts, but this responsibility has now moved to Tribunals Service.

## 9.2 Third party balances

The third party balances included in the accounts are:

	2007-08	2006-07
	£'000	£'000
Balances at start of year	21	22
Gross inflows	28	9
Gross outflows	(18)	(10)
<b>Balances at year-end</b>	<b>31</b>	<b>21</b>

This balance represents amounts held pending the outcome of certain Employment Tribunal hearings, whereafter the funds are paid out accordingly. Therefore, they never form part of Tribunals Service's funding.

In addition, Tribunals Service also oversees the handling of Bail Bonds totalling £108k (2006-07: £60k), which is currently not included within the accounts. Work is in progress to bring this into the accounts and this will be completed in 2008-09.

## 9.3 Analysis of creditor balances by organisational type

Tribunals Service holds creditor balances for the following types of organisations (all due within one year):

	2007-08	2006-07
	£'000	£'000
Other central government bodies	18,480	39,431
Local authorities	30	–
Public corporations and trading funds	91	–
Bodies external to government	30,878	11,859
<b>Total creditors</b>	<b>49,479</b>	<b>51,290</b>

## 10 Provisions for liabilities and charges

		2007-08	2006-07
	Notes	£'000	£'000
Provision for early departure costs	10.1	914	44
Provision for by-analogy pension scheme	10.2	1,336	1,323
Provision – other	10.3	1,636	1,107
<b>Total provisions for liabilities and charges</b>		<b>3,886</b>	<b>2,474</b>

## 10.1 Provision for early departure costs

	2007-08	2006-07
	£'000	£'000
Balances at start of year	44	126
Increase in provision	906	–
Utilised in year	(36)	(82)
<b>Total provision for early departure costs</b>	<b>914</b>	<b>44</b>

The brought forward balance and the amount utilised in year relate to former employees of the Social Security and Child Support Appeals Tribunal which was transferred to Tribunals Service on the Agency's formation on 1 April 2006. The increase in provision relates to early departure costs generated by the Agency's restructuring programme and covers the full cost of pensions until the age of 60, for all employees who retired under the scheme and qualified for a pension.

## 10.2 Provision for by-analogy pension scheme

	2007-08	2006-07
	£'000	£'000
Balances at start of year	1,323	1,398
Increase in provision	128	57
Utilised in year	(115)	(132)
<b>Total provision for by-analogy pension scheme</b>	<b>1,336</b>	<b>1,323</b>

This relates to a small pension scheme for Immigration Adjudicators. During the year, payments made to pensioners are utilised against the provision. At the year-end, the pension liability is valued in accordance with HM Treasury's guidelines and the cost of increasing the provision is charged to the Operating Cost Statement.

This scheme is referred to as the 'by-analogy pension scheme' since it is similar to, or analogous with, the PCSPS. However, this scheme is funded by provisions from the Department's Vote and pension payments are administered by the Department and made via the payroll system.

## 10.3 Provision – other

	2007-08	2006-07
	£'000	£'000
Balances at start of year	1,107	1,592
Increase in provision	617	50
Utilised in year	(88)	(535)
<b>Total provision – other</b>	<b>1,636</b>	<b>1,107</b>

The main element of other provisions is an amount for dilapidations. The terms under which leasehold properties are occupied require the premises to be returned to their original state and condition at the end of the lease.

Also included in other provisions are personal injury claims, employment tribunal proceedings and other potential costs where the timing or value is as yet uncertain.

## 11 Reserves

### 11.1 General fund

		2007-08	2006-07
	Notes	£'000	£'000
Balance at start of year		(13,054)	(49,813)
Funding from MoJ		295,900	297,279
Net cost of operations		(305,473)	(286,813)
Transfer from revaluation reserve	11.2	878	109
Machinery of Government changes		350	4,063
Notional costs	17.1	19,037	22,121
<b>Balance at year-end</b>		<b>(2,362)</b>	<b>(13,054)</b>

### 11.2 Revaluation reserve

	2007-08	2006-07
	£'000	£'000
Balances at start of year	8,167	7,797
Revaluation of fixed assets during the year	606	479
Transfer to general fund of realised element of reserves	(878)	(109)
<b>Balance at year-end</b>	<b>7,895</b>	<b>8,167</b>

## 12 Capital commitments

There were no contracted capital commitments as at 31 March 2008.

## 13 Commitments under operating leases

At 31 March 2008 the Tribunals Service was committed to making the following payments during the next year in respect of operating leases:

	2007-08	2006-07
	£'000	£'000
<b>Land and buildings</b>		
Expiring within one year	891	1,314
Expiring after one year but not more than five years	5,175	5,277
Expiring thereafter	16,098	16,359
<b>Total commitments under operating leases</b>	<b>22,164</b>	<b>22,950</b>

	2007-08	2006-07
	£'000	£'000
<b>Other</b>		
Expiring within one year	373	55
Expiring after one year but not more than five years	321	60
Expiring thereafter	10	242
<b>Total commitments under operating leases</b>	<b>704</b>	<b>357</b>

## 14 PFI commitments

The Tribunals Service does not have any PFI commitments to report in its own right (see note 15).

## 15 Other commitments

The Tribunals Service is a party to a PFI-type arrangement through its parent, the MoJ. The main costs of this contract are included under "Departmental recharge" in Note 5.1. In addition, the Tribunals Service pays separately for amendments to the contracts that it has specifically requested under the Request for Change (RFC) process. These additional costs are included under "PFI suppliers" in note 5.1.

The arrangement is the ARAMIS PFI Project with Liberata UK Limited, which provides accounting, management information and corporate IT services to, among others, Tribunals Service. The contract commenced in January 1998 and expired on 7 January 2007. Finance and Payroll services were extended for between 2 and 4 years from this date, IT services were extended to July 2008.

## 16 Contingent liabilities and assets

### *Contingent liabilities*

As reported in the 2006-07 Annual Report and Accounts, the MoJ is involved in a number of cases of fee paid judicial office holders claiming retrospective pension rights. A negative judgement may set a precedent which could result in a liability to the Tribunals Service, the monetary cost of which cannot be quantified at this stage.

### *Contingent assets*

Tribunals Service is not aware of any contingent assets.

## 17 Notes to the cash flow statement

### 17.1 Summary of notional and non-cash costs

		2007-08	2006-07
	Notes	£'000	£'000
<b>Notional costs:</b>			
Interest on capital	5.2	(481)	450
External auditor's remuneration	5.1	110	110
Departmental recharge	5.1	19,408	18,814
<b>Sub-total notional costs</b>		<b>19,037</b>	<b>19,374</b>
<b>Non-cash costs:</b>			
Permanent impairment in asset value	5.1	327	197
Loss on disposal of fixed assets	5.1	95	–
Movement in other provisions	5.1	1,651	103
Write-off of fixed assets		44	–
Depreciation	6	2,953	2,832
<b>Sub-total non-cash costs</b>		<b>5,070</b>	<b>3,132</b>
<b>Total notional and non-cash costs</b>		<b>24,107</b>	<b>22,506</b>

The write-off of fixed assets arose as a result of a detailed reconciliation of the land and building assets transferred to Tribunals Service on formation of the Agency. The write-off was charged against accommodation costs in the Operating Cost Statement.

## 17.2 Movements in working capital

		2007-08	2006-07
	Notes	£'000	£'000
Decrease in debtors	7	394	109
Adjusted for movement in:			
Machinery of Government Change		115	–
General Fund and debtors		–	6
<b>Total decrease in debtors</b>		<b>509</b>	<b>115</b>
(Decrease) in creditors	9	(1,811)	(27,934)
Adjusted for movement in:			
Third party balances	9.2	(10)	1
Machinery of Government Change		(54)	–
Fixed asset creditors		20	(584)
General Fund and Provisions		–	1
<b>Total decrease in creditors</b>		<b>(1,855)</b>	<b>(28,516)</b>
<b>Total movement in working capital</b>		<b>(1,346)</b>	<b>(28,401)</b>

The Machinery of Government changes relate to the transfer of balances to Tribunals Service for AST and CST. For further information, refer to note 1.

## 17.3 Reconciliation of fixed asset additions

The purchase of fixed assets total of £2,065k for 2007-08 is derived as follows:

	£'000
Additions per note 6	(2,045)
Plus: decrease in capital accrual	(20)
	<b>(2,065)</b>

## 18 Related party transactions

The Tribunals Service is an Executive Agency of the MoJ and therefore is regarded as a related party. During the year the Tribunals Service had a number of material transactions with the MoJ and other entities for which the MoJ is regarded as the parent department, for example Her Majesty's Courts Service.

The Tribunals Service has also had a number of material transactions with other government departments and central government bodies. Most of these transactions have occurred with the Department for Works and Pensions and the Scottish Executive.

During the year none of the Board members, members of senior management staff, or other related parties have undertaken any material transactions with the Tribunals Service.

## 19 Post balance sheet date events

In accordance with Financial Reporting Standard 21 'Events after the balance sheet date', accounting adjustments and disclosures are considered up to the point that the financial statements are authorised for issue. The accounts were authorised for issue on 4 July 2008.

On 31 March 2008, the MoJ announced the launch of a new structure from 1 April 2008, involving a new Corporate Management Board and five new business groups. Tribunals Service falls into the new business group, Access to Justice, whose Director General is Peter Handcock, former Chief Executive of Tribunals Service. This change has resulted in streamlining of the Tribunals Service Management Board, but has not altered the going-concern status of the Agency.

## 20 Accountability

The following disclosures are included to comply with Government Accounting reporting requirements. For 2007-08 the Tribunals Service had:

- 39 (2006-07: 8) cases involving cash losses totalling £7,718 (2006-07: £2,767);
- 117 (2006-07: 112) special payments totalling £90,534 (2006-07: £48,103); and
- 211 (2006-07: 208) instances of fees remitted or exempted, totalling £28,460 (2006-07: £26,160).

## 21 Financial instruments

### *Liquidity risk*

Tribunals Service's net resource requirement is financed by resources voted annually by Parliament to the MoJ, just as its capital expenditure is. It is not, therefore, exposed to significant liquidity risks. However, within the normal Parliamentary supply procedure, Tribunals Service has to budget for resources (both expenditure and capital) in the nine months preceding the financial year in which it will be granted.

### *Interest-rate risk*

100% of the Agency's financial liabilities carry nil, or fixed rates of interest, and therefore it is not exposed to significant interest rate risk.

### *Foreign currency risk*

Tribunals Service is not exposed to foreign currency risks.

## 22 CICAP statement of account as at 31 March 2008

This statement has been included in accordance with the accounts direction issued by the Secretary of State, in pursuance of Section 6(3)(ii) of the Criminal Injuries Compensation Act 1995 and paragraph 4 of the Criminal Injuries Compensation Scheme 2001, after consultation with the Scottish Ministers in accordance with Section 88(2) of the Scotland Act 1998.

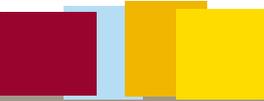
	2007-08		2006-07	
	£'000	£'000	£'000	£'000
Income <sup>1</sup>		532		611
Staff Costs:				
Staff Payroll Costs	(1,393)		(1,588)	
Judicial Payroll Costs	(1,037)		(1,169)	
Total Payroll Costs		(2,430)		(2,757)
Other Operating Costs		(2,222)		(2,098)
<b>Net Cost of Operations</b>		<b>(4,120)</b>		<b>(4,244)</b>

<sup>1</sup> Includes £515k (2006-07: £535k) contribution from the Scottish Executive towards Scottish cases.

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Annexes



## ANNEX A

# Tribunals and their jurisdictions

In this annex, we list the tribunals that constituted the Tribunals Service at 31 March 2008 and explain the jurisdiction of each.

### Tribunals established or transferred since 1 April 2007

#### The Charity Tribunal

The Charity Tribunal was established in March 2008, as an independent body to hear appeals against the decisions of the Charity Commission (the Commission), hear applications for review of decisions of the Commission and to consider references from the Attorney General or the Commission on points of law. The tribunal has jurisdiction in respect of Charity Commission decisions made on or after the 18th March 2008.

#### The Asylum Support Tribunal (AST)

The AST, formerly known as the Asylum Support Adjudicators, transferred to the Tribunals Service from the Home Office on 1 April 2007. It hears appeals against decisions made by the UK Border Agency to either refuse support to asylum seekers or withdraw support hitherto provided. The AST is based in Croydon and holds all its hearings there. The current workload is around 3,900 cases per year.

#### The Care Standards Tribunal (CST)

The CST transferred to the Tribunals Service from the Department of Health on 1 April 2007. It hears appeals from a range of individuals, establishments and agencies in the area of social care and child and vulnerable adult protection. It is based in South London, and hearings take place at locations across England and Wales that are within reasonable travelling distance for the parties involved. The tribunal hears around 220 cases a year.

## Tribunals established or transferred since 1 April 2006

### The Gambling Appeals Tribunal (GAT)

The Gambling Appeals Tribunal was established in January 2007 as an independent body to hear appeals against the decisions of the Gambling Commission (the Commission). The Commission issues operating licences to companies, personal functional licences and personal management licences (for people in key management positions). Holders of, or applicants for, either operating or personal licences have a right of appeal to the Tribunal against the decisions of the Commission, which relate to their licences or licence applications.

The Gambling Appeals Tribunal is administered alongside the Information Tribunal and the Gender Recognition Panel.

### The Claims Management Services Tribunal (CMST)

The CMST was established on 14 February 2007 as an independent judicial body under Section 12 of the Compensation Act 2006 to hear appeals from businesses and individuals providing claims management services in areas including personal injury, endowment mis-selling, employment and housing disrepair who are refused authorisation by the claims management Regulator or who are subject of sanctions imposed by the Regulator.

The Claims Management Services Tribunal has been incorporated into our Finance and Tax Tribunal shared administration arrangements.

## Tribunals already within the Tribunals Service at April 1 2006

### Adjudicator to HM Land Registry (ALR)

The Adjudicator to HM Land Registry deals with disputed applications to the Land Registry where no agreement has been reached as well as applications for putting a document right or setting it aside.

### Asylum and Immigration Tribunal (AIT)

The Asylum and Immigration Tribunal (AIT) was launched in April 2005, superseding the former Immigration Appellate Authority. The AIT handles cases relating to decisions on asylum, immigration, human rights, citizenship and race discrimination. The administrative arm of the AIT also supports the Special Immigration Appeals Commission (SIAC).

### The Commissioners Office (TCO)

The Commissioners deal with appeals on a point of law from decisions made by the Social Security and Child Support Appeals Tribunal. They also deal with appeals on a point of law from decisions of the Pensions Appeal Tribunals made on or after 6 April 2005. In addition, Commissioners have an originating jurisdiction in cases arising from the Forfeiture Act 1982.

### Criminal Injuries Compensation Appeals Panel (CICAP)

CICAP is responsible for the disposal of appeals against decisions taken by the Criminal Injuries Compensation Authority (CICA).

## Employment Tribunal (ET)

The Employment Tribunal is a judicial body established to resolve disputes between employers and employees over employment rights. The tribunal is administered by the Employment Tribunals Service (ETS), and was formerly sponsored by the Department for Trade and Industry.

## Employment Appeal Tribunal (EAT)

The Employment Appeal Tribunal hears appeals from decisions made by the Employment Tribunal, the Certification Officer or the Central Arbitration Committee. Administrative support is provided by the Employment Tribunals Service (ETS).

## Financial Services and Markets Tribunal (FSMT)

The Financial Services and Markets Tribunal hears references arising from decision notices issued by the Financial Services Authority (FSA).

## Gender Recognition Panel (GRP)

The Gender Recognition Panel deals with applications for gender recognition; which will allow transsexual people who have lived in their acquired gender for a specified time to apply for Gender Recognition Certificate and gain legal status in that gender.

## General Commissioners of Income Tax (GCIT)

The General Commissioners of Income Tax hear appeals against decisions made by Her Majesty's Revenue and Customs on a variety of different tax related matters including Income Tax, Corporation Tax, Capital Gains Tax, National Insurance Contributions, Statutory Maternity Pay, Statutory Sick Pay and Stamp Duty Land Tax.

## Information Tribunal (Info)

The Information Tribunal deals with appeals against decisions of the Information Commissioner, in respect of the Data Protection Act 1998 and the Freedom of Information Act 2000. A designated panel of the tribunal handles national security appeals.

## Immigration Services Tribunal (IST)

The Immigration Service Tribunal deals with appeals against decisions of the Immigration Services Commissioner. It also hears disciplinary charges brought about by the Commissioner against immigration advisers.

## Lands Tribunal (Lands)

The Lands Tribunal deals with appeals from Valuation Tribunals and Leasehold Valuation Tribunals, land compensation and discharge and modification of restrictive covenants.

## Mental Health Review Tribunal (MHRT)

The Mental Health Review Tribunal was formerly part of the Department of Health. It hears applications made by or on behalf of patients under the Mental Health Act 1983. Hearings are held where a patient is detained – in a hospital, nursing home or mental health unit. A panel, chaired by a legal member and consisting of a medical member and a lay member, hears the application in an inquisitorial rather than adversarial way. MHRT handles around 20,000 cases a year.

## Pathogens Access Appeal Commission (PAAC)

The Pathogens Access Appeal Commission hears appeals against decisions to restrict access to a prescribed set of dangerous pathogens and toxins, and regarding the arrangements for keeping such materials.

## Pensions Appeal Tribunal (PAT)

The Pensions Appeal Tribunal deals with appeals relating to war pensions.

## Pensions Regulator Tribunal (PRT)

The Pensions Regulator Tribunal deals with appeals arising from decisions of the Pensions Regulator.

## Proscribed Organisations Appeal Commission (POAC)

The Proscribed Organisations Appeal Commission deals with appeals against decisions made by the Secretary of State for Home Affairs to refuse to de-proscribe organisations.

## Social Security and Child Support Appeals (SSCSA)

SSCSA was formerly part of the Department for Work and Pensions (DWP). Its main responsibility is to hear appeals against decisions on the payment of a variety of benefits and other decisions made by the delivery agencies of DWP. The most commonly heard cases involve the Disability Living Allowance and Incapacity Benefit. SSCSA handles approximately 230,000 cases a year.

## Special Commissioners of Income Tax (SCIT)

The Special Commissions of Income Tax deal with appeals arising from decisions of Her Majesty's Revenue and Customs with regard to Income Tax.

### Special Educational Needs and Disability Tribunal (SENDIST)

The Special Educational Needs and Disability Tribunal was formerly part of the Department for Education and Skills. It hears and decides parents' appeals against local authority decisions on children's special educational needs and claims of disability discrimination in schools.

### Special Immigration Appeals Commission (SIAC)

The Special Immigration Appeals Commission deals with appeals against decisions made by the Secretary of State for Home Affairs under the terms of the Special Immigration Appeals Commission Act 1997.

### Transport Tribunal (TT)

The Transport Tribunal deals with appeals against decisions of traffic commissioners and the Registrar of Approved Driving Instructors, oversees the resolution of disputes under the Postal Services Act 2000 and handles appeals from Transport for London.

### VAT and Duties Tribunal (VAT)

The VAT and Duties Tribunal deals with appeals arising from decisions of HM Revenue and Customs with regard to VAT and customs and excise duties.

## ANNEX B

# Performance against performance indicators for 2006-07

Please note – following various changes in the way Tribunals Service Performance Indicators are measured, performance for 2006-07 and 2007-08 is recorded separately.

	Performance Indicators	Target	Performance 2006-07
ET	The percentage of single Employment Tribunal cases where the hearing begins within 26 weeks of receipt	75%	79%
	The minimum percentage of above target to be achieved by individual regional offices	65%	88%
	The average time taken to issue the decision of the Employment Tribunal to the applicant following the tribunal hearing	4 weeks	88%
EAT	The percentage of Appeals listed for a first hearing within 26 weeks of registration	75%	92%
SSCSA	The average time from the receipt of an appeal from the original decision-making agency to the first tribunal hearing	11 weeks	9.6 weeks
	The average time for a rehearing of a case returned from the Social Security Commissioner following an appeal against the original tribunal	8 weeks	7.1 weeks
AIT	The percentage of substantive asylum applications including the final appeal that are decided within 6 months	75% (2005-06 applications)	74% (based on 2005-06 applications)
CICAP	The percentage of cases where a decision on eligibility for compensation is issued from receipt of the ready-to-list bundle provided by the Criminal Injuries Compensation Authority (CICA)	75% in 6 months 95% in 12 months	71.4% 88.5%
	The Percentage of both eligibility and quantum (value) cases that are to be resolved within:		
	▪ 6 months	65%	71.9%
	▪ 12 months	90%	88%
	▪ 2 years	98%	97.5%
	Number of appeals resolved per hearing day	6	5

Performance Indicators		Target	Performance 2006-07
MHRT	The average time taken from the date of receipt of the application to the date when the case is listed for hearing for:		
	▪ Section 2 (Mental Health Act 1983) cases	7 days	6 days
	▪ Section 3 (Mental Health Act 1983) cases	6 weeks	6.7 weeks
	▪ Restricted cases	16 weeks	16.5 weeks
SENDIST	The average time taken from the date of receipt of the application to the date when the notification of the written decision is issued	4.3 months (19 weeks)	22.5 weeks
	The percentage of:		
	▪ Cases registered	96%	92%
	▪ Case statements exchanged	96%	91%
	▪ Decisions issued	80%	76%
Within 10 working days			

## ANNEX C

### Performance against other performance indicators for 2006-07

	Performance Indicators	Target	Performance 2006-07
ALR	The percentage of beneficial interest cases processed in 20 weeks	90%	71%
	The percentage of cases disposed of in 50 weeks	n/a	54.2%
TCO	The percentage of applications disposed of in 10 weeks	80%	54%
	The percentage of appeals disposed of in 20 weeks	70%	76%
	The percentage of all work disposed of in 30 weeks	85%	93%
	Average waiting time from lodgement of appeal to final disposal	20 weeks	20 weeks
FSMT	The percentage of cases disposed of within 40 weeks	60%	78%
GRP	The percentage of cases disposed of within 50 weeks	75%	97%
IST	The percentage of cases disposed of in 30 weeks	80%	93%
Info	The percentage of cases disposed of within 24 weeks	75%	52%
Lands	The percentage of cases disposed of within 50 weeks	60%	72%
PAT	The percentage of cases disposed of in 20 weeks	80%	77%
	Overall waiting time from lodgement of appeal to final disposal	20 weeks	20.7 weeks
PRT	The percentage of cases disposed of within 50 weeks	60%	100%
SCIT	The percentage of cases disposed of within 40 weeks	60%	63%
TT	The percentage of cases disposed of in 16 weeks	90%	87%
VAT	The percentage of Category 1 & 3 cases disposed of in 70 weeks	50%	59%
	The percentage of Category 2 cases disposed of in 35 weeks	70%	84%

## ANNEX D

### Performance against performance indicators for 2007-08

	Performance Indicators	Target	Performance 2007-08
AIT	Receipt in AIT to promulgation by Immigration Judge:	75%	59%
	Asylum, percentage in 6 weeks	75%	61%
	Managed Migration, percentage within 8 weeks	75%	66%
	Family Visitor, percentage within 10 weeks from receipt of the respondent' bundle	75%	66%
	Entry Clearance, percentage within 10 weeks from receipt of the respondent's bundle	75%	49%
EAT	The percentage of appeals listed for a first hearing within 26 weeks of registration	75%	89%
ET	The percentage of single accepted cases where hearing begins within 26 weeks of receipt	75%	74% <sup>2</sup>
SSCSA	The percentage of appeals where the first hearing takes place within 14 weeks of the receipt at SSCSA	75%	87%
ALR	The percentage of cases disposed of within 70 weeks of receipt	75%	53%
Asylum Support	The percentage of cases to be determined within 12 working days of receipt	100%	100%
TCO	The percentage of all cases disposed of within 30 weeks of receipt	75%	88%
Care Standards	The percentage of cases to be determined within 40 weeks of receipt	75%	87%
CICAP	The percentage of cases disposed within 6 months of being ready to list	75%	75%
CMT	The percentage of cases to be disposed of within 50 weeks of receipt	75%	100%
FSMT	The percentage of cases disposed of within 50 weeks of receipt	75%	94%

<sup>2</sup> Figure correct at going to press

Performance Indicators		Target	Performance 2007-08
GAT	The percentage of cases to be disposed of within 30 weeks of receipt	75%	100%
GRP	The percentage of cases disposed of within 20 weeks of receipt	75%	91%
IST	The percentage of cases disposed of within 30 weeks of receipt	75%	89%
IT	The percentage of cases disposed of within 30 weeks of receipt	75%	49%
Lands	The percentage of cases disposed of within 50 weeks of registration	75%	70%
MHRT	Section 2 (Mental Health Act 1983) cases that are listed for hearing within 7 days of receipt (statutory target)	7 Days	Not available
PAT	The percentage of cases disposed of within 20 weeks of receipt	75%	76%
PRT	The percentage of cases disposed of within 50 weeks of receipt	75%	100%
SCIT	The percentage of cases disposed of within 50 weeks of receipt	75%	60%
SENDIST	The percentage of cases disposed of within 22 weeks of receipt	75%	85%
Transport	The percentage of cases disposed of within 16 weeks of receipt	75%	91%
VAT	The percentage of Category 1 and 3 cases disposed of within 90 weeks of receipt	75%	71%
	The percentage of Category 2 cases disposed of within 35 weeks of receipt	75%	87%

## ANNEX E

### Receipts and disposals

	2006-07		2007-08	
	Receipts	Disposals	Receipts	Disposals
SSCSA	223,303	254,344	229,123	256,565
ET	143,474	107,412	189,348	86,237 <sup>3</sup>
AIT	138,943	166,191	167,549	161,538
MHRT	18,343	18,851	21,850	19,500
TCO	6,100	5,689	5,835	5,807
SENDIST	3,424	3,419	3,396	3,090
VAT	3,508	3,914	3,944	2,432
PAT	2,761	2,774	2,765	2,866
CICAP	2,136	3,273	2,257	2,634
ALR	1,684	1,335	1,679	2,198
Lands	870	768	1,431	1,002
GRP	690	590	302	458
TT	388	443	643	534
SCIT	301	349	256	263
Info	101	60	136	124
FSMT	13	25	29	18
IMSET	16	13	12	18
PRT	2	5	5	2
Asylum Support <sup>4</sup>	–	–	2,412	2,368
EAT <sup>5</sup>	–	–	1,841	671
Care Standards <sup>4</sup>	–	–	290	264
CMT	–	–	2	2
GAT	–	–	1	1
<b>Total</b>	<b>546,057</b>	<b>569,455</b>	<b>635,106</b>	<b>548,592</b>

<sup>3</sup> The fall in the number of disposals is largely due to the increased receipt of Employment Tribunal multiple claims.

<sup>4</sup> Tribunal not part of TS prior to 2007-08.

<sup>5</sup> Figures for 2006-07 incorporated within ET figure.

## ANNEX F

### Staffing levels

	2006-07 Staffing			2007-08 Staffing		
	Staff on payroll	Agency	Total	Staff on payroll	Agency	Total
SSCSA	642.97	5.7	648.7	581.7	9.8	591.5
ET	576.7	81.3	658	516.9	59.5	576.4
AIT	1003	80.8	1083.8	913.3	112.3	1025.6
MHRT	85.5	0	85.5	78.1	14	92.1
TCO	25.1	0.6	25.7	28.1	2.5	30.6
SENDIST	56.7	0	56.7	48.2	2.9	51.1
VAT <sup>6</sup>	16	0	16	–	–	–
CICAP	58.3	0	58.3	45.9	0	45.9
PAT	14.4	0	14.4	14.5	0	14.5
ALR	21	2	23	23.5	0	23.5
Lands	12.6	2	14.6	14.6	0.9	15.5
GRP	4.8	0	4.8	4	0	4
TT	3	0	3	3	0	3
SCIT <sup>6</sup>	2	0	2	–	–	–
Info	2.6	0	2.6	3	0	3
FSMT <sup>6</sup>	1	0	1	–	–	–
IMSET	1	0	1	0	0	0
PRT <sup>6</sup>	0	0	0	–	–	–
EAT <sup>7</sup>	–	–	–	31	0.9	31.9
Asylum Support	–	–	–	13	3.9	16.9
Care Standards <sup>8</sup>	–	–	–	5	0.9	5.9
CMT <sup>6</sup>	–	–	–	–	–	–
GAT	1	0	1	1	0	1
Others	216.6	15	231.6	380	32.8	412.8
<b>Total</b>	<b>2744.3</b>	<b>187.4</b>	<b>2931.7</b>	<b>2704.8</b>	<b>240.4</b>	<b>2945.2</b>

<sup>6</sup> Figures for 2007-08 reported as F&TT and included with 'Others'

<sup>7</sup> Figures for 2006-07 incorporated within ET figure

<sup>8</sup> Tribunal not part of TS prior to 2007-08



## ANNEX G

# Glossary of abbreviations

### Tribunals

AIT	Asylum & Immigration Tribunal
ALR	Adjudicator to HM Land Registry
AST	Asylum Support Tribunal
Charity	Charity Tribunal
CICAP	Criminal Injuries Compensation Appeals Panel
CMST	Claims Management Services Tribunal
CST	Care Standards Tribunal
ET	Employment Tribunal
EAT	Employment Appeal Tribunal
FSMT	Financial Services & Markets Tribunal
GAT	Gambling Appeals Tribunal
GCIT	General Commissioners of Income Tax
GRP	Gender Recognition Panel
IMSET	Immigration Services Tribunal
Info	Information Tribunal
Lands	Lands Tribunal
MHRT	Mental Health Review Tribunal
PAAC	Pathogens Access Appeal Commission
PAT	Pensions Appeal Tribunal
PRT	Pensions Regulator Tribunal
POAC	Proscribed Organisations Appeal Committee
SCIT	Special Commissioners of Income Tax
SENDIST	Special Educational Needs & Disability Tribunal
SIAC	Special Immigration Appeals Commission
SSCSA	Social Security & Child Support Appeals
TCO	The Commissioner's Office
TT	Transport Tribunal
VAT	VAT & Duties Tribunal

## Other

Acas	Advice, conciliation and arbitration service
BIA	Border Immigration Agency
CSR	Comprehensive Spending Review
DCA	Department for Constitutional Affairs
DISC	Development, Innovation and Supports Contract programme
DoH	Department of Health
DTI	Department of Trade and Industry
DMB	Departmental Management Board
DWP	Department for Work and Pensions
ECO	Entry Clearance Officer
ETS	Employment Tribunals Service
IAD	Internal Assurance Division
IND	Immigration and Nationality Directorate
HMCS	Her Majesty's Court Service
HQ	Headquarters
HR	Human Resources
IT	Information Technology
KPI	Key Performance Indicator
LSC	Legal Services Commission
MEB	Ministerial Executive Board
NAO	National Audit Office
OGC	Office of Government Commerce
PSA	Public Service Agreement
PSG	Professional Skills for Government
SMO	Service Management Organisation
SR	Spending Review
TS	Tribunals Service
TSMB	Tribunals Service Management Board

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