



The Law Officers' Departments

Departmental Report 2005

Presented to Parliament by the Attorney General
and the Chief Secretary to the Treasury
by Command of Her Majesty

June 2005

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Foreword



I am pleased to write this Foreword to the 2005 Departmental Report for the Law Officers' Departments. It has been a year in which good progress was made towards my vision of prosecutors' providing a first class public service and co-operating with Criminal Justice System (CJS) colleagues in delivering fair but effective criminal justice. The role of the prosecutor is much more than simply preparing a case for trial; prosecutors also need a strategic outlook on their work, if we are successfully to combat crime and re-assure victims.

Whilst this Report focuses on prosecution work which involves three of the four Law Officers' Departments, it does not detract from the vitally important role of the Treasury Solicitor's Department. The Treasury Solicitor's staff support the delivery of public services in other Government Departments through the

litigation policy and advisory work they provide. Client satisfaction targets in 2004-05 recorded 100% for advisory and 99% for litigation service.

During the year the Customs and Excise Prosecution Office CEPO worked towards its merger with the prosecuting arm of the Inland Revenue to form the Revenue and Customs Prosecutions Office (RCPO) which came into effect in April¹. I welcome David Green QC as the first Director of RCPO and the staff who have joined from the Inland Revenue and look forward to working with them in meeting the challenge of ensuring RCPO makes a significant contribution to convicting serious and organised criminals, protecting tax revenues, tackling drugs and recovering the proceeds of crime. For 2004-05, the main report on CEPO's work will be included in the Report of HM Customs and Excise, but an outline of the future programme for RCPO is included here.

2004-05 saw the continued implementation of the new Crown Prosecution Service (CPS) charging programme. This key initiative, whereby CPS prosecutors advise the police of the charge in all but minor cases, is now operating in the 14 CPS Areas which account for some 60% of CPS prosecutions. The CPS has also continued to develop its in-house advocacy capacity and worked with the police in Humberside on testing the electronic interchange of case information.

¹ The Revenue and Customs Prosecution Office was established as an independent prosecuting authority under The Commissioners for Revenue and Customs Act 2005

The Serious Fraud Office (SFO) has maintained its world-wide reputation in investigating and prosecuting serious and complex frauds. The City of London Police has now expanded its Economic Crime Department and is increasingly working in collaboration with the SFO in the fight against fraud.

During the year, my Office established a small strategic team providing policy, finance and performance advice, in addition to the traditional legal advice the Solicitor General and I receive. This reflects the importance I place on prosecutors playing a pivotal role in the CJS.

A handwritten signature in blue ink, appearing to read 'Liam G. ...', is displayed on a light blue background.

Attorney General

The Work of the Law Officers' Departments

The Law Officers are the Attorney General and the Solicitor General. They:

- are principal legal advisers to the Crown and to Ministers;
- discharge their statutory responsibility for superintendence² of the Directors of Public Prosecutions in England and Wales and Northern Ireland, the Director of the Serious Fraud Office and the Director of the Customs and Excise Prosecutions Office;
- have a general oversight of all prosecutions in England and Wales;
- are Ministers within the Criminal Justice System (CJS) together with the Ministers of the Home Office and Department for Constitutional Affairs.

The Law Officers also have responsibility for bringing certain types of legal proceedings in their own name in the public interest and for granting consent to prosecutions for offences. The Attorney General appoints Advocates to the Court, to assist the courts in civil and criminal proceedings and Special Advocates in proceedings brought before Special Immigration Appeals Commission and in certain other proceedings.

In addition the Attorney General holds the separate post of Attorney General for Northern Ireland. In that role, he superintends the Director of Public Prosecutions for Northern Ireland and appoints and is responsible for the Crown Solicitor.

The Law Officers' Departments comprise the Attorney General's Office (AGO)³, the Crown Prosecution Service (CPS) and HM Crown Prosecution Service Inspectorate (HMCPPI), the Revenue and Customs Prosecutions Office (RCPO), formerly the Customs and Excise Prosecutions Office (CEPO), the Serious Fraud Office (SFO) and the Treasury Solicitor's Department (TSD)

The Attorney General's Office is a separate Department, for which the Treasury Solicitor acts as Accounting Officer. Details of its administration are therefore included with those of the Treasury Solicitor's Department. AGO provides high-grade legal and strategic policy advice and support to the Law Officers. It ensures appropriate co-ordination across the Law Officers' Departments and contributes towards developing with the CPS, RCPO and SFO the cross-cutting policies of the CJS.

² Superintendence involves consideration of issues relating to prosecution policy and practice as well as to cases that engage the Law Officers' public interest role.

³ Formerly the Legal Secretariat to the Law Officers

The Crown Prosecution Service, which is headed by the Director of Public Prosecutions, was established by the Prosecution of Offences Act 1985. It is responsible for deciding independently whether criminal proceedings begun by the police in England and Wales should be continued; for deciding the charge in all but minor cases; and for prosecuting those cases it decides to continue.

HM Crown Prosecution Service Inspectorate reports to the Attorney General on the performance of the CPS and the RCPO. Like AGO, details of its administration are included with those of the TSD.

The Revenue and Customs Prosecutions Office, formerly the Customs and Excise Prosecutions Office, was created in April 2005 through the merger of CEPO with the prosecuting arm of the Inland Revenue. CEPO had become accountable to the Attorney General in April 2002, following the recommendation of His Honour John Gower and Sir Anthony Hammond that criminal prosecution work should be independent of the intelligence and investigation work carried out by HM Customs and Excise. A Memorandum of Understanding is being put in place between the Paymaster General on behalf of HM Treasury, the Attorney General, the Commissioners for HM Revenue and Customs (HMRC) and the Director of RCPO concerning the relationship between HMRC and RCPO as to the conduct of criminal investigations and prosecutions by the two departments.

The Serious Fraud Office was established by the Criminal Justice Act 1987. It investigates and prosecutes the most serious or complex cases of fraud in England, Wales and Northern Ireland, thereby contributing to the deterrence of such fraud.

The Treasury Solicitor's Department provides legal services to most Government departments. The Treasury Solicitor is also Head of the Government Legal Service, the organisational name for the legal teams in most central Government bodies.

Attorney General's Forward Strategy

Each of the Law Officers' Departments has differing roles, responsibilities and approaches to delivery of their services, tailored to the caseload with which they are dealing. But the common vision is to provide world-class public services that meet the needs of victims and communities so that:

- people feel more secure from crime and anti-social behaviour; fewer people's lives are ruined by drugs; and communities are safer places to live and work;
- more offenders are brought to justice and proceeds of crime recovered through a modern and efficient justice process;
- the UK is a more prosperous country because investments are secure and tax revenues protected;
- the public has confidence and trust in the Criminal Justice System (CJS) and the work of the Law Officers' Departments;
- through the performance of the Law Officers' role as the government's chief legal advisers and through the legal services that the Treasury Solicitor provides across government, the best legal support is given to departments in their delivery of quality public services and in their management of their business and people.

The Law Officers with the CPS, RCPO and SFO are part of the CJS and have joint responsibility with the Home Office and Department for Constitutional Affairs to achieve the delivery of justice targets in the 2004 CJS Public Service Agreement (PSA):

- improve the delivery of justice by increasing the number of crimes for which an offender is brought to justice to 1.25 million by 2007-08;
- reassure the public, reducing the fear of crime and anti-social behaviour, and building confidence in the CJS without compromising fairness.

To deliver the vision and the CJS targets, the Law Officers' Departments will focus on three service priorities, with detailed plans for these recognising the distinct roles of each Law Officers' Department. To increase the capacity to deliver those service priorities, the focus will be on three developmental priorities.

Service priorities:

- strengthening the prosecution process
- putting victims and witnesses at the heart of the process
- engaging with the communities we serve

Developmental priorities:

- building strong partnerships to drive change and delivery across the CJS and shape the CJS of the future;
- becoming an employer of choice;
- joining up the Law Officers' Departments better to share common interests and practice.

The following are some examples of the ways in which we are looking to deliver the priorities mentioned above. More detail on current activities is given in the later Parts of this Report.

Strengthening the prosecution process by prosecutors playing an active role from the start to finish of a case, working with the police and other investigators to build the strongest case:

- CPS taking responsibility for Charging with a view to encouraging more guilty pleas; fewer cases being discontinued; and more cases resulting in conviction;
- conducting pre-trial interviews with witnesses to relate likely evidence to appropriate charges in order to bring more offenders to justice; encourage early guilty pleas; ensure fewer ineffective trials from witness non-attendance; increase witness and victim satisfaction;
- recovering proceeds of crime through making confiscation the norm where the convicted criminal benefited from the crime; increasing victim satisfaction and public confidence;
- establishing the RCPO to focus more closely on successful prosecutions and appeals; improving the perceptions of the judiciary and legal community;
- creating a robust prosecution capacity to complement the establishment of the Serious and Organised Crime Agency (SOCA); to strengthen the response to organised crime; bring faster and more successful extraditions; make more cases subject to asset recovery provisions;
- active case management with prosecutors constantly reviewing prosecution cases and plugging evidential gaps by working closely with the police and other investigators to build more robust prosecutions; comply with disclosure and other statutory provisions; improve the time within which offenders are brought to justice;
- electronic presentation of evidence, an essential tool in the prosecution of cases where numbers of witnesses and documents are significant.

Putting victims and witnesses at the heart of the process transforming the approach to victims and witnesses across the CJS. This means giving victims and witnesses more information about decisions and progress; supporting vulnerable victims through the ordeal of going to court; and tackling witness intimidation:

- improving prosecutors involvement so that the needs of victims and witnesses are identified early, improving their willingness to report crimes; reducing ineffective trials; increasing victim and witness satisfaction; and improving conviction through better quality evidence;
- effective trial management with prosecutors providing a single point of contact for victims; giving more and better information to witnesses; leading to fewer adjournments;

- ensuring the victim's voice is heard in court by prosecutors presenting the views of the victim; challenging inaccurate and unfair mitigation so that offenders receive appropriate sentences and the victim and community feel increased reassurance.

Engaging with communities so that prosecutors actively seek the views of the community when shaping prosecution policies:

- Community Justice programmes, with prosecutors working with police, courts, local authorities and social services to tackle anti-social behaviour and low-level criminality highlighted by local communities and local Crime and Disorder Partnerships;
- taking forward Community Engagement Strategies;
- SFO contacting the regulated and business sectors; contributing to local police initiatives so that fraud awareness and avoidance lessons are passed on to the local business community.

These proposals should ensure a reduction in anti-social behaviour, an increase in public confidence and encourage more people to come forward to report and give evidence against crime.

Building strong partnerships, through prosecution being at the centre of many mutual dependencies within the CJS and looking outward towards the international community:

- greater contribution to national bodies and Local Criminal Justice Boards;
- a clearer role for all prosecutors including determining the role to be played by the SFO and RCPO within the CJS and integrating them into CJS partnerships;
- criminal justice reform measures that are informed by experience across the frontline;
- international co-operation, acknowledging that crime does not respect national boundaries;
- a joined-up Inspection regime.

The impact of effective partnerships will be seen in the delivery of the CJS targets.

Employer of choice reflects the commitment to making the Law Officers' Departments places to which some of the brightest and most committed professionals are attracted, to pursue rewarding and interesting careers and be recognised and respected for offering a valued service:

- more Higher Court Advocates in the Crown Court;
- more Designated Caseworkers presenting a wide range of cases in the magistrates' courts;
- regular review of equality and diversity policies to achieve a representative workforce and a reputation for fairness in employment as well as comply with legislation;
- legal trainee and scholarship schemes offering opportunity to those with the talent and desire to qualify as prosecutors;

- developing leadership and management skills of senior lawyers
- having the ultimate goal that prosecutors will be eligible to apply for judicial Crown Court appointments, improving career progression for lawyers and opening up an untapped reservoir of talent and diverse applicants.

Success will be measured by more effective prosecutions; improved British Crime Survey statistics on public confidence; feedback from judiciary and staff attitude surveys; levels of credible applications for vacancies; and improvements in sick absence rates.

Joining up the Law Officers' Departments to communicate best practice, identify efficiencies and, where appropriate, re-direct resources to improve frontline delivery:

- identifying efficiencies in co-operation over administrative functions;
- looking to common IT solutions;
- sharing training and transferring skills between departments; and looking at the feasibility of a professional accreditation for non-legal staff;
- reviewing governance structures following the creation of RCPO and changes in HMCPSI, in particular the way risk is managed.

Success will be measured by achieving departmental value for money targets.

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The Crown Prosecution Service Crown Prosecution Service Tables

CROWN PROSECUTION SERVICE

Role

The Crown Prosecution Service (CPS) was set up in 1986 to prosecute criminal cases investigated by the police in England and Wales. In undertaking this role, the CPS:

- advises the police on cases for possible prosecution;
- reviews cases submitted by the police for prosecution;
- where the decision is to prosecute, determines the charge in all but minor cases;
- prepares cases for court; and
- presents those cases at court.

Code for Crown Prosecutors

Before proceeding with a prosecution and charging a defendant, Crown Prosecutors review each case against the Code for Crown Prosecutors. The Code sets out the principles the CPS applies when carrying out its work. Those principles are:

- whether there is enough evidence to provide a realistic prospect of conviction against each defendant on each charge; and, if so,
- whether a prosecution is needed under the public interest.

The Director is under a statutory duty to publish the Code for Crown Prosecutors. The fifth edition of the Code was published on 16th November 2004 and reflects the new responsibilities for Crown Prosecutors to determine charges.

Human Rights Act

The CPS is a public authority for the purposes of the Human Rights Act 1998. In carrying out their role, Crown Prosecutors must apply the principles of the European Convention on Human Rights in accordance with the Act.

Organisation

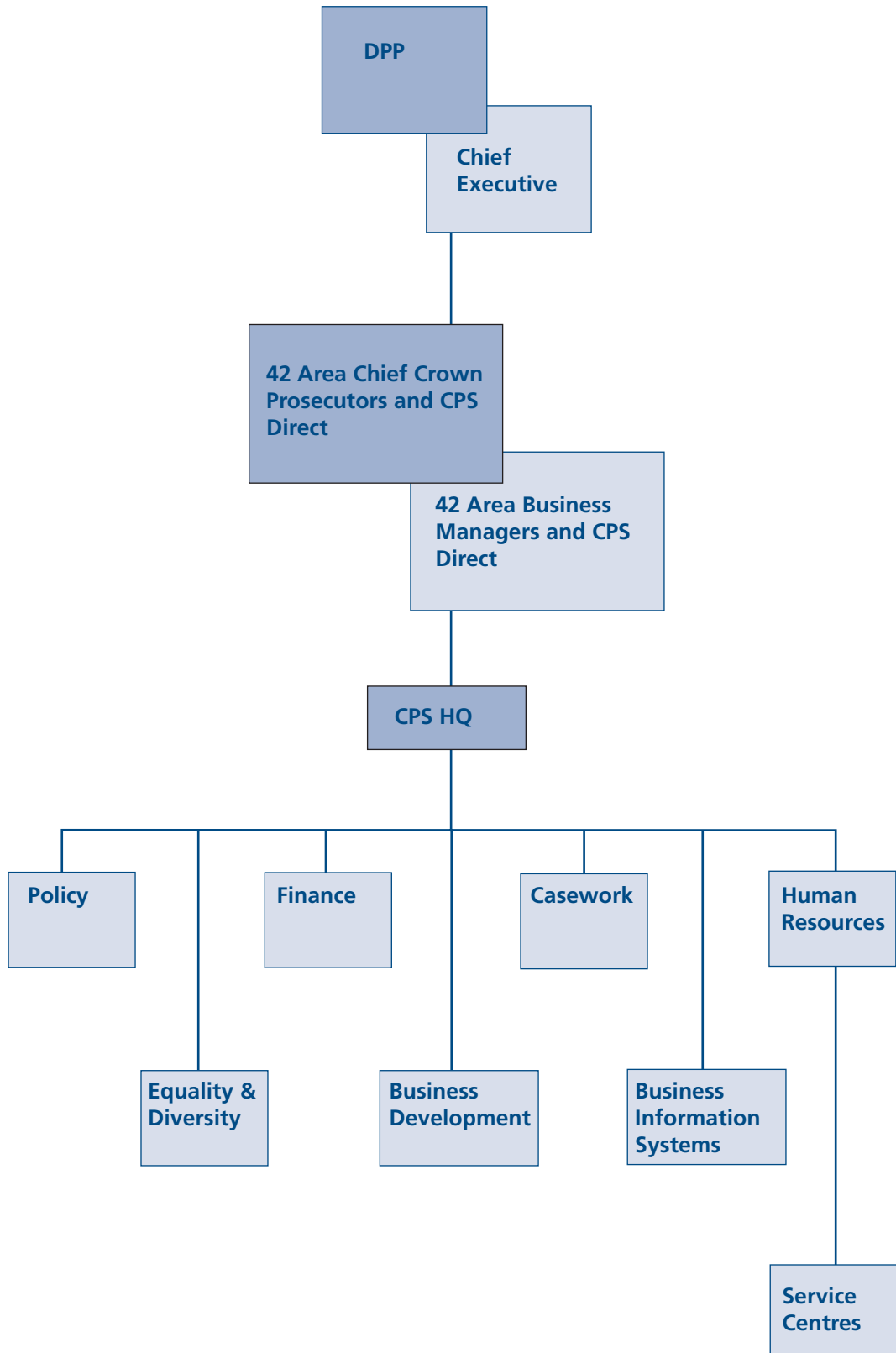
The CPS is headed by the Director of Public Prosecutions (DPP), Ken Macdonald QC. The Director is superintended by the Attorney General who is accountable to Parliament for the Service. The Chief Executive is Richard Foster, who is responsible for running the business on a day-to-day basis, and for human resources, finance, business information systems, and business development, allowing the Director to concentrate on prosecution, legal issues and criminal justice policy. Casework Directorate, based in Headquarters, deals with the prosecution of serious and organised crime, terrorist and other specialised prosecution cases.

CPS Areas

The CPS has 42 Areas across England and Wales. Each Area is headed by a Chief Crown Prosecutor who is responsible for the delivery of a high quality prosecution service to his or her local community. A 43rd non-geographic Area, CPS Direct, is also headed by a Chief Crown Prosecutor to provide out-of hours charging advice to the police.

Each Chief Crown Prosecutor is supported by an Area Business Manager, and their respective roles mirror, at a local level, the division of responsibilities between the DPP and the Chief Executive. Administrative support to the Areas is provided through a network of Service Centres.

Management Structure



Aim

The CPS works in partnership with the police, courts, the Home Office, Department for Constitutional Affairs (DCA) and other agencies throughout the Criminal Justice System (CJS) to reduce crime and the fear of crime and their social and economic costs; to dispense justice fairly and efficiently and to promote confidence in the rule of law.

The CPS's overall aim, which reflects the Government's priorities for the CJS, is to:

Deliver a high quality prosecution service that brings offenders to justice, helps reduce both crime and the fear of crime and thereby promote public confidence in the rule of law through the consistent fair and independent review of cases and through their fair, thorough and firm presentation at court

Criminal Justice System Performance

Public Service Agreement (PSA) Targets

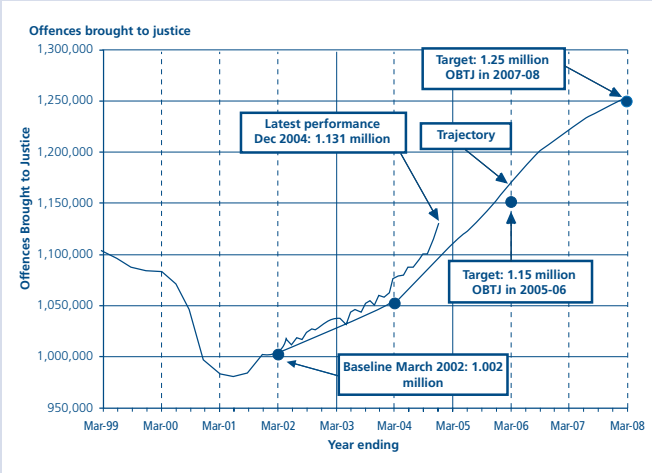
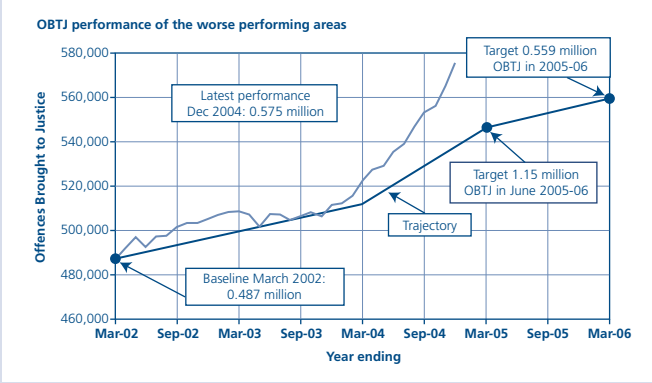
The PSA targets for the CPS and the CJS from the Spending Review (SR) 2002 are:

- I To improve the delivery of justice by increasing the number of crimes for which an offender is brought to justice, to 1.15 million by 2005-06, with an improvement in all CJS areas, a greater increase in the worst performing areas and a reduction in the proportion of ineffective trials⁴.
- II To improve the level of public confidence in the CJS, including increasing that of ethnic minority communities, and increasing year on year the satisfaction of victims and witnesses, whilst respecting the rights of defendants.
- III To increase value for money from the CJS by 3 per cent a year.

Delivering these targets is the joint responsibility of the CPS, Home Office and DCA. SR2000 included PSA targets to improve the delivery of justice and public confidence. Some of these targets have been carried forward into SR2002. Targets not carried forward into PSA for SR2002 (to reduce the time from arrest to sentence or other disposal for all defendants; for youth court cases; and for cases involving persistent young offenders) are continually monitored to ensure performance is maintained.

⁴ Under the SR 2004 settlement, the target for 2005/6 was reset from 1.2 million to 1.15 million offences brought to justice. The adjustment removed a number of minor motoring offences (known as 825/90 offences) which had previously been counted. At the same time, a higher target of 1.25 million offences brought to justice was set for 2007-08.

Narrowing the Justice Gap

Performance Measures	Latest Outturn
<p>Increasing the number of offences for which an offender is brought to justice.</p> <p><i>The target will be met if there are 1.15m crimes for which an offender is brought to justice in the year ending March 2006, compared with the baseline year ending March 2002.</i></p> <p>(Offences brought to justice are those that result in conviction, caution, or in which the offence is taken into consideration. The gap between offences brought to justice and the overall level of recorded crime is sometimes referred to as "attrition").</p>	<p>On course. 1.131 million offences were brought to justice for year ending December 2004. This is an improvement of 12.9% on the baseline year.</p> 
<p>An improvement in all CJS Areas.</p> <p><i>The target will be met if each of the 42 Criminal Justice Areas bring more offences to justice than they did in the baseline year ending March 2002.</i></p>	<p>Six Areas below the baseline. Six of the 42 CJS Areas are currently performing below the baseline, which is in line with expectations given the impact of crime reduction in those Areas.</p>
<p>A greater increase in worse performing Areas.</p> <p><i>The target will be met if the average performance improvement achieved by the worse performing areas is greater than the national average performance improvement in the year ending March 2006 as compared to the baseline year ending March 2003.</i></p>	<p>On course. A greater increase in worse performing Areas will be met if the current rate of improvement is maintained at its current level.</p> 

Performance Measures

A reduction in the proportion of ineffective trials.

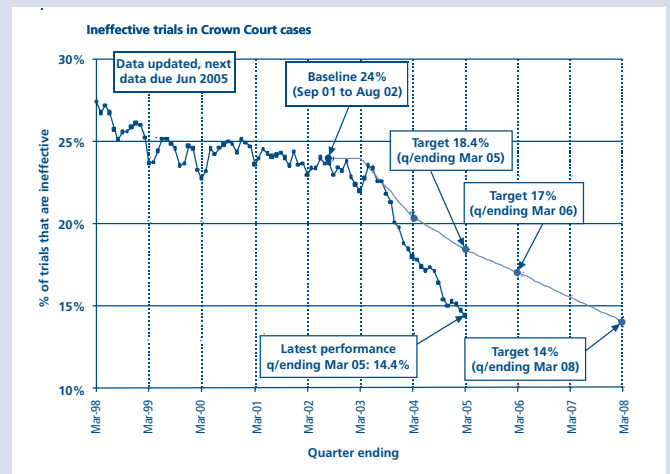
The target will be met if the national level of improvement for the Crown Court and magistrates' courts is 27% or less by the year ending March 2006.

This equates to a reduction of ineffective trials in the Crown Court from 24% to 17%, and from 31% to 23% in magistrates' courts.

Latest Outturn

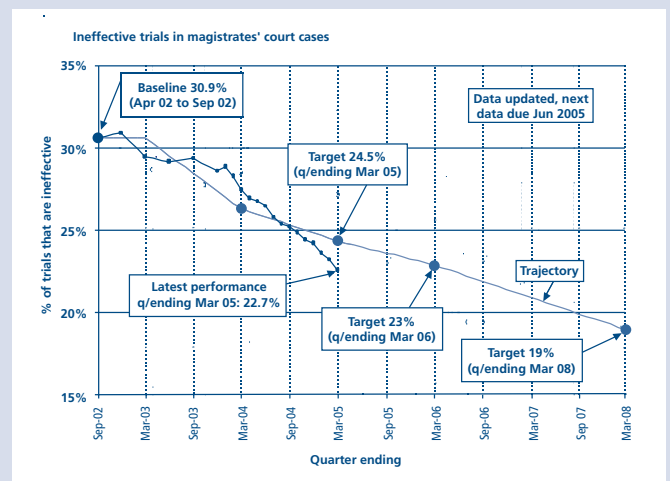
Crown Court

On course. Latest performance is an in-effective trial rate of 14.4% for the rolling quarter ending March 2005.

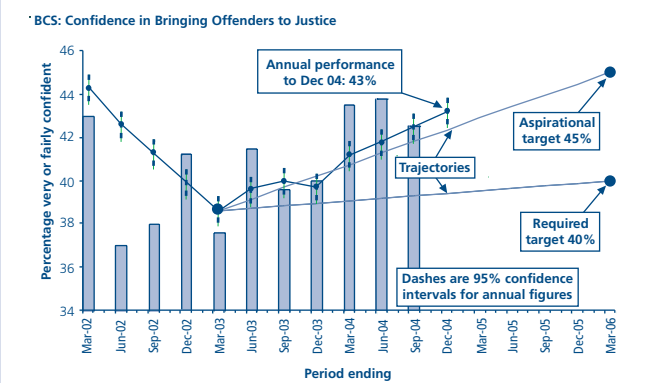


Magistrates Courts

On course. Latest performance is an in-effective trial rate of 22.7% for quarter ending March 2005.



Improving Public Confidence

Performance Measures	Latest Outturn
<p>Improve the level of public confidence in the Criminal Justice System.</p> <p><i>This will be met if, by the year ending March 2006, the level of public confidence has increased, compared to the baseline year ending March 2003.</i></p>	<p>Ahead of trajectory. For year ending December 2004 43% of people are very or fairly confident in the CJS bringing offenders to justice.</p> 
<p>– including increasing that of ethnic minority communities.</p> <p>This will be met if, by 2005/06, the level of confidence amongst black and minority ethnic people is statistically higher than that during the baseline year ending March 2003.</p>	<p>Ahead of trajectory.</p> <p>Baseline (British Crime Survey 2002-03): 49%</p> <p>Annual outturn (British Crime Survey 2003-04): 56%</p>

Performance Measures	Latest Outturn
<p>– increasing year on year the satisfaction of victims.</p> <p><i>This will be met if the level of satisfaction of victims increases year on year during April 2003 to March 2006, with the final year showing a statistically significant increase over the first year.</i></p>	<p>Baseline (British Crime Survey 2004): 59%</p> <p>First outturn (British Crime Survey 2005): due July 05</p> <p><i>This is measured using new BCS questions on victim satisfaction with the CJS, which were introduced in October 2003, together with questions on victim satisfaction with the police.</i></p>
<p>– increasing year on year the satisfaction of witnesses.</p> <p><i>This will be met if the level of satisfaction of witnesses increases year on year during the target period from April 2003 to March 2006, with the final year showing a statistically significant increase over the first year.</i></p>	<p>Baseline (British Crime Survey 2004): 57%</p> <p>First outturn (British Crime Survey 2005): due July 05</p> <p><i>This is measured using a new British Crime Survey question measuring witness satisfaction with the police which was introduced in October 2003.</i></p>
<p>– respecting the rights of defendants.</p>	<p>The rights of defendants are protected by law. Any evidence that a defendant's rights have been infringed would be thoroughly investigated.</p>

Increasing Value For Money

Performance Measures	Latest Outturn
<p>To increase value for money from the Criminal Justice System by 3% per annum.</p> <p><i>The CPS contribution to the target will be met if by year ending March 2006, there is an improvement in efficiency or value for money of at least 3% compared with the year ending March 2003.</i></p> <p>Some CPS-led initiatives have efficiency and value for money benefits for the police and the courts as well as the CPS.</p>	<p>There are no overarching CJS initiatives for this target. The CPS increased value for money and made efficiency savings for re-investment in frontline prosecution services through:</p> <ul style="list-style-type: none"> • the introduction of charging arrangements • use of the COMPASS Case Management System • increased use of Higher Court Advocates and Designated Caseworkers • improvements to the management of leases on the estate • improved terms from suppliers as a result of introducing on-line ordering and procurement.

Local Criminal Justice Boards (LCJBs) bring together Chief Officers of local criminal justice agencies to deliver the PSA targets in their Area, and drive through criminal justice reforms. Each LCJB has produced delivery plans for narrowing the justice gap, ineffective trials and public confidence and report on progress to the National Criminal Justice Board (NCJB). The DPP and the Chief Executive, along with the Home Secretary, Lord Chancellor and Attorney General and other criminal justice ministers are members of the NCJB.

The CPS also works closely with colleagues in the Office for Criminal Justice Reform (OCJR). The OCJR is a trilateral team that supports all criminal justice agencies in working together to provide an improved service to the public.

CPS Performance

People

As at 1 April 2005, the CPS employed 7,808⁵ people, including 2,723 frontline prosecutors (of whom 544 are Higher Court Advocates) and 4,427 legal caseworkers and support staff (of whom 233 are Designated Caseworkers). The remaining 658 staff are based in CPS Headquarters, Casework Directorate in London and York and in the 10 regional Service Centres providing Finance, HR and Facilities Management services.

⁵ Staff figures included in the core tables differ from this figure as they reflect the average staff in post throughout the year.

Workload

In 2004-05 the CPS provided pre-charge decisions in 441,194 cases, and prosecuted 1,168,078 defendants in magistrates' courts and a further 94,737 in the Crown Court. In addition, the Service dealt with 11,960 appeals and 19,672 committals for sentence.

Case Outcomes

The CPS achieved continuing improvements in casework performance: unsuccessful outcomes fell from 21.4% of the total in 2003-04 to 19.6% in 2004-05. In magistrates' courts 943,438 defendant cases resulted in a conviction, 98% of all cases proceeding to a hearing. A further 71,813 defendant cases resulted in a conviction in the Crown Court, 90% of cases proceeding to a hearing.

Resources

The CPS budget for 2003-04 to 2005-06 was set in SR2002. Expenditure in 2003-04 was £528 million and forecast expenditure for 2004-05 is £563 million. SR2004 was announced in July 2004 and set new expenditure plans and PSA targets for the CPS.

£ million	SR2002		SR 2004		
	2003-04 Outturn	2004-05 Forecast	2005-06	2006-07	2007-08
Administration Costs	52	57	58	58	58
Programme Costs	460	506	523	537	574
Total	512	563	581	595	632

Over the three years up to 2007-08, the SR2004 settlement represents an average increase in real terms of 3 per cent a year. From 2005-06 onwards, HM Treasury has agreed to switch frontline costs, currently classified as administration costs, into programme costs and the figures above for 2004-05 have been re-aligned to reflect this change for comparison purposes.

The new spending plans require the CPS to:

- deliver more challenging PSA targets;
- pay for the costs of the rollout of full statutory charging across England and Wales over the next two years;
- improve the handling of victims and witnesses, promote their needs, ensure that victims' views are represented and enable both victims and witnesses to give evidence effectively; and
- deliver significant efficiency savings that amount to £15 million in 2005-06; £27 million in 2006-07 and £34 million in 2007-08.

New PSA Targets

The PSA targets, to be delivered in partnership by the CPS, the police, the courts, the Home Office and the DCA for 2005-08 are to:

- improve the delivery of justice by increasing the number of crimes for which an offender is brought to justice to 1.25 million for 2007-08; and
- reassure the public, reducing the fear of crime and anti-social behaviour, and building confidence in the CJS without compromising fairness.

Efficiency Plans

The CPS has agreed an efficiency plan to deliver the £34 million savings by March 2008 required as part of the SR2004 settlement with HM Treasury and the Office of Government Commerce. The plan includes savings from the implementation of the charging programme; improvements in productive time through the use of the COMPASS Case Management System; increased use of Higher Court Advocates (HCAs) and Designated Caseworkers (DCWs); rationalising administrative support functions provided through Service Centres; reducing sickness absence; improving procurement practices through e-commerce; and by exploiting the advantages of new technology in administration and front-line operations.

Departmental Investment Strategy

As part of SR2002, the CPS published a Departmental Investment Strategy (DIS). The strategy describes the Private Finance Initiative (PFI) agreement with LogicaCMG to provide CPS with effective information technology, electronic case management systems and the infrastructure to support cross CJS secure electronic file transmission. The DIS also describes CPS plans for the effective utilisation and rationalisation of the CPS accommodation estate.

Regulatory Impact Assessments

The CPS is not a regulatory department but does contribute to Home Office impact assessments on criminal justice legislation when appropriate.

Modernising the CPS

The CPS is working to become a world-class, independent prosecuting authority that delivers a valued public service by:

- strengthening the prosecution process to bring offenders to justice;
- championing justice and the rights of victims;
- inspiring the confidence of the communities we serve;
- driving change and delivery in the CJS;
- being renowned for fairness, excellent career opportunities and the commitment and skills of all its people; and
- having a strong capability to deliver.

Strengthening the Prosecution Process

Charging

Lord Justice Auld's Review of the Criminal Courts in October 2001 recommended that the CPS should take over responsibility for the decision to charge in all but minor cases.

Building on successful pilots and working in partnership with the Association of Chief Police Officers (ACPO) and local police forces, shadow and Statutory Charging arrangements are currently in place at 363 of the 373 police custody units across England and Wales with 266 of them providing some form of face-to-face advice. By November 2004, the CPS Areas had successfully implemented Statutory Charging Scheme arrangements in the 14 CJS Priority Areas and the remaining 28 Areas currently operating under 'shadow' charging arrangements will move to the Statutory Charging Scheme between April 2005 and March 2007.

The charging arrangements are already delivering considerable benefits, with prosecutors working closely with the police to build robust cases for prosecution that are helping to bring more offences to justice, increase guilty pleas and reduce the number of cases that are discontinued and not brought to court.

CPS Direct

As part of the new charging arrangements, the CPS has introduced CPS Direct, an out-of-hours telephone service that allows prosecutors to work from their own home to provide the police with charging advice through the night and at weekends. By March 2005, prosecutors working for CPS Direct had dealt with 120,401 out-of-hours calls from police forces and provided almost 62,480 formal advices on the charges to be applied. The service provided by CPS Direct will be extended to further CJS Areas as they move to the Statutory Scheme throughout 2005-06.

Prosecuting Serious, Organised and International Crime

The CPS will play a crucial role in providing high quality independent prosecution services to the Serious Organised Crime Agency (SOCA). The CPS is working in conjunction with Customs & Excise Prosecution Office (CEPO) (now HM Revenue & Customs Prosecution Office (RCPO)), the Home Office and the relevant law enforcement and intelligence agencies to develop the prosecution arrangements for this new service where a cadre of expert prosecutors will provide a dedicated prosecution service to SOCA. A shadow service will be provided from October 2005 ahead of SOCA becoming fully operational in April 2006.

Improving Disclosure

The CPS is building on the Joint Operational Instructions (JOPI) on disclosure, developed jointly with ACPO, by looking at disclosure arrangements in the prosecution of serious, organised and cross-border crimes. Guidance on such cases, which often involve foreign jurisdictions, multiple investigative authorities, sensitive material or public interest immunity, was produced in April 2005 and training courses for prosecutors and police officers will follow later in the year.

Championing Justice and the Rights of Victims

Assessing Casework Quality

CPS is now routinely using a self-assessment process to provide managers with assurance about the quality of casework being produced in their Area. The 'Casework Quality Assurance' scheme requires sample case files to be examined each month and be tested against a range of standard questions at key stages of the prosecution process. The scheme helps managers to identify casework that fails to meet a satisfactory standard and where further staff training, or development is required.

The scheme has been widely adopted across the CPS with almost 12,500 files being examined during 2003-04. The results of the monitoring indicate that a good level of casework quality is being maintained across the service, with over 95% of cases showing a proper application of the code, CPS Policy and charging standards.

Improving the service to vulnerable or intimidated witnesses

The CPS has been working closely with the OCJR and others to implement the package of measures proposed in the report *Speaking up for Justice*, many of which were contained in Part II of the Youth Justice and Criminal Evidence Act 1999. These include greater protection for rape victims; utilising video recorded statements for children under 17 and vulnerable adults; and TV links for children under 17, vulnerable adult witnesses and intimidated witnesses. Pilot projects on the use of intermediaries for vulnerable witnesses commenced in February 2004 and will be fully evaluated prior to national rollout.

Victim and Witness Care Project: 'No Witness: No Justice'

The No Witness: No Justice (NWNJ) project is a partnership between the Prime Minister's Office of Public Services Reform (OPSR), the CPS, ACPO and OCJR. The initiative aims to provide a more customer-focussed service to victims and witnesses and to improve their experience of the CJS. These enhanced services will enable more witnesses to give evidence and improve witness attendance at court. As a result NWNJ will reduce the rate of ineffective trials, and contribute to narrowing the justice gap and improving public confidence.

Independently evaluated pilots in Essex, Gwent, North Wales, West Midlands and South Yorkshire showed significant improvements, reducing the rate of ineffective trials by nearly 27% and increasing victim and witness satisfaction by almost six percent.

The NWNJ project is now rolling out across England and Wales, using £27million funding from the Government's Invest to Save budget. It will provide at least one witness care unit in each Criminal Justice Area by March 2005 and full coverage across England and Wales by December 2005.

Inspiring confidence in the Communities We Serve

Recovering Proceeds of Crime

The CPS continues to develop its approach to confiscation of assets following the introduction of the Proceeds of Crime Act 2002 (POCA), which increased the powers of the police and prosecutors to recover assets from criminals.

In the 11 months from April 2004 to February 2005, CPS has doubled the number of POCA confiscation and restraint orders obtained in the previous year. For the 2004-05 year up to February the CPS had secured over 2000 confiscation orders and 296 restraint orders and had collected over £15 million in respect of pre-POCA confiscation and compensation orders.

Tackling Anti-Social Behaviour

Following the launch of the Home Office Action Plan on Tackling Anti-Social Behaviour the CPS has appointed 14 specialist prosecutors in 'hot spot' Areas to concentrate on prosecuting anti-social behaviour and low-level disorder offences, and support local authorities in the application and enforcement of any breaches of those orders. This project has fundamentally changed the role of the prosecutor, allowing them to work more closely with their local communities, solving

problems, making informed judgements and giving appropriate considered advice to local agencies on the best way to tackle and prosecute anti-social problems.

Tackling Domestic Violence

The CPS continues to contribute to the Government's national strategy to tackle domestic violence, being represented at both Ministerial and official level on inter-departmental groups, and work on new legislation. Key elements of CPS policy on prosecuting cases of domestic violence include a greater focus on the victim's priorities of safety, support and information and, wherever possible, constructing cases for prosecution on the basis of evidence other than that of the victim.

A national network of Domestic Violence Co-ordinators across CPS Areas helps to share information and good practice across all CPS Areas. The CPS has set up a two year Domestic Violence Project where pilots in Gwent and Croydon are testing ways of bringing more offenders to justice in such crimes; improving victim and witness satisfaction and safety; evaluating with other departments the operation of five specialist domestic violence courts; and producing guidance on the use of expert testimony in domestic violence cases.

Prosecuting Racist and Religious Crime

The Attorney General and DPP launched the CPS Policy on Prosecuting Racist & Religious Crime in July 2003. HMCPSI conducted a follow-up review in April 2004 and found significant improvements in the prosecution of these crimes compared to an initial review in 2002. In 2005-06 the CPS will review performance in the prosecution of hate crimes including racist and religious crimes compared to a comparable class of non-hate crimes.

Racist Incident Monitoring

The CPS Racist Incident Monitoring Annual Report for the year ending March 2004 was published in January 2005. The report noted the following details:

- the number of defendant cases received from the police was 4,728 compared with 4,192 the previous year, an increase of 12.8%;
- there was sufficient evidence to prosecute in 76% of cases, a 2% increase; and
- the overall conviction rate rose from 84% to 86%.

Homophobic Crime

Work has continued over the past year to implement the CPS homophobic crime policy, with a particular emphasis over the past year on establishing local homophobic crime coordinators and delivering a national training programme on handling such cases.

Community Engagement

The CPS is developing its approach to community engagement through three pilots, which will inform good practice and a wider community engagement strategy. In addition the DPP and the Chief Executive undertook a series of community engagement meetings with BME groups, Women's groups, Faith Groups, Muslim groups and Secular groups starting last summer and running into the autumn.

Improving Communications

To support the work of Area Communications Managers the CPS and HMCPsi jointly issued good practice guidance on communications, providing information on how best to inform local communities of the work of the CPS and improve public confidence. The improved CPS website was commended for its content and accessibility to the whole community and was recently ranked in the top five in an independent review of all government web sites.

Freedom of Information

The CPS met the requirements for access and provision of information that came into force on the 1st January 2005 as a result of the Freedom of Information Act. As part of its preparation, the CPS produced an Essential Guidance leaflet for all staff and trained key staff in every Area to manage requests for information. At the end of January, the CPS had dealt with 68 requests under the Freedom of Information Act, of which 97% were completed within the twenty-day time limit.

Representative Workforce

The CPS has exceeded the Civil Service benchmarks for employees from BME groups, women and those with a disability:

- 12% of CPS staff have declared themselves to be from BME communities compared with a Civil Service benchmark of 8%.
- 66.8% of permanent staff are female compared with 52.3% in 2003. This is 14.5% above the Civil Service benchmark.
- 4.2% are disabled which is 0.8% above the Civil Service benchmark.

As well as meeting Cabinet Office diversity targets for the Senior Civil Service (SCS), the CPS has also made significant strides both in CCP appointments and on wider workforce diversity in recent years. As at 31 March 2005, 14% of CCPs are of BME origin. Alongside this, the Service has continued to make steady progress on overall workforce diversity and now has amongst the most diverse workforce in Whitehall in terms of disability, ethnicity and gender.

While the representative workforce of the CPS compares well with other public sector organisations, the Service remains committed to far reaching improvements in equalities in employment. The CPS continues to work in partnership with the Commission for Racial Equality (CRE) to maintain and develop a workforce that is representative of the communities it serves.

Driving Change and Delivery in the Criminal Justice System

Effective Trial Management

The CPS has been working with DCA and other CJS agencies on the Effective Trial Management Programme and in the production of the Criminal Case Management Framework (CCMF). This was published in July 2004 with the endorsement of the Lord Chief Justice and senior CJS Ministers. CCMF articulates the roles and responsibilities of the agencies in bringing offenders to justice by helping to improve case preparation and progression from charge to finalisation.

The framework is currently being introduced in all 42 Areas as part of the overall strategy to reduce the number of ineffective trials in the Crown Court and in magistrates' courts.

Street Crime

The CPS has worked together with the police, courts and others to target street crime in ten 'hot spot' street crime Areas – Thames Valley, West Midlands, West Yorkshire, South Yorkshire, Nottinghamshire, Avon and Somerset, Greater Manchester, Lancashire, London and Merseyside. This partnership has reduced the average weekly rate of robberies by 39% compared with April 2002 and resulted in a significant and sustained reduction in the number of ineffective street crime trials.

The Street Crime Initiative has afforded us the opportunity to view the whole of the CJS through the focus of the crime of robbery. The lessons that we are learning through the Initiative are being applied to other crime types, so that performance across the CJS as a whole can be improved.

Prolific and Priority Offenders

The CPS is contributing to delivery of the Prolific and Priority Offender Strategy, which was launched in September 2004 and is based on lessons learnt in the Persistent Offender Programme and from successful local schemes. There are three strands to the strategy: prevent and deter; catch and convict; rehabilitate and resettle. The aim of the strategy is for local Crime and Disorder Reduction Partnerships to identify and work with Criminal Justice Agencies to bring to justice those offenders who are causing the most harm to their communities.

Drug Intervention Programme

The Drug Intervention Programme involves CPS, Criminal Justice Agencies and the National Treatment Agency working together with other service providers to offer a way out for offenders committing crime to fund their drug habit. At a local level, Drug Action Teams use a case management approach to offer access to treatment and support. Beginning with an offender being tested for class 'A' drugs while in custody, the CPS uses a positive test result in court at bail and sentence hearings to encourage the offender to enter a treatment programme. Since 2003 the programme has rolled out to 64 police Basic Command Units that have high levels of acquisitive crime in England and Wales. A further 32 sites will be added from April 2005.

Prosecution Team Performance Management

The CPS is working closely with ACPO to introduce a joint performance management system that will enable the Police and CPS to monitor and improve cases that are brought for prosecution. Building on the existing CPS Case Management IT System, the Prosecution Team Performance Management (PTPM) arrangements will provide detailed data at Divisional Police level to monitor performance of cases handled both at the pre-charge and post-charge stage. PTPM is currently being piloted in four Forces/Areas, and subject to successful evaluation will be rolled out nationally from May 2005.

Joint performance with the courts

The CPS works with the Court Service in both magistrates' courts and the Crown Court to undertake joint monitoring and analysis of reasons why cases listed for trial do not proceed as planned. This may occur because the trial 'cracks' (on the day the case is listed for trial the prosecution does not proceed with the case or the defendant pleads guilty), or because it is ineffective (the trial has to be adjourned to another day). It is a CJS priority to reduce the number of cracked and ineffective trials because they hinder efficient management of cases, cause distress to victims and witnesses and are a waste of valuable resources.

Working with the Bar

The Bar is a major service provider of advocacy to CPS, in both the Crown Court and magistrates' courts. On a Circuit basis, senior CPS and Bar representatives have regular dialogue in Joint Advocate Selection Committees. Discussions cover a wide range of issues and take forward joint local initiatives such as more effective procedures when selecting advocates for cases and the development of induction programmes for pupil barristers. Senior representatives from CPS and the Bar also meet at six-monthly liaison meetings to discuss a broad agenda of criminal justice matters.

Developing Criminal Justice Information Technology

The CPS is working closely with PITO (Police IT Organisation) and CJIT (Criminal Justice IT) and has developed an electronic interface between the police National Strategy for Police Information Systems (NSPIS), Case Preparation and the COMPASS Case Management System. This interface will be a key step in maximising the use of electronic case files throughout the CJS and a significant move towards achieving a modernised, joined-up criminal justice IT system. The first national connection between police and CPS systems is currently being tested in Humberside.

Secure email has been introduced across the CJS, allowing criminal justice practitioners to communicate and exchange case information securely. The CJS has extended this facility to barristers and solicitors in private practice in order to speed up overall case management and preparation for court.

In conjunction with the police and CJIT, the Service is piloting the electronic transfer of case information between the police and the CPS and the use of CJS Exchange to share information immediately and electronically with other partners in the system. This will remove the substantial burden of inputting the same data into both police and CPS systems.

The CPS is working with the Crown Court to roll-out the Exchange of Hearing Information By Internet Technology (Xhibit) that provides up to date listing and results information for the CPS and for victims and witnesses at court. The Service is also working with other prosecuting authorities and with colleagues in DCA to explore opportunities for making wider use of electronic tools such as the electronic presentation of evidence.

Excellent Career Opportunities with Skilled and Committed Staff

Recruiting and developing our people

The CPS has improved recruitment policies and procedures with the aim of driving up the standard of new entrants whilst reducing costs and the overall time taken to recruit staff to ten weeks. A new recruitment process was introduced in June 2004 and is supported by an "online" system. The recruitment initiatives are also complemented by new induction and innovative learning packages such as the prosecution college lawyer induction, which includes online as well as one-to-one modules. These courses have been rolled out progressively throughout 2004-05.

During 2004 the CPS was short listed in the Guardian/CIPD recruitment awards in the categories of Best Management Advertisement and Best Professional Advertisement.

During the last 12 months, the CPS made the following number of appointments on either a permanent or fixed term basis:

CPS Appointments January - December 2004				
Level	Total	Female	Ethnic Minority	Appointees who meet the definition of disability under the DDA 1995
Pay Band A1	159	119	18	0
Pay Band A2	119	91	12	1
Pay Band B1	35	25	2	2
Pay Band B2	28	21	3	0
Pay Band B3	4	2	0	0
Pay Band C1	173	119	38	0
Pay Band C2	111	58	10	0
Level D	7	3	1	0
Level E	3	2	0	0
SCS	1	0	0	0
CCP	1	1	0	0
Total	641	441	84	3

Please note these figures exclude casuals and temporary members of staff.

Pay tables

SCS pay including Chief Crown Prosecutors (CCPs) and London Sector Business Mangers (SBMs) as at 1st April 2004.

Salary Range	SCS	CCP/SBM	TOTAL
£55,000 – £59,999	1		
£60,000 – £64,999			
£65,000 – £69,999	7	3	10
£70,000 – £74,999	3	16	19
£75,000 – £79,999	5	2	7
£80,000 – £84,999	2	14	16
£85,000 – £89,999		3	3
£90,000 – £94,999	2	7	9
£95,000 – £99,999	2		2
£100,000 – £104,999			
£105,000 – £109,999	1		1
£110,000 – £114,999			
£115,000 – £119,999		1	1
£120,000 – £124,999			
£125,000 – £129,999	1		1
£130,000 – £134,999			
£135,000 – £139,999			
£140,000 – £144,999			
£145,000 – £149,999			

Higher Court Advocates (HCAs) and Designated Caseworkers (DCWs)

The CPS is introducing an Advocacy Strategy Programme to work towards making the Service one that routinely conducts its own high-quality advocacy in all courts.

The Advocacy Strategy will build on the success of the Hertfordshire and Hampshire and Isle of Wight HCA Pathfinder Pilots, which were established in June 2004. Increased advocacy in Crown Court practice and procedure is providing HCAs with valuable front-line experience, enhancing their performance skills and delivering a high quality service to the Crown Court.

As part of the strategy the CPS is increasing both the number and use of DCWs in the magistrates' courts. DCW's are prosecuting a range of straightforward cases allowing more CPS prosecutors to engage in more complicated trials in magistrates' courts and the Crown Court. The CPS plans to make available a further 200 training places for HCAs and 100 training places for DCWs in 2005-06.

Legal Scholarship Scheme

The CPS is investing £4.5million over three years in the Legal Scholarship Scheme to allow people from all backgrounds to begin a career in law. This investment will raise the number of Law Scholars from 315 to 330 as the scheme is extended to provide a full bursary to administration staff to gain legal qualifications. Within this scheme the CPS has 52 Legal Trainees undertaking their training contracts or pupillage with the Service.

In November 2004 the CPS won the Personnel Today award for innovation in career development for their work on the Law Scholarship Scheme.

An equal and diverse prosecution service

The CPS is transforming its reputation to be a beacon employer and prosecutor on equality and diversity issues. The first Race Equality Scheme produced by the CPS, and in particular the community consultation that underpinned it, was cited as good practice on consultation by the CRE. More recently the CPS was shortlisted in the Guardian Public Services Awards on equality and diversity and were runners up for this prestigious award.

Equality and Diversity Awards

Building on the success of recent years on equality and diversity the CPS won the Race Action Net Award in recognition of the community consultation underpinning the Racist and Religious Crimes Policy. Following this the National Audit Office (NAO) produced the first ever study of equality and diversity in Whitehall, and highlighted aspects of CPS work on equality and diversity as a good practice case study.

Leadership and development

The CPS leadership development programme 'Transform' has provided development programmes for all 45 Area and Sector Business Managers and new Chief Crown Prosecutors. Seventy-eight Unit Heads have also attended the Transform programme and a number are currently undertaking further development via the Advanced Professional Diploma in Leadership and Management with Leeds Metropolitan University. The CPS is also identifying new talent with 24 new and aspiring managers having completed the Institute of Leadership and Management's diploma.

Health and Safety

The programme to raise the profile of health and safety has continued through a range of measures including issuing "A personal guide for staff on health and safety" to all members of staff. The Health and Safety Team, supported by the Health and Safety Forum, has addressed a number of health and safety issues within the Department, including providing training, advice and risk assessments to CPS Direct.

Building the Capability to Deliver

Restructuring HQ

A programme of work to re-structure Human Resources (HR) Directorate was in place by the end of April 2005. This work will transform the Directorate to provide strong, professional, and IT-enabled support and advice to frontline managers and develop effective HR policies to support the Service's reform programme.

In January 2005 an implementation plan was put in place for Policy Directorate to become more pro-active and outward looking, with the introduction of Account Managers, responsible for influencing criminal justice legislation and reform in the Home Office and the DCA. The Business and Information Systems Directorate has streamlined its management team and increased the capability of the Directorate to provide information and communications technology support to the prosecution process; and to work with CJIT, the police and courts to join up CJS IT systems.

The Service is also responding to an independent review of CPS communications to develop a stronger approach to both internal and external communications to raise public awareness, confidence and trust in the CPS as a prosecutor and as an employer. The changes are also aimed at building corporate identity and pride in the CPS amongst all our people.

Rationalising Service Centres

The CPS has reviewed the way it provides support services to Areas and HQ. As a result, the Service is rationalising the existing ten Service Centres into four specialist centres for the provision of HR, Finance and Facilities Management services. These and linked changes to HR Directorate will provide improved local advice and support for Areas. The Service Centre rationalisation is allowing the CPS to relocate around 30 posts from the South East and meet commitments in the Lyons Review.

Improving Governance Arrangements

The CPS has revised its corporate governance arrangements, taking into account the findings from recent work by Cadbury and Higgs on governance generally, and work underway in HM Treasury on governance in public sector organisations.

As a result of the review, in late 2004 the CPS introduced revised governance arrangements, with a smaller, more strategic decision-making Board. In support of the Board, the CPS has introduced a Committee structure with significant CCP and ABM involvement and with an increased role for the three non-executive Directors. The new Board Committees cover responsibilities for: Policy, Strategy and Diversity; Finance; People and Equality; Delivery and Change; Information and Communications Technology; Professional Standards and Audit. Committees have the maximum delegated authority, and no major decisions on prosecution policies, new initiatives, HR, ICT or on investment decisions are made without going through the appropriate Committee or Board arrangements.

The revised governance structure will be reviewed towards the end of 2005, in the light of final HM Treasury guidance and lessons learned from the new arrangements so far.

Centre of Excellence (COE)

The Centre of Excellence aims to embed Project and Programme Management into the CPS by providing strategic oversight, scrutiny and challenge across the department's portfolio of programmes and projects, supporting individual programmes and projects, and improving the way the Service delivers using this methodology.

In November 2004 the CPS won an OGC Delivery award for significant success in the adoption and use of programme and project standards, best practice and skills. The award citation noted that the CPS has achieved significant success in tailoring a wide range of best practice products into valuable useful systems.

Sustainable Development

The CPS continues to incorporate sustainable development initiatives within the work of the department. The key objectives are:

- Integrating sustainable development into decision making;
- Raising awareness of sustainable development;
- Improving the performance of the estate.

The CPS Sustainable Development Policy, along with current information on the CPS Estate is published on the CPS website.

A Sustainable Development Action Plan, has been produced by the Sustainable Development Advisory Group, the Plan incorporates the requirements of the *Framework for Sustainable Development on the Government Estate*, with specific emphasis on issues particularly relevant to the CPS. As part of this group we are also considering our reporting of Sustainable Development within the Service.

The CPS continues to ensure that appropriate aspects of sustainable development are taken into account when evaluating suppliers for the provision of goods and services and will review its policy in the light of the new framework targets.

Improved Procurement

The CPS has continued to implement eProcurement for a range of goods and services resulting in significant value for money savings and process improvements. On-line ordering for the main commodities utilised by the Service have been successfully rolled out and so far three electronic tenders have been conducted reducing process costs for both bidders and the CPS.

A Law Officers' Departments Procurement Facilities Working Group has been established with a view to pursuing collaborative opportunities where these would lead to improved value for money. To date there has been collaboration on two procurement projects, on pension fund administrations and security guards.

The Service has embraced the procurement guidance issued by the CRE and conducted a survey of the diversity of its supplier base. Information obtained from this will assist in the development of strategies aimed at opening up procurement opportunities to the wider supplier community.

Exploiting Modern IT

The CPS is building on the COMPASS IT infrastructure and Case Management System developed in a PFI partnership with LogicaCMG to harness the potential of IT to deliver CPS business as effectively as possible.

The CPS has extended the COMPASS Case Management System to support prosecutors in providing pre-charge advice at police stations and those working at home to provide out-of-hours charging advice to the police through CPS Direct. The Service is also ensuring that caseworkers, prosecutors and managers use the system to its full potential to deliver the full range of benefits and efficiency savings that such electronic case management can provide.

The COMPASS Case Management System is being extended to support witness care arrangements through the NWNJ initiative. In addition, the Service is continuing to develop its financial management systems, is replacing its contract for the provision of telephony services, and is looking to improve document reproduction through a networked reprographics system. The Service is also extending the courses and training material that can be delivered over the intranet as part of the development of a 'Prosecution College' approach to training for all CPS people.

Estates Management

The CPS continues to contain accommodation costs through its Estates Management Strategy. During 2004-05, the CPS has also been working to reduce vacant space on its estate and a number of leases have been re-negotiated to secure a long-term presence at these locations in return for cost savings over the life of the leases. The projected accommodation costs per head for 2004-05 is £5,196. This represents a small increase of 1.5% on 2003-04, as estate improvements have required the CPS to take on short-term temporary accommodation.

Reducing sick absence

The CPS, along with other Government departments, continues to manage absence following the Cabinet Office's Working Well Together report published in 1998. The trend remains downward, with the average number of working days sick per employee falling to 8.2 days over the period of 12 months ending July 2004, down from 9.2 in the period of 12 months ending December 2003. Whilst this is just below the average for the Civil Service as a whole, the CPS loses 68,000 staff days a year because of sick absence. Work is underway to address and reduce sickness absence, including the new payroll system being able to provide real time data, and the guidance training and support that will help managers tackle sickness absence problems.

The CPS is also considering ways in which sickness absence might be addressed including more robust 'return to work' interviews.

Improving the management of prosecution costs

The CPS is working with the DCA on a shared strategy for defence and prosecution costs. As part of this strategy, the CPS is developing initiatives to deal with long running cases in various ways.

The CPS pays fees to barristers in Crown Court cases expected to last up to 25 days in length in accordance with the Graduated Fee Scheme. The CPS is introducing a Case Management Panel to have oversight of those cases at the very top end of the fee scale, which are likely to take 6 months or more at trial and/or which are likely to cost above £350,000 in total counsel fees. CCPs and Heads of Casework Divisions will take an active role in managing cases where trials are estimated to last for more than 8 weeks but less than 6 months. The CPS is also working closely with the Bar, the DCA and the Legal Services Commission to extend the Graduated Fee Scheme.

Forward Look

The CPS is continuing its comprehensive and challenging reform programme to become a world-class prosecuting authority and valued public service. These reforms are built on the CPS's values of fairness, impartiality and integrity: prosecuting criminal activity robustly, promptly and fairly so that the Service aims always for safe convictions in which the public can have confidence and which deliver justice for victims, witnesses and defendants.

The reforms will mean a more confident, strong and independent CPS, that people with an interest in justice and public service will want to join. This will be a CPS well-equipped to tackle all forms of crime, bring more offenders to justice and prevent offenders from profiting from their criminality. And it will be a CPS that is accountable for the service it delivers in making people more secure from anti-social behaviour and crime and in making local communities safer places to live and work.

Further Information

More information on the CPS, its contribution to PSA targets and to CJS reform and its modernisation plans are available at www.cps.gov.uk and from:

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Total public spending for The Crown Prosecution Service

£'000

	1999-00 Outturn	2000-01 Outturn	2001-02 Outturn	2002-03 Outturn	2003-04 Outturn	2004-05 Estimated	2005-06 Plans	2006-07 Plans	2007-08 Plans
Consumption of resources:									
Increase public confidence in the criminal justice system through fair, firm and effective prosecution	313,207	338,342	405,868	451,293	512,517	562,640	565,644	603,644	632,075
Total resource budget	313,207	338,342	405,868	451,293	512,517	562,640	565,644	603,644	632,075
<i>of which:</i>									
Resource DEL ^(1, 2, 3)	313,207	338,342	405,868	451,293	512,517	562,640	565,644	603,644	632,075
Capital spending:									
Increase public confidence in the criminal justice system through fair, firm and effective prosecution	3,287	12,984	21,340	5,528	7,370	8,029	7,400	7,400	7,400
Total capital budget	3,287	12,984	21,340	5,528	7,370	8,029	7,400	7,400	7,400
<i>of which:</i>									
Capital DEL ⁽²⁾	3,287	12,984	21,340	5,528	7,370	8,029	7,400	7,400	7,400
Total public spending ^(1, 2, 3)	312,657	346,372	397,445	454,919	517,535	566,213	567,988	605,988	634,419

⁽¹⁾ Departmental Expenditure Limits, set as part of the 2004 Spending Review

⁽²⁾ Total public spending calculated as the total of the resource budget plus the capital budget, less depreciation and impairment

⁽³⁾ Resources for 2005-06 reflects the Main Estimate position and does not include £18m funding for the Charging Programme that is currently held by the Home Office

Crown Prosecution Service: Capital Employed

£'000

	1999-00 Outturn	2000-01 Outturn	2001-02 Outturn	2002-03 Outturn	2003-04 Outturn	2004-05 Estimated	2005-06 Projected	2006-07 Projected	2007-08 Projected
Assets on balance at the end of the year									
Fixed Assets	13,005	19,874	12,094	15,678	20,898	23,610	21,716	28,840	29,658
<i>of which:</i>									
Land and buildings	3,845	3,901	3,903	3,564	3,378	4,116	4,023	3,682	3,684
Plant and machinery									
Vehicles									
Investments									
Intangible Assets	9,160	15,973	8,191	12,114	17,520	19,494	17,693	25,158	25,974
Current Assets	32,533	40,423	66,364	61,156	50,839	82,756	66,370	72,155	73,354
Creditors (<1 year)	-27,002	-30,627	-63,478	-68,588	-53,278	-72,573	-69,086	-72,433	-72,067
Creditors (>1 year)	-	-	-	-	-	-	-	-	-
Provisions	-8,446	-8,460	-13,055	-12,112	-11,467	-9,529	-12,500	12,500	12,500
Capital employed within main department	10,090	21,210	1,925	-3,866	6,992	24,264	6,500	16,062	18,445
NDPB net assets	-	-	-	-	-	-	-	-	-
Total capital employed in departmental group	10,090	21,210	1,925	-3,866	6,992	24,264	6,500	16,062	18,445

Administration costs for The Crown Prosecution Service

£'000

	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
	Outturn	Outturn	Outturn	Outturn	Outturn	Estimated	Plans	Plans	Plans
Gross administration costs:									
Other ⁽¹⁾	16,536	22,000	45,597	22,669	26,998	26,727	–	–	–
Paybill ⁽²⁾	13,195	14,671	18,836	21,574	26,357	31,693	–	–	–
Total gross administration costs	29,731	36,671	64,433	44,243	53,355	58,420	58,703	58,703	58,703
Related administration cost receipts	–930	–930	–1,650	–1,735	–1,650	–1,650	–750	–750	–750
Total net administration costs	28,801	35,741	62,783	42,508	51,705	56,770	57,953	57,953	57,953
Analysis by activity:									
Increase confidence in the criminal justice system through fair, firm and effective prosecution	28,801	35,741	62,783	42,508	51,705	56,770	57,953	57,953	57,953
Total net administration costs	28,801	35,741	62,783	42,508	51,705	56,770	57,953	57,953	57,953
Controls and limits:									
Administration costs limits (net) for gross controlled areas:									
The Crown Prosecution Service	28,801	35,741	62,783	42,508	51,705	56,770	57,953	57,953	57,953
Total net limits for gross controlled areas	28,801	35,741	62,783	42,508	51,705	56,770	57,953	57,953	57,953
Note: changes in definitions of administration cost limits, on net basis, since last year's Departmental Report									
Total net administration cost limits under SR2002 Spending Review	236,071	257,975	320,501	337,850	397,593	426,996	446,953	446,953	446,953
Less re-classification of frontline administration costs to programme expenditure as part of the SR2004 Spending Review settlement	–207,270	–222,234	–257,718	–295,342	–345,888	–370,226	–389,000	–389,000	–389,000
gives figures in table above	28,801	35,741	62,783	42,508	51,705	56,770	57,953	57,953	57,953

⁽¹⁾ 2001-02 includes £22 million exceptional impairment costs from the transfer of IT assets.

⁽²⁾ 2004-05 increase of £6 million is due to the review of administration costs.

Staff Numbers

Staff-Years

	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
	Actual	Actual	Actual	Actual	Actual	Actual	Estimated	Plans	Plans	Plans
Crown Prosecution Service:										
CS FTEs	5,447	5,648	5,564	6,240	6,680	7,257	7,375	7,456	7,480	7,642
Overtime	48	43	44	40	41	49	52	48	50	50
Casuals	184	193	211	270	313	357	363	367	368	376
Total	5,679	5,884	5,819	6,550	7,034	7,663	7,790	7,871	7,898	8,068

The Crown Prosecution Service's identifiable expenditure on services, by country and region

£ million

	1999-00 Outturn	2000-01 Outturn	2001-02 Outturn	2002-03 Outturn	2003-04 Outturn	2004-05 Plans	2005-06 Plans	2006-07 Plans	2007-08 Plans
North East	17.8	19.7	22.2	26.0	28.5	31.3	33.0	33.5	35.1
North West	48.9	55.8	58.4	67.7	78.8	85.0	88.0	89.5	95.2
Yorkshire and Humberside	31.0	31.2	36.3	42.0	50.8	56.4	57.9	59.2	62.8
East Midlands	20.2	25.8	29.4	32.8	35.8	38.5	41.4	41.6	44.3
West Midlands	29.4	35.8	41.6	44.6	41.9	45.9	49.9	52.1	55.5
South West	22.4	26.0	27.6	31.3	49.5	51.5	54.8	56.1	59.7
Eastern	24.8	27.7	34.0	36.4	33.0	37.7	38.8	38.8	41.2
London	60.3	62.6	73.1	94.1	60.7	65.9	68.3	70.0	74.4
South East	36.4	36.0	44.0	52.7	106.1	114.2	116.9	118.7	125.9
Total England	291.1	320.5	366.7	427.6	485.0	526.4	548.9	559.4	594.1
Scotland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wales	20.5	25.5	25.2	27.6	33.1	33.2	35.3	36.2	38.5
Northern Ireland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total UK identifiable expenditure	311.6	346.0	391.9	455.3	518.1	559.6	584.2	595.6	632.6
Outside UK	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total identifiable expenditure	311.6	346.0	391.9	455.3	518.1	559.6	584.2	595.6	632.6
Non-identifiable expenditure	0.0	0.0	0.0	0.0	0.0	0.0	28.1	28.1	28.1
Total expenditure on services	311.6	346.0	391.9	455.3	518.1	559.6	612.3	623.7	660.7

The Crown Prosecution Service's identifiable expenditure on services, by country and region, per head

£'s per head

	1999-00 Outturn	2000-01 Outturn	2001-02 Outturn	2002-03 Outturn	2003-04 Outturn	2004-05 Plans	2005-06 Plans	2006-07 Plans	2007-08 Plans
North East	7.0	7.7	8.8	10.2	11.2	12.4	13.0	13.2	13.9
North West	7.2	8.2	8.6	10.0	11.6	12.5	12.9	13.1	13.9
Yorkshire and Humberside	6.2	6.3	7.3	8.4	10.1	11.2	11.5	11.7	12.4
East Midlands	4.9	6.2	7.0	7.8	8.4	9.0	9.6	9.6	10.2
West Midlands	5.6	6.8	7.9	8.4	7.9	8.6	9.3	9.7	10.3
South West	4.6	5.3	5.6	6.3	9.9	10.2	10.8	11.0	11.6
Eastern	4.6	5.2	6.3	6.7	6.0	6.9	7.0	7.0	7.3
London	8.4	8.7	10.0	12.8	8.2	8.9	9.1	9.3	9.8
South East	4.6	4.5	5.5	6.5	13.1	14.1	14.3	14.5	15.3
Total England	5.9	6.5	7.4	8.6	9.7	10.5	10.9	11.1	11.7
Scotland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wales	7.1	8.8	8.7	9.5	11.2	11.2	11.9	12.1	12.9
Northern Ireland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total UK identifiable expenditure	5.3	5.9	6.6	7.7	8.7	9.4	9.7	9.9	10.5

The spending data shown in these tables is consistent with the country and regional analyses (CRA) published by HM Treasury in Public Expenditure Statistical Analyses (PESA). PESA contains more tables analysed by country and region, and also explains how the analysis was collected and the basis for allocating expenditure between countries and regions.

- The tables include the spending of the department and its NDPBs on payments to private sector and subsidies to public corporations. They do not include capital finance to public corporations but do include public corporations capital expenditure. They do not include payments to local authorities or local authorities own expenditure.
- The data are based on a subset of spending – identifiable expenditure on services – which is capable of being analysed as being for the benefit of individual countries and regions. Expenditure that is incurred for the benefit of the UK as a whole is excluded.
- The tables do not include depreciation, cost of capital charges or movements in provisions that are in DEL/AME. They do include salaries, procurement expenditure, capital expenditure and grants and subsidies paid to individuals and private sector enterprises.
- The figures were collected about three months before the figures in the other tables, and therefore may not show the latest position.
- Across government, most expenditure is not planned or allocated on a regional basis. Social security payments, for example, are paid to eligible individuals irrespective of where they live. Expenditure on other programmes is allocated by looking at how all the projects across the departments area of responsibility, usually England, compare. So the analysis shows the regional outcome of spending decisions that have on the whole not been made primarily on a regional basis.
- The functional categories used are the standard United Nations Classifications of the Functions of Government (COFOG) categories. This is not the same as the strategic priorities used elsewhere in the report.

The Crown Prosecution Service's identifiable expenditure on services, by function, country and region, for 2003-04		£ million																	
		North East	North West	Yorkshire and Humberside	East Midlands	West Midlands	South West	Eastern	London	South East	England	Scotland	Wales	Northern Ireland	UK identifiable expenditure	OUTSIDE UK	Total identifiable expenditure	Not identifiable	£'s Millions Totals
The Crown Prosecution Service																			
Public order and safety																			
Administration of justice	5.0	17.8	10.5	6.9	8.2	10.5	5.9	14.5	27.6	107.0	0.0	9.0	0.0	0.0	115.9	0.0	115.9	0.0	115.9
Other public order and safety	23.5	61.0	40.3	28.9	33.7	38.9	27.1	46.2	78.5	378.1	0.0	24.1	0.0	0.0	402.2	0.0	402.2	0.0	402.2
Total Public order and safety	28.5	78.8	50.8	35.8	41.9	49.5	33.0	60.7	106.1	485.0	0.0	33.1	0.0	0.0	518.1	0.0	518.1	0.0	518.1
Total for: The Crown Prosecution Service	28.5	78.8	50.8	35.8	41.9	49.5	33.0	60.7	106.1	485.0	0.0	33.1	0.0	0.0	518.1	0.0	518.1	0.0	518.1

2

Revenue and Customs Prosecutions Office (formerly Customs and Excise Prosecutions Office)

REVENUE and CUSTOMS PROSECUTIONS OFFICE

Introduction

The Revenue and Customs Prosecutions Office (RCPO) is a major Crown Court prosecutor, second only to the Crown Prosecution Service (CPS) in the number of cases it handles. In addition, it prosecutes a significant number of cases in the magistrates' courts. These prosecutions include many large and serious cases involving drugs, alcohol and tobacco smuggling, other types of large-scale fraud, money laundering, export control and sanctions violations.

These are offences that directly impact on the fabric of society, creating the misery of drugs on the streets and depriving public services of cash. By prosecuting the cases referred to it efficiently, effectively and in accordance with the Code for Crown Prosecutors, the RCPO plays an integral and important role in delivering key elements of the Governments' objectives of protecting tax revenues, tackling drugs and recovering the proceeds of crime.

Background

Customs and Excise prosecutions have been the subject of a number of reviews in recent years: the Butler report, the Gower Hammond review and most recently the Butterfield review.

Following the recommendation of the Gower Hammond review in April 2002, accountability for the prosecution function of Customs transferred to the Attorney General – although funding from April 2003 for the Customs and Excise Prosecutions Office (CEPO) was provided by way of a separate Request for Resource on the Main Estimate for HM Customs and Excise.

In July 2003, the Butterfield review of criminal investigations and prosecutions by HM Customs and Excise recommended that a fully independent prosecuting authority be established. In December 2003, on behalf of the Government, the Attorney General announced the creation of a fully independent prosecuting authority – to be known as the Revenue and Customs Prosecutions Office. The RCPO now carries out the criminal prosecution work previously undertaken by H M Customs and Excise, the Inland Revenue and the associated asset recovery.

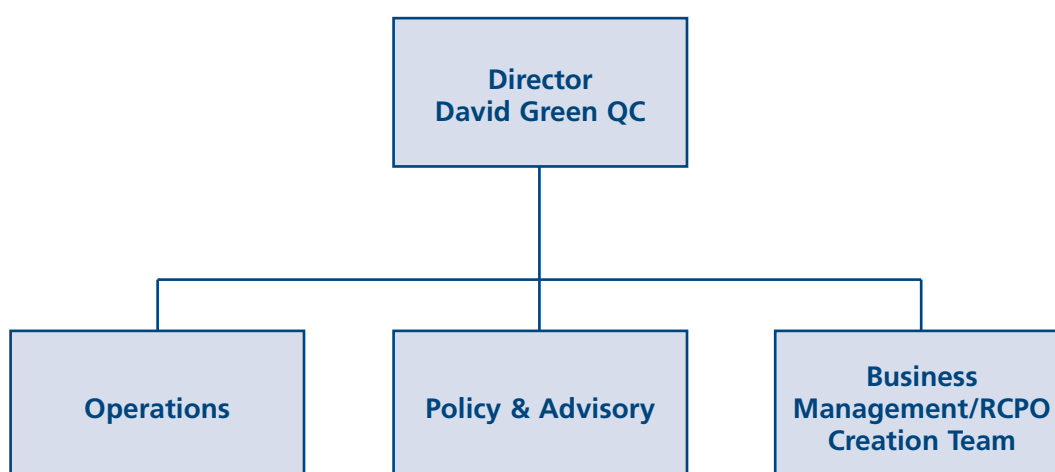
The Future

The Attorney General has appointed a new Director, David Green QC, to be the first Director of the RCPO. The Director manages a programme team which created the RCPO and now carries out the required Machinery of Government change. Following the necessary legislative change, the RCPO was created, by statute, in April 2005 and is responsible for carrying out criminal prosecutions for the new Her Majesty's Revenue and Customs (HMRC) and eventually for those cases investigated by the Serious Organised Crime Agency (SOCA) that would have traditionally been managed by HMRC.

For 2005-06, the RCPO is operating with an allocation of approximately 255 staff and operating budgets of £35million.

Work is currently underway to develop the RCPO's Aim and Core Values along with its Strategic Goals. These are linked to the Attorney's Five Year Plan and wider Government efficiency objectives. The organisation of the office is as below.

High Level Structure



In common with the other Law Officers' Departments the RCPO is focusing on three delivery priorities:

- Strengthening the prosecution process;
- Putting victims and witnesses at the heart of the process;
- Engaging with the communities it serves.

Although the RCPO will contribute to the latter two priorities, where appropriate, the main focus for the RCPO is on strengthening the prosecution process. This is because, as the prosecuting authority for HMRC, the "victim" is the taxpayer and society as a whole, for example, people who are exploited by drug dealers or those who suffer from drugs related crime. Prosecutions undertaken by the RCPO underpin HMRC's revenue collection and enforcement activity. Witnesses in RCPO cases are mainly, although not exclusively, HMRC employees who give evidence as part of their job. Similarly, the key community for the RCPO is the wider public rather than specific local communities and the RCPO's community engagement therefore tends to be through support of HMRC initiatives. However, in both the way it prosecutes its cases and its employment systems, the RCPO will eliminate unlawful discrimination, promote equality of opportunity and promote good relations between people of different racial groups.

The RCPO has close links with international law enforcement agencies, which it is building on to enhance co-operation and mutual understanding.

In addition to contributing towards Criminal Justice System PSA targets, as the prosecuting authority for HMRC, the RCPO will also support HMRC in the delivery of two of its top level objectives:

HMRC Objective I: Improve the extent to which individuals and businesses pay the tax due and receive the credits and payments to which they are entitled.

HMRC Objective III: Strengthen frontier protection against threats to the security, economic integrity and environment of the United Kingdom in a way that balances the need to maintain the UK as a competitive location in which to do business.

3

Serious Fraud Office Serious Fraud Office Tables

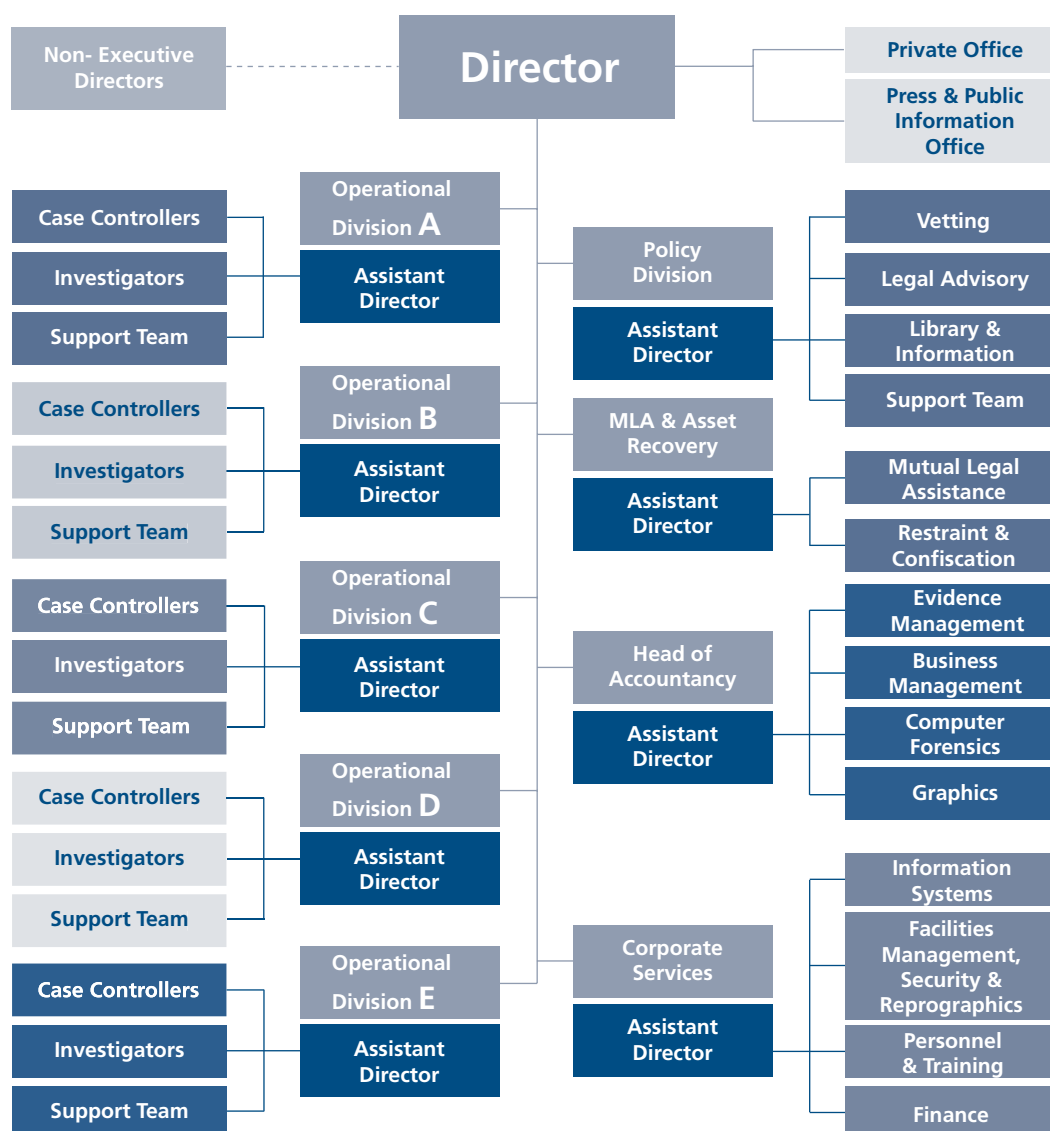
SERIOUS FRAUD OFFICE

Introduction

The Serious Fraud Office (SFO) was established by the Criminal Justice Act 1987, following the 1986 Roskill Report. Under that Act its role is to investigate and prosecute cases of serious or complex fraud in England, Wales and Northern Ireland and thus contribute to deterring such fraud. The Enterprise Act 2002 criminalised anti-competitive behaviour by individuals and the SFO has responsibility for the conduct of criminal prosecutions under this legislation. Cases will be referred to the SFO by the Office of Fair Trading (OFT), and the two Departments will work closely together during investigations and prosecutions. The SFO is headed by the Director, Robert Wardle, who acts under the superintendence of the Attorney General.

In exercising his statutory responsibilities under the Criminal Justice Act 1987, the Director is supported by the Management Board. The Board comprises the Director, three Non-Executive directors, five Assistant Directors in charge of operating divisions, the Assistant Director in charge of the Policy Division, the Assistant Director responsible for Restraint, Confiscation and Mutual Legal Assistance, the Head of Corporate Services (incorporating the role of Director of Finance) and the Head of Accountancy. Periodically, Association of Chief Police Officers (ACPO) representatives are invited to attend Board meetings. The role of the Management Board is to provide leadership and corporate direction to the work and staff of the SFO.

Management Structure



The SFO is part of the Criminal Justice System (CJS) and is affected by changes and developments in that system. To achieve its aims and objectives it must take into account and be part of developments in the wider world of law enforcement and financial regulation as well as acknowledging the financial parameters within which it must operate.

Aims and Objectives

Since the SFO became operational in 1988 and to 31 March 2005, 292 trials have taken place resulting in at least 1 person at a trial being convicted on 235 occasions (80%). These trials involved 644 defendants of whom 445 were convicted (69%). For the period 1 April 2004 to 31 March 2005 there were 22 trials involving 62 defendants completed, of whom 37 were convicted (60%).

The SFO's aims are to contribute to:

- reducing fraud and the cost of fraud;
- delivering justice and the rule of law;
- maintaining confidence in the UK's business and financial institutions.

To achieve these aims the SFO takes on appropriate cases and:

- investigates them and brings them to a successful conclusion as quickly as individual circumstances allow;
- when a decision to prosecute is made, prosecutes fairly and in a way that enables the jury to understand the issues.

In carrying out its aims and objectives, the SFO will:

- work efficiently and effectively;
- co-operate with other agencies and overseas jurisdictions;
- ensure that its activities, and the way they are reported, contributes to deterring fraud.

Targets

The key targets to be achieved in 2004-05 were:

- maintain a caseload of 85 active cases (including appeals) within allocated resources. The caseload at 31 March 2005 was 77;
- seek to achieve a long-run average investigation time of 16.5 months. The current time is 20 months;
- seek to achieve a long-run average prosecution stage length of 14.5 months. The current time is 17.5 months.

Additionally the following baseline measures are reported on:

- The proportion of cases reaching prosecution phase following investigation where an offence has been committed. An unusually low figure could raise questions about the effectiveness of vetting. The current long-run proportion is 90%;
- The long run rate showing defendants successfully prosecuted. This provides a quality check over time. The current long-run rate is 69%; the figure at 2003-04 was 70%. Although there is no 'right' long run rate, a reasonable expectation based on past performance is in the 60-75% range.
- In the context of SR2004 we continue to discuss with the Treasury a new target to measure the quality of the investigation and prosecution process. Current proposals are for a target on the number of defendants that go to a jury verdict.

Strengthening the Prosecution Process

The SFO is committed to reduce the length of investigation and prosecution phases by being more effective in those areas which it can more closely control. These include:

- rigorous vetting of cases referred to the Office;
- terminating investigations which are not likely to lead to a prosecution as quickly as possible;
- focussing the investigation on key offenders and key charges to avoid over-burdening the investigation and prosecution;
- transferring cases as quickly as possible to the Crown Court;
- ensuring cases are presented fairly, concisely and understandably; and continuously improving value for money;
- increasing the number of permanent staff within the office;
- introducing an improved evidence management system (DOCMAN) that will speed up the investigative phase and contribute to speeding up the prosecution phase; and
- collaboration and joined up working with partners within the CJS, particularly the City of London Police.

The statutory test for accepting cases is interpreted in the light of published criteria agreed by the Law Officers. The key criteria for the SFO to take on a case is that the suspected fraud was such that the direction of the investigation should be in the hands of those who would be responsible for the prosecution.

In determining whether the test is met the factors that would be taken into account include:

- cases where the monies at risk or lost are at least £1 million. (This is simply an objective and recognisable signpost of seriousness and likely public concern, rather than the main indicator of suitability);
- cases likely to give rise to national publicity and widespread public concern. These include frauds on government departments, public bodies, the governments of other countries and commercial cases of public interest;
- cases requiring highly specialised knowledge of, for example, financial markets and their practices;
- cases in which there is a significant international dimension;
- cases where legal, accountancy, and investigative skills need to be brought together; and
- cases which appear to be complex, and in which the use of Section 2 powers may be appropriate.

None of those factors, taken individually, should necessarily be regarded as conclusive.

The SFO already deals with money laundering offences arising out of investigations into serious and complex fraud, and is able to investigate any offence which involves such fraud. Offences such as money laundering and corruption feature in both current investigations and past prosecutions. Changes to the rules or jurisdiction for trying corruption offences and to the scope of money laundering offences are likely to increase the SFO caseload. These changes will also provide additional powers to investigate, restrain and recover the proceeds of criminal offences, including fraud. The planned national targets for asset recovery are likely to require additional SFO and police investigative effort and resources. The SFO places increasing emphasis on taking the profit out of crime.

As part of the government's plans to improve the response to fraud and following a joint initiative between the SFO, Home Office and the City of London Police, extra funds were allocated in 2004-05 to enable their Economic Crime Department to expand and take a lead policing role for fraud within London and the South East. In particular the City of London Police hope to be able to allocate up to 35 full time police officers to SFO cases, thus significantly contributing to the fight against fraud. Joint working discussions focussing on effectiveness, efficiency and logistics to support the change took place during the year and plans are now well advanced.

Building Strong Partnerships

A Memorandum of Understanding (MOU) with the Association of Chief Police Officers (ACPO) sets out the agreed approach to SFO investigations, and who will be responsible for different aspects of the work. Each division has an alignment with police forces in a geographical area although all take cases from the Metropolitan and City police forces.

A case may be referred to the SFO by the police, the Department of Trade and Industry, another government body or regulator, or sometimes by a liquidator or other statutory office holder. Each is considered by an Assistant Director to decide whether it fulfils the statutory test for acceptance. In some cases a preliminary investigation is conducted to establish whether the case will come within the criteria and whether there is a realistic prospect of the investigation resulting in a prosecution. Early referral of cases is encouraged. The Joint Vetting Committee (JVC), previously formed by the SFO and Crown Prosecution Service (CPS), has been expanded to include the DTI, the Police service, the Inland Revenue, HM Customs & Excise, the OFT, the Assets Recovery Agency and the Financial Services Authority (FSA). The JVC discusses cases and caseloads and provides a forum for discussing matters of mutual interest.

Criteria for referral of cases of mutual interest have been agreed between the FSA, the SFO, DTI, police, CPS and their counterparts in Scotland and Northern Ireland. Agreed guidelines provide a framework for dealing with cases where regulatory or administrative penalties rather than criminal prosecution appear more appropriate. The Financial Services and Markets Act 2000 included a number of criminal offences specifically designed to deal with investment fraud as well as administrative penalties for market manipulation. The SFO and FSA will continue to work closely together to prevent, deter and punish financial frauds in these areas.

Working with Bodies Overseas

The SFO prides itself on providing an effective and professional, mutual legal assistance service to overseas authorities and encourages personal communication with other prosecuting authorities throughout the world and we have a small specialist unit dealing exclusively with mutual legal assistance work.

MLA activity						
	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05
Requests received	35	52	56	39	30	35
Accepted	15	37	46	35	30	30
Under consideration (at end of year)	7	7	7	3	2	4
Supplementary requests	10	24	50	26	33	41
Number of Countries making requests	16	22	23	27	30	31
Section 2 Notices issued for MLA	109	141	262	181	261	206
Search Warrants executed for MLA	0	0	0	2	10	8

The trends in the table above show continuing levels of requests and strong supporting activity. The figures do not, however, include the assistance provided under Section 3 (5) of the Criminal Justice Act 1987, separate from our MLA obligations, to a number of foreign authorities who sought assistance from our operational divisions. Implementation of European directives under the Crime (International Co-operation) Act 2003 has brought about a number of changes to mutual legal assistance procedures in the UK. Through our contributions to the European Judicial Network we have offered advice and information to a number of foreign authorities who have sought help in obtaining as much assistance as possible from the UK. Such communication has steadily increased the quality of incoming letters of requests so that we receive a comprehensive account of the relevant facts of the investigation and a clear understanding of the assistance required.

Apart from operational assistance, the MLA Unit has also provided a number of formal presentations to representatives from countries including, Slovakia, Mauritius, China, St Vincent and the Grenadines, the Bahamas, Bermuda, British Virgin Islands, South Korea, Cameroon, Fiji, Ghana, Malawi, Malaysia, Nigeria, Swaziland, Tanzania, Zambia and Trinidad and Tobago.

Work to foster greater collaboration between the SFO and other law enforcement agencies in the UK continues. During the year, the MLA Unit has continued to work closely with HM Customs & Excise, CPS, the FSA and the Inland Revenue. The Metropolitan Police continue to offer us support when we are required to undertake searches on behalf of a foreign authority. Annual meetings with lawyers and senior Police officers from these agencies at the Home Office establish better contacts, limit duplication and encourage provision for sharing information on various levels. The SFO will continue to be a leading authority in the field of international mutual legal assistance and assist foreign authorities to investigate and prosecute these criminals in matters of serious and complex fraud.

Management and Operations

The SFO has a multi-disciplinary approach to the investigation and prosecution of serious and complex fraud. Each case is allocated to a team that includes lawyers, accountants and specialist financial investigators, information technology and other specialists, law clerks and police officers. The SFO makes extensive use of private sector expertise as necessary, for example employing private sector accountants to assist in investigations and using counsel to prosecute.

Each operating division is made up of lawyers, accountants and other specialist financial investigators and support staff. Inter-disciplinary teams, each headed by a case controller, are formed from within operating divisions to deal with cases allotted to them, and case budgets are delegated. Management information systems provide the Director with information on case budgets, expenditure, timetables and he meets with each division monthly to discuss the cases and their progress.

The SFO operates a delegated budgeting system to encourage value for money, and budgeting rounds are held two or three times a year. Case budgets are delegated to case controllers and are reviewed as necessary in the light of changes in case plans and the SFO undertakes monthly reviews of expenditure throughout the financial year to ensure that expenditure stays within provision. Working procedures and management information needs are part of the strategic reviews that are continuing.

Systems for risk management are in place and regular reviews take place at the relevant levels within the organisation. The Management Board regularly monitor the identified key risks to the organisation. It is aided in this by the work of the Audit Committee which promotes and provides support on key overall corporate governance issues to the Board and Director. Development of financial and information systems continues and these will improve the management and delivery of the SFO aim and objectives. Improvements are planned to provide capture and dissemination of more timely and accurate information to managers within the SFO to support decision making, the achievement of objectives and accountability.

The SFO seeks to achieve a cost-effective balance between permanent and temporary staff and keeps its staffing plans under review so that staff numbers can be accommodated within administration costs provision. The increased resources allocated in the SR2002 settlement are now reflected in the increased staff in 2004-05 and planned increases for 2005-06. During 2004-2005, the SFO had ten members of the Senior Civil Service, falling within the salary bands indicated in the second table below.

Staff Numbers									
	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
Staff years	Actual	Actual	Actual	Actual	Actual	Actual	Plans	Plans	Plans
Civil service full Time equivalents	166	169	210	232	238	247	300	300	300
Overtime	2	1	3	2	2	2	2	2	2
Casuals	9	22	3	18	14	12	10	10	10
Total	177	192	216	252	254	261	312	312	312

Senior Civil Service Salaries	
£5,000 Bands	Number of staff
£65,000 – 69,999	1
£70,000 – 74,999	3
£75,000 – 79,999	3
£85,000 – 89,999	2
£150,000 – 154,999	1

Use of Information Technology

The Computer Forensic Unit (CFU) of the Serious Fraud Office is responsible for the acquisition and investigation of case relevant data from seized electronic devices. Nearly all SFO cases involve the analysis of computer data and the CFU contributes expertise and equipment to aid case investigators with this task. Keeping pace with technological change and especially with volumes of work is a constant challenge. The CFU continually strives to meet these challenges and is heavily involved in the research and development of new techniques. The SFO has increased the resource allocated to this area during 2004-05.

The DOCMAN system supports the Office's case work from the initial acquisition and creation of documents through to the presentation of the case in Court. It involves scanning all the case documents in to a computer system so that case workers work on images rather than paper documents. DOCMAN will provide enhanced capability to produce documentation sets needed for prosecution purposes. DOCMAN supports the control the office exerts on the provenance of its case materials. The Management Board took the final decision on acceptance and implementation of the DOCMAN system early in 2004-05, following the production of a business case, to support the key targets of reductions in the length of investigations and prosecutions. Development of the system took place during the year and is more is planned for the future, based on regular reviews and assessment of performance and project stage completion. At 31 March 2005 there were 17 cases on DOCMAN, of which 13 were fully using the live system.

The dependence of the SFO on information systems to carry out its daily operations continues to increase, particularly in relation to handling documentation, investigation and collaborative working. During the year work has continued on:

- the replacement of many desktop machines with laptops to support off-site working;
- continuous review of the information technology strategy to ensure best value and placement to be able to respond to continuing IT changes;
- rationalising the different types and versions of software used for investigation work and in the office, including a software applications and licensing audit;
- continuous review of security in accordance with government policy and the successful re-accreditation to the international standard ISO 17799;
- further revision and testing of Business Continuity Plans to reflect changes and required response capability;
- upgrades to finance system to provide further basis for improved management information and support decision making;
- advancing plans for HR records management, realigning of the recruitment strategy and processes and the successful change to a new payroll system provider;
- plans for electronic records management (ERM) and archiving to comply with central requirements and support access under the Data Protection Act and Freedom of Information (FOI) requests;

- extending collaborative work for the use of technology support and standards for electronic presentation of evidence in courts and proceedings; and
- implementing and reviewing strategy for an office-wide intranet and knowledge management initiatives.

Departmental Investment Strategy

The capital provision published in the SR2002 and confirmed by the SR 2004 settlement details the total available to the department for administrative capital. All current and capital expenditure supports core operational functionality and is planned, as far as possible, to take account of changing circumstances which may affect these operations, in advance of their occurrence. The SFO continues to seek value for money on all procurement and contracts. Given the small size of the SFO, this is most effectively carried out through maximising use of framework contracts set up by the Office of Government Commerce and continuing partnerships with other and larger public sector organisations that have dedicated resources working in these areas. The SFO is also looking at ways of leveraging better value through sharing of common services with sister organisations.

The SFO has not historically been asset rich. Headquarters office space is occupied on a full repairing lease and a programme of current maintenance expenditure to support and improve the fabric of the property has been agreed. With the planned increase in SFO permanent staff, Elm House has become incapable of supporting the SFO's space needs. As a short term measure the SFO has leased additional short term office space close to Elm House and has advanced its plans for meeting longer term accommodation needs. The additional capital provision available from 2004-05 was a step change and provided the opportunity for the office to reconsider its investment plans and to seek to provide the tools to further promote effectiveness and efficiency. As a component of this the capital employed by the SFO and plans for the future have an increasing impact on our ability to deliver the aims and objectives of the office (see table below).

Serious Fraud Office Capital Employed										
	1998-99 outturn	1999-00 outturn	2000-01 outturn	2001-02 outturn	2002-03 outturn	2003-04 outturn	2004-05 Provisional outturn	2005-06 plan	2006-07 plan	2007-08 plan
Assets on balance sheet at end of year:										
Fixed assets:										
Tangible of which:										
Other Equipment	28	39	42	42	54	67	140	130	200	300
Computer equipment	53	97	220	298	334	1,160	2,100	3,000	3,000	3,000
						168	190	200	200	200
	81	136	262	340	388	1,395	2,430	3,330	3,400	3,500
Current assets	215	3,496	1,168	780	4,621	2,627	2,740	2,000	2,000	2,000
Creditors (<1 year)	240	3,074	1,840	2,676	6,292	4,049	5,890	3,000	3,000	3,000
Provisions	126	348	307	353	379	289	290	270	270	270
Capital employed	-70	210	-717	-1,909	-1,662	-316	-1,010	2,060	2,130	2,230

Administration Budget

Expenditure on administration includes current costs and the costs of capital spending. Administration expenditure includes general costs associated with the running of the office and covers such items as staff costs, other general administrative expenditure, IT services and accommodation costs. Investigation and prosecution programme expenditure covers Counsel fees, witness expenses and other direct case investigation and prosecution costs. No specific provision to cover very large cases has been made in plans, since both the incidence and size of such cases is unpredictable and are the subject of individual negotiation with the Treasury. Details of the administration budget outturn and future plans are given in the table below.

Administration Budget for the Serious Fraud Office									£000
	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08
	Outturn	Outturn	Outturn	Outturn	Outturn	Estimated	Outturn	Outturn	Outturn
Administration Expenditure									
Other	5,785	6,596	7,286	7,297	7,645	14,940	12,717	12,744	12,744
Paybill	5,447	5,890	7,936	9,327	10,844	9,665	12,258	12,258	12,258
Total Administration Budget	11,226	12,486	15,222	16,618	18,489	24,605	24,975	25,002	25,002

Counsel Fees and Costs Awarded Against the SFO

Spending on counsel fees, a major component of programme expenditure and costs awarded against the SFO is given in the table below.

Counsel fees and costs awarded against the SFO								£000s
	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	
	Outturn	Outturn	Outturn	Outturn	Outturn	Provisional	Plan	
Counsel fees	2,461	3,320	4,322	4,000	4,306	3,300	4,340	
Costs awarded	0	0	0	0	18	98	0	

Environmental Issues

Along with other Law Officer's departments the SFO is working towards the targets set for sustainable development on the Government Estate. We continue to monitor energy consumption and strive to ensure that prudent use is made of these resources. The DOCMAN project and office IT strategy maintain our progression and commitment towards using less paper in the office environment and the presentation of our cases for trial. Environmental considerations form a part of our procurement process.

Staffing

As at 31 March 2005, the SFO had 272 permanent staff compared with 247 at April 2004. These figures exclude consultants, counsel employed on individual cases and police officers working within the Office.

Recruitment has been ongoing throughout the year, particularly in relation to investigative and support staff. There have been a number of occasions where permitted exceptions to fair and open competition have been used. The resource needs of SFO cases are such that it proves necessary, from time to time, to appoint staff on short term contracts, particularly to provide support to off-site case teams.

The SFO is committed to treating all applicants fairly and reasonably irrespective of their ethnic or national origin, sex, marital status, sexual orientation, religion or disability. Our processes are kept under regular review to ensure that any indicators of bias are highlighted and tackled. The SFO is similarly committed to treat all its employees fairly. The table below analyses staff by grade and shows the number of women, ethnic minority and disabled staff in post at 31 March 2005. During the year, the SFO constituted an Equality and Diversity Committee to promote and monitor these policies within the office.

Permanent women, ethnic minority and disabled staff				
Band	No. of posts	Women	Ethnic Minority	Disabled People
SCS	10	2	0	0
G7 – G6	69	30	8	3
HEO – SEO	69	21	12	4
EO	73	40	19	4
AO	51	33	15	1
Total	272	126	54	12

Human Resource Management

This year the SFO has continued its work to improve the way staff are managed, assessed and rewarded. It has:

- started to review the competency framework introduced for staff below the Senior Civil Service. The framework gives a clear statement of what is expected from staff, provides a more consistent approach to performance assessment and a more effective method of identifying development needs;
- continued the programme of mandatory diversity training for all members of staff to raise awareness of this important subject;
- successfully operated a Special Bonus Committee, formed from a cross section of staff, which meets regularly to consider nominations for special awards for work of particular merit;

- extended the scope of fluid grading within the office to fit needs and ensure responsiveness, with encouraging results;
- improved recruitment procedures to get better value for money, increased flexibility and shorter lead times; and
- completed a major review of training requirements designed to ensure the SFO has the staff better able to meet business needs.

Sickness Absences

The SFO continues to monitor sickness absence and referrals to its occupational health service are made in appropriate cases. Our absence figures for 2003 were an average of 9.1 days sick absence per permanent employee.

2002 Spending Review

The 2002 Spending Review was conducted fully in resource terms. It set plans for public spending for 2003-2004 to 2005-2006 and maintained a consistent target framework for the SFO. Additional resources were provided in the SR2002 settlement for financial years 2004-05 and 2005-06 totalling £9.9m (£2.9 million capital) and £14.9 million (£2.9 million capital) respectively. These figures allowed for an increase to the administration cost limit of £5 million and £8.5 million in each year respectively.

2004 Spending Review

The 2004 Spending Review was conducted fully in resource terms. It set plans for public spending for 2005-2006 to 2007-08. No additional resources were provided in the SR2004 settlement and it did not take account of any inflationary pressures. The SFO's SR2004 settlement incorporated Efficiency Review targets to make efficiency savings of £5.945 million within the settlement time-frame and applicable to three of the efficiency workstreams. The SFO has committed to deliver these, has put the necessary governance structures in place and will regularly review and publish progress against plans. The targets for efficiency workstreams are detailed in the table below and further details are published on the SFO website.

Efficiency Review Targets				
Efficiency Review Timeframe:				TOTALS
Year	2005-06	2006-07	2007-08	
Target efficiencies:	£m	£m	£m	£m
SR2004 Settlement	1.13	2.0	2.815	5.945
Efficiency By Workstream:				
Productive Time				
DOCMAN	0.3	0.6	1	1.9
Scanning	0.2	0.2	0.2	0.6
Electronic Presentation of Evidence	0.02	0.02	0.06	0.1
TOTAL	0.52	0.82	1.26	2.6
Procurement				
Consultants	0.05	0.05	0.15	0.25
FM	0.01	0.01	0.01	0.03
Accommodation	1.4	1.6	2.0	5.0
TOTAL	1.46	1.66	2.16	5.28
Corporate Services				
Recruitment	0.01	0.01	0.01	0.03
Temp Staff	0.04	0.04	0.04	0.12
TOTAL	0.05	0.05	0.05	0.15
Total Baseline Savings:	2.03	2.53	3.47	8.03

2004-05 Outturn

The provisional outturn for 2004-05 is £38.3 million, the same amount as in Estimates taking into account Winter and Spring Supplementary Estimates.

Total public spending for the SFO										£000
	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	
	Outturn	Outturn	Outturn	Outturn	Outturn	Estimated	Plans	Plans	Plans	
Consumption of resources:										
Reducing fraud and the risk of fraud, and delivering justice and the rule of law	15,847	19,636	23,030	26,214	27,791	38,255	35,775	35,802	35,802	
Total resource budget	15,847	19,636	23,030	26,214	27,791	38,255	35,775	35,802	35,802	
<i>of which:</i>										
Resource DEL	15,847	19,636	23,030	26,214	27,791	38,255	35,775	35,802	35,802	
Capital spending:										
Reducing fraud and the risk of fraud, and delivering justice and the rule of law	102	241	256	228	1,052	3,500	3,500	3,500	3,500	
Total capital budget	102	241	256	228	1,052	3,500	3,500	3,500	3,500	
<i>of which:</i>										
Capital DEL	102	241	256	228	1,052	3,500	3,500	3,500	3,500	
Total public spending⁽¹⁾	15,902	19,762	23,108	26,259	28,234	41,005	37,675	37,702	37,702	

⁽¹⁾Total public spending calculated as the total of the resource budget plus the capital budget, less depreciation.

Public Spending Plans and Regional Expenditure:

Public spending plans are shown in the table above. All SFO expenditure, by its nature, cannot be analysed by the country or region of the UK for whose benefit it has been expended except to say that expenditure is incurred mainly in London and the South East where the SFO headquarters is based.

Further Information

Further information on the work of the SFO may be obtained from:

Serious Fraud Office
Elm House
10-16 Elm Street
London WC1X 0BJ

Telephone number: 020 7239 7272
Fax number: 020 7837 1689
Website: www.sfo.gov.uk



4

Treasury Solicitor's Department
Treasury Solicitor's Office Tables
Attorney General's Office
HM Crown Prosecution Service Inspectorate

TREASURY SOLICITOR'S DEPARTMENT

Introduction

The Treasury Solicitor's Department Estimate covers the Treasury Solicitor's Department Agency (TSDA), which includes the Government Legal Service Secretariat (GLS Secretariat), the Attorney General's Office (AGO), and HM Crown Prosecution Service Inspectorate (HMCPPI).

TSDA provides legal services to Departments of central government and to other publicly funded bodies, and collects and manages bona vacantia on behalf of the Crown. TSDA's two main work streams are divided between Litigation and Advisory legal services.

GLS Secretariat supports the Treasury Solicitor in her role as Head of the Government Legal Service (GLS). It develops policies that enhance the reputation, effectiveness and corporate cohesiveness of the GLS.

The work of AGO and HMCPPI is described in separate sections below.

Receipts from Client Departments meet over 90 per cent of the costs of the work undertaken by TSDA (either through hourly fees or a per capita charge rate), and this part of the Estimate operates on net administration costs control. The public interest work undertaken by TSDA and the other areas of the Estimate are met by funds voted by Parliament.

Treasury Solicitor's Department Agency

TSDA was established as an Executive Agency in April 1996 and moved to net administration costs control in April 1999. The Agency is led by HM Procurator General and Treasury Solicitor (currently Dame Juliet Wheldon DCB QC), in the role of Agency Chief Executive.

The Agency's work

TSDA is structured to meet the needs of its clients. The work of each Division is summarised below.

Litigation Group provides civil litigation services to the majority of Government Departments and many other publicly funded bodies. It is one of the largest civil litigation practices in the country. Among its major areas of work are general administrative law; immigration; commercial and property litigation; personal injury and clinical negligence; planning; and charity matters. The Group also plays a major role in Public Inquiries. Its work often raises questions of constitutional importance, for example in the developing area of human rights. It instructs private sector barristers and solicitors to undertake work on cases where it is appropriate to do so; the fees paid for this work are known as operational costs in the Estimate. The Group recovers the majority of its costs by billing client Departments for its time. Work undertaken by the Group in the general public interest, as opposed to on the behalf of particular clients, is funded through the voted Estimate. The Group has budgeted for 313 staff for 2005-06.

Advisory Divisions provide legal advice to Ministers and officials of the Departments for Culture, Media and Sport; Department for Education and Skills; and HM Treasury. Each of these Divisions is co-located with the client. As of April 1st 2004, TSDA legal advisers located at the Ministry of Defence joined the Ministry of Defence staff. The Cabinet Office and Central Advisory Division (COCAD), based at the Agency's headquarters, provides legal advice to the Cabinet Office on domestic matters and advice to a number of smaller Departments and publicly funded bodies. In conjunction with the Employment and Commercial Contracts Group, COCAD also seeks to ensure a co-ordinated approach to employment law questions across Government Departments. Advisory services cover all aspects of client Departments' work, including drafting instructions for Parliamentary Counsel; preparing statutory instruments; working with client Departments on the development of policy; and assisting the passage of primary legislation. The full cost of advisory work is recovered from clients, through a mix of per capitation and hourly fee charging. The Advisory Divisions have budgeted for 114 staff for 2005-06.

Employment and Commercial Contracts Group is one of the largest employment practices in the country. It provides employment litigation and/or advisory services to Government Departments and other publicly funded bodies. The Group also gives advice to a number of Departments on general contractual issues through its Procurement and Commercial Contracts Team. In doing so, the team often makes use of external lawyers through L-Cat (a series of framework agreements under which selected firms of solicitors can perform legal services for Government Departments and other public bodies without the need for further competition). The Group also provides legal advice to the Office of Government Commerce on EC legislative proposals, infraction proceedings against the UK, and e-commerce generally. The costs of the Group are met by clients, through a mix of capitation and hourly fee charging. The Group has budgeted for 77 staff for 2005-06.

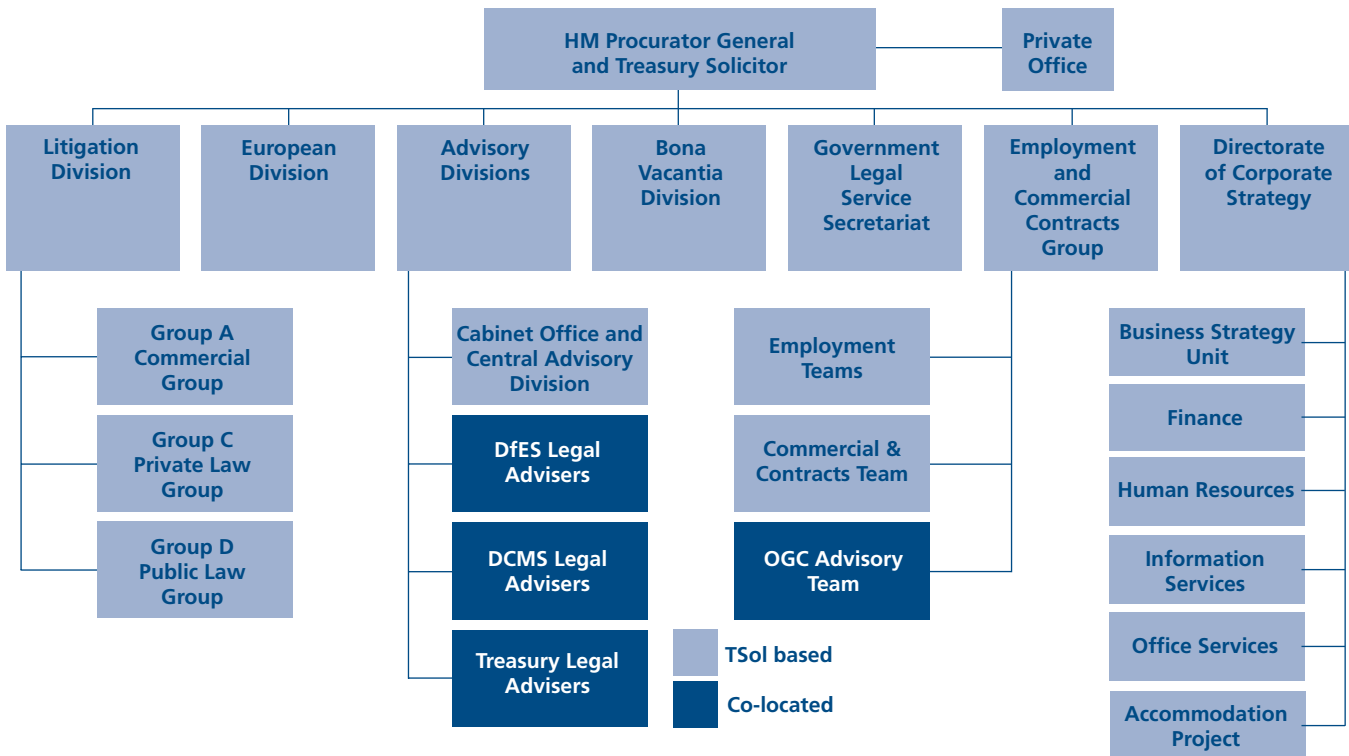
European Division provides and co-ordinates legal services in support of the Government's policies in relation to the European Union. It advises the European Secretariat of the Cabinet Office, conducts all litigation on behalf of the UK in the European Court of Justice, and through co-ordination seeks to ensure a consistent approach to questions of Community law across UK Government Departments and the Northern Ireland, Scottish and Welsh administrations. The Division also provides training on EU matters across the Government Legal Service. The cost of the Division's work has hitherto been funded by the Estimate. Alternative funding options are being explored. The Division has budgeted for 18 members of staff for 2005-06.

Bona Vacantia Division acts on behalf of the Crown to collect and dispose of ownerless assets. These arise from the estates of people who die intestate and without relatives entitled to inherit, and from dissolved companies in England and Wales (except for the Duchies of Cornwall and Lancaster). Similar duties in Northern Ireland are dealt with by the Crown Solicitor under the direction of the TSDA. 9000 new cases were dealt with in 2003-04 and a similar level in 2004-05. Receipts in 2003-04 were £35.6 million and are likely to be higher in 2004-05. £13.1 million was transferred to the Exchequer for bona vacantia collected during 2003-04 and £15.5 million for 2004-05. The costs of the Division are met from the assets collected. The Division has budgeted for 48 staff for 2005-06.

Government Legal Service Secretariat is a separate unit within TSDA whose purpose is to provide effective advice and support to the GLS and to the Treasury Solicitor (as Head of the GLS) in support of her role in providing leadership and strategic direction to the GLS. The aim of the Secretariat is to ensure that the GLS adds value over and above what can be provided departmentally through cost effective corporate arrangements for recruitment, career development and information sharing. The majority of the costs to the Secretariat are met by the Estimate, though it does charge other GLS departments direct costs of some of the services provided to them. The Secretariat has budgeted for 12 members of staff for 2005-06.

Directorate of Corporate Strategy (DOCS) has responsibility for planning and implementing strategic, business and policy development throughout the TSDA. It also provides business support services in the areas of financial management, human resources, information systems and office services. The Directorate's responsibilities underpin the TSDA's programme for modernisation and for re-investment of fee income into frontline staff serving clients. The cost of DOCS is apportioned over the operational areas of the TSDA and recovered, as appropriate, through charges to clients and from the Estimate. The Directorate has budgeted for 169 staff for 2005-06.

Management Structure



The Treasury Solicitor, as Chief Executive and Accounting Officer of TSDA is supported in delivering her responsibilities by the Supervisory and Executive Boards.

The Supervisory Board includes all of the TSDA's directors plus two Non Executive Directors. Its role is to advise the Chief Executive on the broad strategic direction of TSDA business and provide collective leadership across the department.

The Executive Board is a smaller group of directors representing different TSDA business areas - litigation, legal advice, and corporate services. Its role is to support the Chief Executive in managing the TSDA and delivering its business plan.

Internal Control

TSDA's senior management have implemented a programme of improvements in internal control and management systems. These include:

- Using the TSDA's Business Strategy Unit to co-ordinate and support senior management in risk management, business planning, programme management and performance measurement;
- Improved risk registers for individual Divisions and ensuring there is consistency between Divisional and TSDA's risk registers;
- A review of TSDA's client base, that resulted in the production of guidance for dealing with clients' legal risks.

TSDA has an Audit Committee which supports the Accounting Officer by monitoring and reviewing the department's risk, control and governance processes, and the associated assurance processes. The committee, which meets three times a year, comprises three independent advisers, one of whom chairs the committee, as well as nominated TSDA directors.

During 2004-05, the TSDA continued to focus on security matters and this will continue. A Security Committee in TSDA oversees security policy and practice, including IT security and Physical Audits. TSDA is compliant with the BS7799 standard for information security management.

Objective and aim

In the 2004-05 financial year the TSDA has looked again at its objective and aim, which has led to the prime objective being revised to be: **to provide high quality, value for money, legal services that meet the needs of our clients; to collect bona vacantia on behalf of the Crown; to give our staff the opportunity to develop themselves and their careers; and thus maintain a high reputation for TSol as a whole.**

And the updated aim is: **to be our client's best choice for the services we provide.**

TSDA has published a new Corporate Plan to cover the years 2005-2008. In this TSDA sets itself the target by the end of the 2007-08 financial year to be consistently seen by its clients as being their best choice – best choice not only choice. The TSDA wants its clients, in exercising their choice, to see TSDA as the right partner to work with, not the only partner.

This can be summed up by the diagram below, which takes the themes of Satisfied Clients, Satisfied Staff, and a High Reputation one stage further to include Best Practice Systems, and a recognition that TSDA's aim is at the heart of what it does.



To achieve this TSDA will focus on three key strategic areas:

- Satisfied clients;
- Satisfied staff; and
- Best practice systems.

Targets

One of the outputs from the 2002 Spending Review was a new set of performance targets for TSDA, agreed with the Attorney General and HM Treasury. The new targets, covering the areas of client service, cost, and Government productivity targets, came into effect 1 April 2003, were updated April 2004 and are designed to promote TSDA's strategy. The targets also reflect the increasingly competitive environment in which many parts of the Agency now operate, which in itself is a powerful impetus to improved performance.

The targets are kept under review to ensure that they drive TSDA's key aims of client service and value. They are:

for Client Service:

- To introduce a professionally informed client survey methodology for all the Agency's legal work

The revised survey methodology was implemented in 2004

- To meet client satisfaction levels as measured by survey results of
 - At least 95% for Advisory Divisions
 - At least 90% for Litigation Division and ECCG The 2004-05 target satisfaction levels have been rolled forward from the 2002-03 baselines. These baselines relate to the previous survey system and, following the introduction of new methodology for the 2003/04 surveys. Tougher, revised targets are being set against a new baseline.

for Cost:

- To recover from clients the full operating costs for chargeable services.
- To maintain corporate staff overhead costs at no more than 15% of total staff costs

for Government Productivity and Efficiency Targets:

- To reduce sick absence per staff year by 30% by 2004-05 (base year 1998/99)
- Achieve a level of ill-health retirements by 2005 consistent with or better than the best quartile target of 3.72 retirements per 1,000 employees
- To pay all undisputed supplier invoices in accordance with terms or within 30 days

Performance

TSDA's performance against target is outlined below:

Performance Measure	Outturn 2003-04	Outturn 2004-05
Client Service		
To meet client satisfaction levels as measured by survey results of 95% for Advisory Divisions, and 90% for Litigation Division and ECCG	99% Litigation 98% Advisory	99% Litigation 100% Advisory
Cost		
To maintain corporate staff overhead costs at no more than 15% of total staff costs,	13.94% (average)	12.5% (as at P9)
To recover from clients the full operating costs of chargeable services	Achieved	Achieved
Other Government-wide Efficiency Targets		
To reduce sick absence per staff year by 30% by 2003-04 (base year 1998-99)	40.4% reduction on base year	51% reduction on base year
Achieve a level of ill-health retirements by 2005 consistent with or better than the best quartile target of 3.72 retirements per 1,000 employees by 2005	1.39 per 1,000 (average)	1.39 per 1,000 (average)
To pay all undisputed supplier invoices in accordance with terms or within 30 days	91%	95%

Development Strategy

During the 2004-05 financial year TSDA has continued to base its development strategy on the 2003-2006 Corporate Plan, developed as a result of two key reviews undertaken with the assistance of external consultants: a review of business processes in Litigation Division and a review of the TSDA's Performance Measures. The Attorney General approved the Plan. TSDA has developed a revised Corporate Plan to cover the period 2005-06 to 2007-08.

As already mentioned, TSDA has revised its prime aim to be its clients' best choice and to that end the strategy being adopted is to strengthen and deepen relationships with existing and potential clients through the introduction of improved client focussed ways of working. This will be implemented through three major programmes:

- Client Care;
- Best Practice Systems; and
- Human Resources.

These programmes, which are described in more detail in the TSDA's 2005 – 2008 Corporate Plan, will take forward the considerable development of TSDA since its first Quinquennial Review in 2001. This has included: the appointment of Client Care Managers to increase awareness of the importance of delivering the right legal product in the way that will best help the client to meet their own objectives; significant development of Information Technology and other systems; and the introduction of greater management discipline. TSDA has also increased its role in the co-ordination of legal issues across Government as a whole, in particular through the inter-departmental LION (Legal Information On Line) intranet. All of this has provided a strong infrastructure on which to build.

For clarity the report below is on the delivery of major aspects of TSDA's improvement programme during the 2004-05 financial year under the new strategic headings.

Client Care (Satisfied Clients)

TSDA exists to support its clients in delivering their public service objectives. It has a senior Client Care Group that has taken forward a number of initiatives during 2004-05 to share and extend best client care practice across all areas of work. That Group will continue to monitor, and support the improvement of, client relationships in 2005-06.

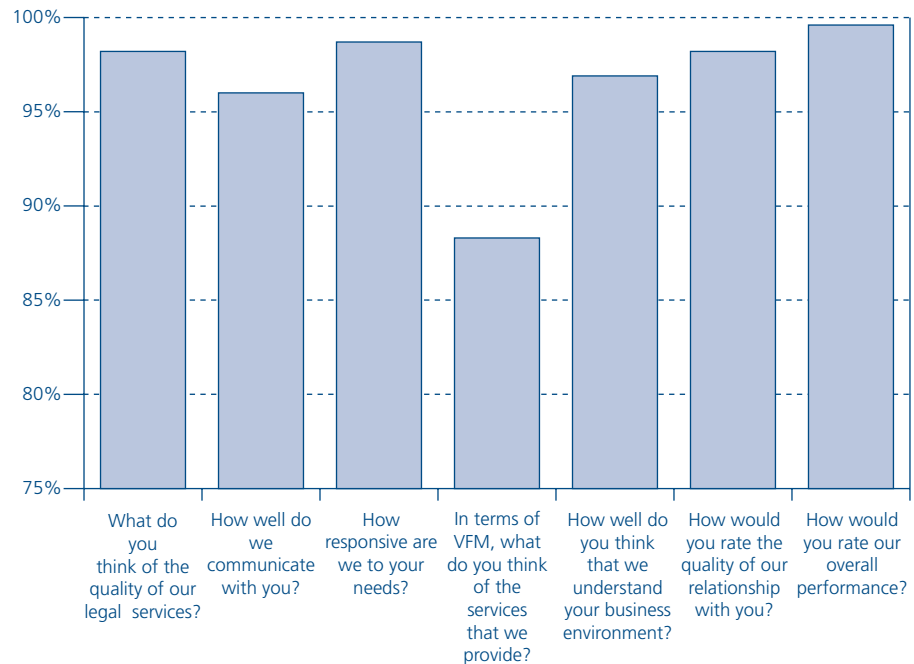
The Group supported the delivery of a number of specified priorities during 2004-05, including:

- The production and distribution of a client brochure, providing information on the range of products and services available to existing and potential clients;
- A review of TSDA Corporate identity, as recommended by the last Quinquennial Review, in order to present a more consistent and professional image to all stakeholders to reinforce the already high reputation. Implementation will occur in 2005-06;
- The development and implementation of new training and support arrangements for client-facing staff;
- A revised client satisfaction survey methodology, the results of which will allow for focussed improvements to the way services are delivered to clients;
- The development of a client care site on TSDA's Intranet to promote excellent client service and give easy access to guidance;
- The development of internal client care principles, standards and guidance – identifying the specific things each member of staff can do in the delivery of their work to provide top quality client care, and to embed these into best practice working practices; and
- Improving the range of additional services offered to clients to help them learn lessons from legal problems and to prevent potential problems from arising. Most notably in this area, the TSDA has produced a range of client newsletters, which focus on specific areas of law, and delivered many training events. Response from clients has been very positive, and there are plans to extend the range during 2005-06.

The graphs below show the results of the TSDA's most recent client satisfaction surveys, available at the time of printing.

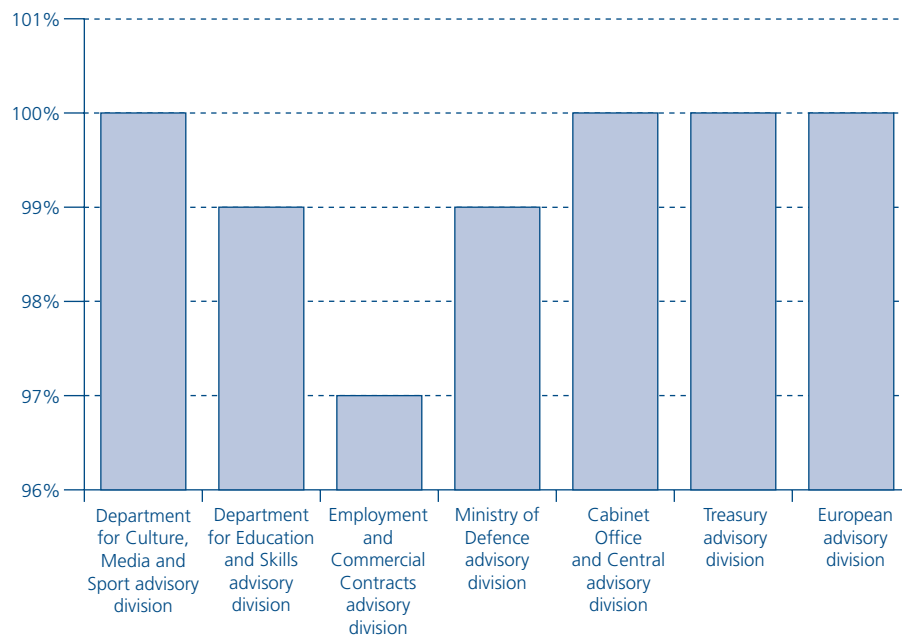
Litigation and ECCG

The graph below shows the percentage of clients satisfied in relation to the performance of Litigation and ECCG staff. These results were gathered in 2004, using the new client satisfaction survey methodology.



Advisory

The graph below shows the percentage of clients satisfied in relation to the performance of Litigation and ECCG staff. These results were gathered in 2004, using the new client satisfaction survey methodology.



Best Practice Systems

TSDA continues to drive forward a far-reaching programme of modernisation, the scope of which extends to work systems, the office environment and cultural change.

Modernising Casework

Modernising Casework, the TSDA's change programme which commenced during 2002-03 has established a more systematic approach to quality assurance across all of the TSDA's litigation casework and re-aligned the roles of Team Leaders and Case Officers to strengthen accountability and management responsibility for litigation cases building on existing good practice. These were implemented early in the financial year and have been more firmly and consistently embedded across TSDA.

TSDA had intended to introduce an electronic practice and case management system (PRACAMS) in 2005 but serious concerns about the proposed system and the ability of the project as a whole to deliver the expected benefits led to the project being terminated. TSDA is in the process of developing a new IS strategy.

Electronic Document and Records Management

A separate project will deliver electronic records management to the non litigation part of the business. This will contribute to TSDA meeting the Modernising Government requirement that all documents created electronically can be stored and managed electronically. The new system was piloted early in 2005 and will be rolled out during the year.

Accommodation

The decision was taken in November 2003 to relocate TSDA to offices near Kingsway, London, which had previously been occupied by National Air Traffic Services. Since that date the offices have been redesigned to meet TSDA requirements and refurbishment has commenced. The cost of this refurbishment will be met from the rent free period negotiated in the lease agreement with the CAA (TSDA's lessor). The existing offices in Queen Anne's Chambers in Broadway, London, will be vacated and the building sold either for redevelopment or for letting to another Government Department. The refurbishment of the new offices is well underway and relocation is expected towards the end of 2005. The new offices will provide a value for money, modern, flexible working environment with professional facilities to meet the needs of staff, clients and the development of TSDA's business.

Human Resources (Satisfied Staff)

TSDA relies on and values its staff and wants them to contribute fully and have the opportunity to develop. The TSDA is proud to be recognised as meeting the Investors in People standard.

It is critical that people in the Agency have the skills and support they need to perform to a consistently high standard. A key part of this is ensuring that those with management responsibilities have the leadership qualities to give direction and support at times of considerable challenge and change. The focus now is on using the Professional Skills for Government Framework to identify the full range of skills and experience required in TSDA and ensuring these are embedded in our job requirements, development provision and selection arrangements. This work is being developed in parallel with that being done for the Government Legal Service (GLS)

HR work is co-ordinated through an HR Group, chaired by the Treasury Solicitor. The work has included:

- Overseeing career development policies and succession planning;
- Planning and consideration of staff moves, postings, forthcoming vacancies and recruitment activity;
- Providing advice on the implementation of HR policies.

The continuous recruitment campaign for Government lawyers has enabled TSDA to reduce its reliance on temporary staff. It continues to use a limited proportion of temporary staff in both legal and administrative areas to cushion volatility in demand.

In addition, a number of interchange opportunities have been taken for developing staff through secondments (for example to Inquiries and private sector firms), European stages, detached national experts, and the Pegasus scholarship.

TSDA has built on the job profiles work carried out in 2003-04 in the Litigation Division. Work is progressing to extend these to Advisory Divisions and, in due course, to all administrative areas. The finalised profiles will incorporate Professional Skills for Government requirements. These profiles, defining key accountabilities and associated competencies, provide a foundation for further enhancement of key management processes, for example, performance management .

The second TSDA Staff Survey was completed in September 2004. This revealed progress since the first survey in 2003 on promoting flexible working patterns and other areas such as training provision continue to be rated highly. It also showed that momentum needed to be maintained in some of the areas identified in the first survey, for example, communications and recognition. The results inform the prioritisation of activity for 2005-06.

Value for Money

As the provider of civil litigation services across government, a key TSDA aim is to provide value for money to its clients. TSDA has a specific target to minimise overhead costs. It has taken a number of initiatives, such as building on the L-CAT partnership with OGC, in order to help client departments achieve value for money when purchasing legal services from the private sector.

In 2004-05 the Contracts and Procurement Section developed and implemented new Procurement Procedure Rules to ensure that risk is minimised and value for money maximised. The process provides a full audit trail and decreases the opportunity for challenge to our processes and supplier favouritism.

A Contract Management training course has been developed for officers and there has been increasing use of framework procurement contracts. E-Procurement strategy has been developed and standard procurement documentation instituted.

In addition, a review of consultants used within the TSDA has been conducted, and recommendations from the review are being implemented, to ensure that our temporary staff perform well, in terms of work produced and value for money. A value for money review of business support services was carried out in 2004-05.

Information Management

TSDA's electronic and record management project (eRIK) represents significant progress made in TSDA's drive towards improved information management. Automating such processes as records management will increase accessibility to key information, and provide efficiencies.

TSDA's intranet (TSOL) puts key information about TSDA in one place, in a user-friendly and searchable format. The site has continued to be used widely for TSDA communications, and has promoted a sense of community within the TSDA.

The core network and the firewall have been upgraded, to increase the capacity of the network and assure reliability.

TSDA has also played a key role in continuing to support and develop LION, the Government Legal Service-wide intranet. This has involved leading the procurement of legal information subscription services for 39 Government Departments and Agencies over three years.

Freedom of Information

TSDA has developed a process for dealing with requests under the FoI Act to ensure that the Agency is compliant with its obligations under the Act. A Supervisory Board member oversees each request and the Departmental Records Officer (DRO) co-ordinates responses. The DRO is supported by Information Liaison Officers who have been appointed to represent their team across TSDA.

Regulatory Reform Action Plan

TSDA is not a regulatory department and has no actions to be completed in the Action Plan.

Efficiency Programme

The Spending Review 2004 set specific efficiency targets for Treasury Solicitors Department of £0.3m in 2005-06, £0.6m in 2006-07 and £0.9m in 2007-08 against the baseline of 2004-05. TSDA's aim is to deliver these savings through, in particular, further improvements in efficiency in delivery of our corporate services, including transactional services, and in our procurement. Our target for workforce reductions resulting from these savings is 35 posts by the end of 2007-08, assuming 2004-05 business levels. In addition, our efficiency target on capital expenditure is £0.6m in 2007-08.

Providing value for money to clients is a key business aim for TSDA. It has had an efficiency target in respect of its corporate service overheads for a number of years – and has achieved more than this target in the last two years with outturns of 14% in 2003-04 and 12.5% in 2004-05 against a target of corporate staff overhead costs being no more than 15% of total staff costs. In addition in developing its services to clients TSDA aims to achieve the best value for money for them through initiatives such as framework agreements for the purchase of private sector legal services in partnership with OGC.

TSDA's efficiency plans for the next three years will build on this success. TSDA will:

- Review our corporate processes and services;
- Assess opportunities for joint procurement or sharing corporate services with other departments, particularly the other Law Officers' departments;
- Make maximum use of OGC framework contracts;
- Develop as appropriate other framework agreements for private sector legal services – for example in respect of debt recovery services.

2005-06 Resource Estimate

As can be seen from the core tables in the annex to this report, the TSDA's net administration costs for 2005-06 will decrease by £0.7m. This reflects the write-off of the PRACAMS project in 2004-05 and increase of staff costs for LSLO in 2004-05.

The TSDA also receives Voted funds to meet costs arising from its conduct of clients' legal work. These are known as operational costs and include payments to Counsel, expert witnesses and solicitor agents. The majority of these costs, estimated at £40m in 2005-06, are recovered from client Departments and the proceeds are Appropriated in Aid. Where such costs are incurred on cases undertaken in the general public interest, and are not therefore attributable to specific clients, they are charged to the Estimate (£1.8m in 2004-05).

The TSDA's Net Resource Requirement for 2005-06 is £13.8m. This is £3.2m less than 2004-05 for the reasons given above.

The levels of staff and the expenditure against each sub-head in the Estimate are summarised below:

Treasury Solicitor's Department Staff						
	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07
Core staff numbers	444	528	605	652	719	719
Gross administration costs	30,804	36,745	42,967	45,937	49,383	49,383
AGO						
Core staff numbers	35	33	36	41	50	50
Gross administration costs	2,694	3,066	3,312	4,123	4,642	4,642
HMCPSI						
Core staff numbers	44	44	43	46	52	52
Gross administration costs	3,000	3,278	3,485	4,036	4,084	4,084

Departmental Investment Strategy

The TDSA's investment strategy is directly linked to achieving its objectives. The total net book value of the TDSA's tangible fixed assets at 31 March 2004 was £28.5m, comprising £24.9m land and buildings and £0.6m IT equipment and furniture. This is expected to rise to £37m by 31 March 2005 and £41m by 31 March 2006.

In 2004-05 TSDA has continued its policy of investing in improving and developing systems to support its business. In particular, investment has been made in the following areas:

- The provision of a new hardware platform designed to provide a more resilient platform for other core systems;
- The upgrade of TSDA's accounting system to the latest version of the software; and
- The completion of work to implement a new network infrastructure including the re-cabling of QAC.

AGO continues with a contract negotiated by the Serious Fraud Office with IBM to provide a fully managed IT service. The CPS provides HMCPSI with IT services.

During 2004-05, TSDA continued work with the Office of Government Commerce to set-up a model Centre of Excellence for project and programme management delivery.

Human Resources Management

As at 1 April 2004 there were 660 staff in post in TSDA and AGO, of whom 113 were recorded as non-respondents or non-participants in the disability and ethnic origin surveys.

Of those staff in post 43% were male and 57% were female. Of those who participated in the disability and ethnic origin surveys, 4% declared a disability and 23.7% were from ethnic minorities.

There were 39 promotions in the year 1 April 2004 to 31 March 2005. Of those promoted none had declared a disability; 38% were male and 62% female. Of those promoted who declared their origin were 72% white and 28% ethnic minorities.

These figures do not include HMCPSP, who run their own equal opportunities policy and race equality scheme under the Race Relations Amendment Act 2000.

The TSDA met the Government's target to undertake an equal pay review by April 2003, and put in place new pay arrangements effective as of December 2003. The TSDA's Diversity Group and Human Resources branch are actively engaged in monitoring and reviewing the success of the scheme.

Paybill and Senior Civil Service (SCS)

More than 64% of the total gross administration costs for the Department are pay related. The paybill figure includes salaries paid to members of the SCS. On 1 April 2004 the SCS salaries were:

Salary Band £k	No. of Staff
50 – 54,999	1
55 – 59,999	4
60 – 64,999	11
65 – 69,999	10
70 – 74,999	18
75 – 79,999	7
80 – 84,999	3
85 – 89,999	5
90 – 94,999	2
95 – 99,999	1
100 – 104,999	5
105 – 109,999	1
110 – 114,999	1
115 – 124,999	0
125 – 134,999	0
135 – 144,999	0
145 – 149,999	0
150 – 154,999	1
TOTAL	70

Recruitment Information

The TSDA is bound by the Civil Service Commissioners rules on fair and open competition and selection on merit. Systems are subject to internal review and TSDA and LSLO were last audited on behalf of the Commissioners in May 1999.

Between 1 December 2003 and 31 March 2005, 104 new members of staff were recruited to the TSDA by means of fair and open competition.

Grade	Number	Male	Female	Ethnic Minority	Disabled
Grade 6	2	1	1	1	
Grade 7	49	17	32	3	
Legal Officer	28	10	18	5	
Legal Trainee	10	2	8	3	
Administrative Grades (SEO, HEO, EO, AO, PS and SGB)	15	5	10	4	
TOTAL	104	35	69	19	Below 5%

During the period specified above, exceptions to the OCSC Recruitment Code were used on eight occasions. Of these, four were extensions to casual contracts where projects or work on Public Inquiries had extended beyond the expected end date. These figures do not include HMCPSI, who run their own recruitment policies and practice.

The Environment

TSDA's business provides limited opportunity to subscribe directly to wider environmental policy formulation and to the Sustainable Development in Government initiative. The Solicitor General is the responsible Green Minister and TSDA, together with the other Law Officer's Departments, reports to her on all relevant issues.

TSDA has a Green Housekeeping Policy and a Green Transport Plan, which are kept under review and which all staff are encouraged to follow (e.g. energy efficiency, recycling paper, etc). The TSDA also recycles fluorescent tubes and toner cartridges and seeks to purchase environmentally friendly goods (e.g. recycled paper, cleaning consumables) and services (e.g. the GCDA Green Taxi service) wherever possible.

TSDA will, with other Law Officers' departments, be playing its part in meeting the targets set in the framework for Sustainable Development on the Government Estate.

Health & Safety

A Health and Safety Committee continues to work to ensure that Health and Safety issues within TSDA are handled within the principles of corporate governance as laid down by the revitalising Health and Safety initiative. The Committee's duties include keeping Health and Safety policy and practice under review; considering suggestions put forward by Committee members and staff more generally as to improvements in the department's Health and Safety regime; and promoting awareness of Health and Safety issues in order to encourage staff to achieve high safety standards.

TSDA is committed to maintaining levels of Health and Safety within Queen Anne's Chambers, although one of the drivers behind the move to new premises was the rising cost of this work.

COMMON CORE TABLES

Capital Employed

Capital employed for the HM Procurator General and Treasury Solicitor

	1998-99 outturn	1999-00 outturn	2000-01 outturn	2001-02 outturn	2002-03 outturn	2003-04 outturn	2004-05 projected	2005-06 projected
Assets on balance sheet at end of year:								
Fixed Assets								
Intangible	–	–	–	348	1,041	173	587	1,736
Tangible	23,276	27,445	27,155	28,170	27,493	28,522	31,898	40,517
<i>of which:</i>								
Freehold Land and Buildings	22,350	26,450	26,070	26,968	26,119	24,874	29,300	–
Leasehold Land and Buildings	460	550	558	571	550	522	700	–
IT Development	–	–	–	–	–	2,529	1,330	–
Computer Network	401	389	479	593	776	533	528	–
Fixtures and Fittings	65	56	48	38	48	64	40	–
Current Assets:	58,515	38,215	29,796	20,002	19,059	18,706	17,943	16,450
Creditors (<1 year)	-33,886	-17,895	-23,709	-13,516	-13,506	-9,427	-8,887	-7,840
Creditors (>1 year)	-22,479	-12,991	-4,504	-4,062	-3,811	-3,261	–	-4,113
Provisions	-22,479	-12,991	-4,504	-4,062	-3,811	-3,261	-3,120	-4,113
Capital Employed within main department	25,426	34,774	28,738	30,942	30,276	34,713	38,422	46,750
NDPB net assets	–	–	–	–	–	–	–	–
Capital Employed in departmental group	25,426	34,774	28,738	30,942	30,276	34,713	38,422	46,750

Administration Budget by Departments HM Procurator General and Treasury Solicitor

£'000	1999-00 Outturn	2000-01 Outturn	2001-02 Outturn	2002-03 Outturn	2003-04 Outturn	2004-05 Estimated	2005-06 Plans	2006-7 Plans	2007-08 Plans
Administration Expenditure									
Paybill	17,854	19,712	24,458	28,269	39,128	40,977	35,048	35,034	35,034
Other	8,608	8,861	12,040	14,820	10,636	13,119	11,286	11,273	11,273
Total	26,462	28,573	36,498	43,089	49,764	54,096	46,334	46,307	46,307
Administration Expenditure									
Administration Income	-21,625	-23,515	-29,923	-35,026	-42,219	-43,204	-36,113	-36,113	36,113
Total	4,837	5,058	6,575	8,063	7,545	10,892	10,221	10,194	10,194
Administration Budget Analysis by activity									
Providing comprehensive & competitive legal services to government departments & publicly funded bodies	4,837	5,058	6,575	8,063	7,545	10,892	10,221	10,194	10,194
Total Administration Budget	4,837	5,058	6,575	8,063	7,545	10,892	10,221	10,194	10,194

Total public spending for the HM Procurator General and Treasury Solicitor									£'000
	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-7	2007-08
Consumption of resources	Outturn	Outturn	Outturn	Outturn	Outturn	Estimated	Plans	Plans	Plans
Providing comprehensive and competitive legal service to government departments and publicly funded bodies	7,197	9,272	10,127	9,625	8,940	17,024	13,774	13,747	13,747
Total Resource Budget⁽¹⁾	7,197	9,272	10,127	9,625	8,940	17,024	13,774	13,747	13,747
<i>Of which:</i>									
Resource DEL ⁽¹⁾	7,197	9,272	10,127	9,625	8,940	17,024	13,774	13,747	13,747
Capital Spending									
Providing comprehensive and competitive legal service to government departments and publicly funded bodies	585	1,189	1,807	2,149	6,414	4,000	4,000	4,000	4,000
Total capital budget	248	585	1,189	1,807	2,149	6,414	4,000	4,000	4,000
<i>of which:</i>									
Capital DEL ⁽¹⁾	248	585	1,189	1,807	2,149	6,414	4,000	4,000	4,000
Total public spending⁽²⁾	6,808	8,938	10,303	10,557	9,802	19,040	16,857	16,830	16,830

⁽¹⁾ Departmental Expenditure Limits, set as part of the 2004 Spending Review.

⁽²⁾ Total public spending calculated as the total of the resource budget plus the capital budget, less depreciation.

Staff Numbers	Staff -years									£'000
Consumption of resources	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-7	2007-08	
Treasury Solicitor's Department	Actual	Actual	Actual	Actual	Actual	Estimated	Plans	Plans	Plans	
CS FTEs	577	461	490	586	664	717	800	800	800	
Overtime	3	1	3	2	3	3	3	3	3	
Casuals	39	29	30	19	20	22	20	20	20	
Total	619	491	523	607	687	742	823	823	823	

Further Information

Further information on the work of the Treasury Solicitor's Department may be obtained from:

**Business Strategy Unit
Treasury Solicitor's Department
Queen Anne's Chambers
28 Broadway
London SW1H 9JS**

Telephone 020 7210 4599

Website: www.treasury-solicitor.gsi.gov.uk

ATTORNEY GENERAL'S OFFICE

Introduction

The Attorney General's Office (AGO) is a separate Department, for which the Treasury Solicitor is the Accounting Officer. It was previously the Legal Secretariat to the Law Officers but changed its name during 2004-05. The change reflects the wider remit of the Office in supporting the Law Officers in their CJS policy, finance and performance roles, in addition to their wide-ranging, traditional functions of the Government's chief legal advisers and handling a large volume of casework.

Objectives

Its strategic objectives are:

- to provide high quality and timely legal advice to the Law Officers to enable them to advise Ministers and other government departments;
- to provide high quality and timely policy advice, through a process of constructive engagement with other departments;
- to support the Law Officers' ministerial responsibilities in the criminal justice system, including the delivery of policy initiatives and trilateral performance targets;
- to deal with casework in a timely and appropriate way;
- to drive the joining up of the Law Officers' Departments so as to increase efficiency and effectiveness;
- to support the Law Officers in their oversight of the GLS; and in their general superintendence of prosecution work across government departments.

Workload

Casework

Casework covers items such as:

- referring unduly lenient sentences to the Court of Appeal
- consents to prosecutions
- bringing proceedings for contempt of court
- taking action against vexatious litigants
- intervening in the public interest in certain charity and family law cases
- appointing advocates to act for the Crown, as well as appointing 'advocates to the court', and 'special advocates' to represent the interests of appellants in cases involving sensitive material.

Business Development

In 2004-05, AGO completed a review of the way in which it provides support to the Law Officers. As a result a dedicated team was created to provide advice on strategic policy, performance and finance matters across the Law Officers' Departments and in respect of the Criminal Justice System (CJS). It includes a dedicated Correspondence Unit, which also has responsibility for responding to Freedom of Information Requests.

Under the aegis of the recently established Law Officers' Departments Policy Forum, the team identifies and co-ordinates action on new policy initiatives and on those arising within the CJS. It is also the point of liaison with CJS Agencies including the Office of Criminal Justice Reform, particularly in relation to the initiatives for which the Attorney General and Solicitor General act as champions.

In co-operation with the Law Officers' Departments Finance Directors' Groups, the team co-ordinates action on cross-Departmental finance and performance matters including those arising from Spending Reviews and which have cross-CJS impact. Significant, post SR 2004, has been concerted action in delivery of the Law Officers' Departments efficiency programmes. Further work is in hand.

Targets

Historically the nature of the AGO's work has been to respond to high demand in respect of both casework, policy advice and correspondence. Targets have not therefore been set but this aspect is being considered during 2005-06. Overall the workload pressure on the AGO continued to increase during 2004-05 and creation of the new policy, finance and performance team raised expectation further. But delivery of casework, policy advice and correspondence times have improved.

Corporate Services

Human Resources

The majority of the staff are seconded to the Office on short term contracts. This is to provide the AGO with staff who have a background from the different Law Officers' and other Departments and to give legal staff an opportunity to experience both casework and some strategic policy work at a higher level. AGO has budgeted for 50 members of staff in 2005-06. There is a key focus on training which increased by some 50% in expenditure terms during 2004-05.

Finance

The AGO is funded as part of the Treasury Solicitor's Department Estimate. Its total provision is some £4m of which, subject to final figures, it spent some 95% in 2004-05. Part of the work of the new finance capacity was to provide improved financial management information within the Office as well as advice on financial matters across the Law Officers' Departments and within the CJS.

Future Plans

It is likely that AGO will need to move accommodation soon and alternative premises are being reviewed. Work is also in hand to develop electronic records management and to improve the IT capability within the AGO.

Further Information

Further information can be obtained from:

The Attorney General's Office
9 Buckingham Gate
London SW1E 6JP

Telephone: 020 7271 2400

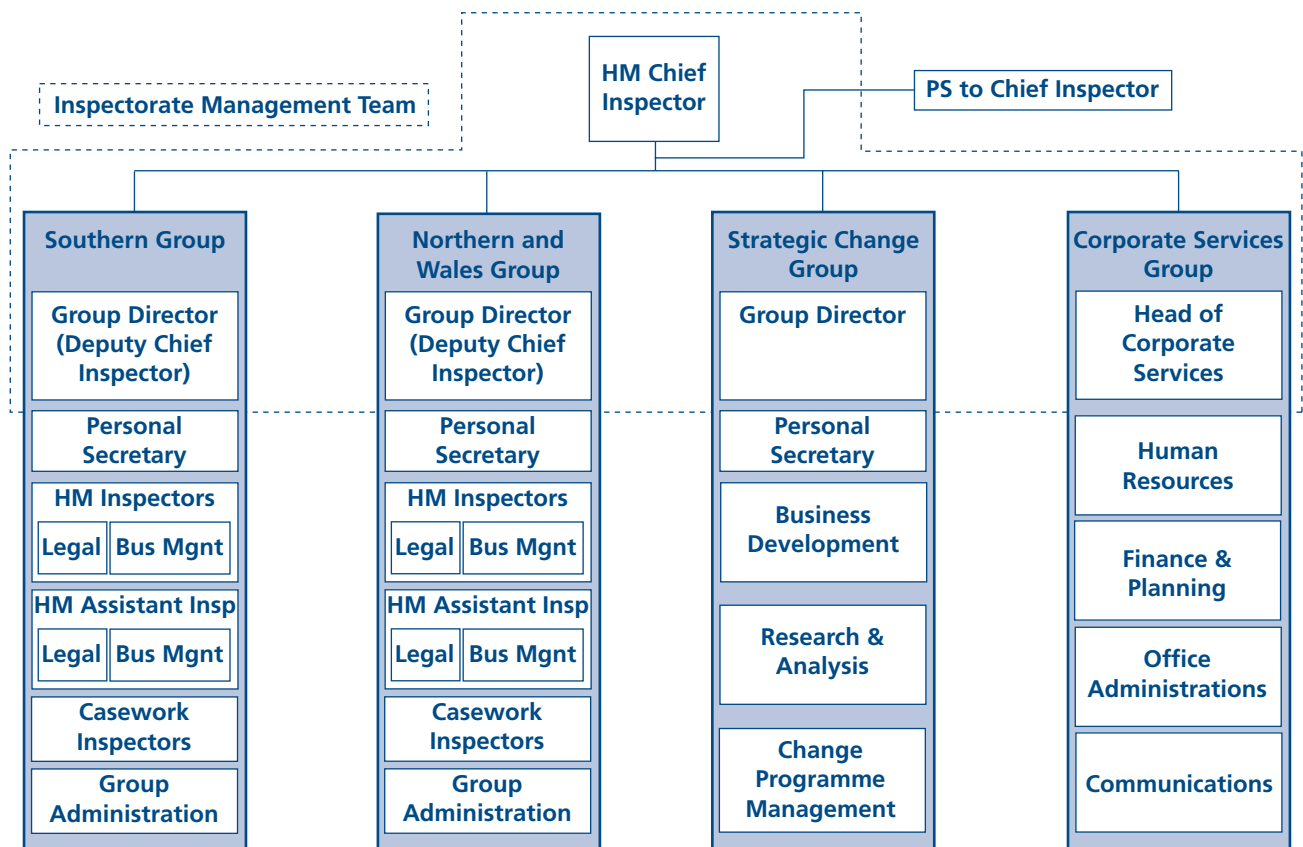
Website: www.lslo.gov.uk

HM CROWN PROSECUTION SERVICE INSPECTORATE

Introduction

HM Crown Prosecution Service Inspectorate (HMCPSI) was established as an independent statutory body by the Crown Prosecution Service Inspectorate Act 2000, which came into effect on 1st October 2000. The Chief Inspector is appointed by and reports to the Attorney General. He is an Additional Accounting Officer within the Treasury Solicitor's Department Estimate with responsibility for HMCPSI expenditure.

HMCPSI Organisation Structure



The internal controls and arrangements adopted in HMCPSI have been developed through continuous improvement since our last Internal Audit in April 2003. That audit was designed to:

- to ascertain and evaluate the adequacy and effectiveness of controls in place to manage the risks; and
- to identify areas for improvement in control arrangements and make appropriate recommendations.

In particular it focused on arrangements which:

- enable HMCPsi to make appropriate finance related decisions accurately and at the right time, enable value for money to be achieved, provide compliance with central guidance and facilitate the achievement of business objectives; and
- assure Treasury Solicitor's Department senior management of the robustness of HMCPsi internal controls.

The audit reported that a level 1 assurance was appropriate as the identified risks are being effectively managed. A level 1 assurance is defined as: "A sound system of risk management (control) exists which is consistently applied and should be effective in delivering all critical business objectives. Although not having an adverse impact on critical business objectives, remedial action is required to address weaknesses in control over minor risks." Work has been progressed to address the one weakness identified at that time.

HMCPsi has a statutory obligation to report to the Attorney General on the performance of the Crown Prosecution Service (CPS). This obligation is fulfilled through the undertaking of a wide range of inspection activities. These include inspections of each of the 42 CPS areas, as well as conducting thematic reviews of CPS specific issues on a national basis. HMCPsi also collaborates with the other criminal justice inspectorates to examine thematic issues throughout the criminal justice system. Its findings are published through individual reports based on each inspection, and are consolidated into an Annual Report which is put before Parliament and the Chief Inspector reports to the Attorney General throughout the year.

Their mission statement, as set out in their 2004-05 Business Plan, is that:

HMCPsi strives to achieve excellence in all aspects of its activities and in particular to provide customers and stakeholders with consistent and professional inspection and evaluation processes together with advice and guidance, all measured against recognised quality standards and defined performance levels.

The principle role of HMCPsi is to focus on outcomes that promote the effectiveness, efficiency and value for money of the CPS within a joined-up Criminal Justice System (CJS). HMCPsi meets this strategic objective by:

- Facilitating improvement in the CPS;
- Encouraging joined-up working within the CJS;
- Providing assurance to the Attorney General, DPP and CPS Chief Executive on the performance of the CPS; and
- Contributing to greater value for money within the criminal justice system.

Business Activity

HMCPsi completed its first cycle of inspections in Autumn 2002 and all reports flowing from its second cycle of inspections had been published by 3 March 2005. A third series of inspections is due to begin in April 2005, utilising revised inspection methodology which enables inspection priorities to be selected by the use of risk assessment.

The evidence gathering process in the second cycle was more streamlined and greater use was made of questionnaires and group/joint interviews to shorten the inspection period. This resource saving enabled the Inspectorate to focus more strongly on joint inspection activity across the criminal justice system and to undertake more thematic reviews. In addition HMCPsi has led the first joint inspections of CJS areas (Gloucestershire & Surrey), each with five inspectorates participating. It was also able to effect an inspection of the London Offices of the former Customs and Excise Prosecutions Office on a non-statutory basis.

As the result of a suggestion from the Chief Executive of the CPS, HMCPsi now undertakes short follow-up inspections approximately six months after the publication of inspection reports.

Area/HQ Inspection Reports, 2004-2005

Full reports:

Published:

Thames Valley, Devon & Cornwall, Warwickshire, Dyfed Powys, West Yorkshire, Staffordshire, Lincolnshire, North Wales, Gwent, Cumbria, Avon & Somerset, Sussex, Bedfordshire, Hampshire, Greater Manchester, Hertfordshire, Surrey, Wiltshire

Follow-up Inspections:

Completed:

Lancashire, Durham, Cleveland, Nottinghamshire, Dorset, Northamptonshire, Kent, Gloucestershire, North Yorkshire

In Progress:

Hampshire, Warwickshire, South Wales, Bedfordshire, Essex
10 Yet to be timetabled.

Thematic Reports 2004-2005

Published:

Customs & Excise Prosecution Office
CPS Casework with a minority ethnic dimension (follow-up)

In Progress:

Casework Quality Assurance, CPS Performance Indicators, Case Presentation in the Magistrates' Court, Low Level Crime & Disorder

Joint Inspection CJS Area Reports 2004-2005

North Yorkshire Criminal Justice System Area (with HMIC, HMMCSI, HMI Prisons and HMI Probation) – led by HMMCSI

Surrey Criminal Justice System Area (with HMIC, HMMCSI, HMI Prisons and HMI Probation) – led by HMCPsi

Joint Thematic Reports 2004-2005

Implementation of Proceeds of Crime legislation, Safeguards of Children (follow-up)

In addition to these reports, HMCPSI has also assisted on a non-statutory basis the evaluation of the South Belfast pilot office of the new Public Prosecutions Service for Northern Ireland. We have also assisted the Criminal Justice Inspectorate for Northern Ireland in undertaking a review of the treatment of victims in accordance with the arrangements provided in the Justice (Northern Ireland) Act 2002.

Finance and Human Resources

The costs of HMCPSI are met from the Estimate. HMCPSI has budgeted for 52 members of staff during 2004-05.

Future Developments

In response to the Office of Public Service Reform review of inspection regimes, the National Criminal Justice Board commissioned a review of CJS inspectorates. Following these reviews, the Office of Criminal Justice Reform published a consultation paper¹ in March 2005.

Also as a result of the reviews, an internal review and a commitment to continuous development, HMCPSI has initiated a Change Programme. The programme consists of four workstreams, with eleven projects covering Internal Systems, Service Delivery, HR & Leadership, and Communications & Profile Management. The outcome of this programme is intended to improve efficiency and effectiveness in inspection within HMCPSI. This includes the development of a new methodology intended to maximise inspection impact achieved with our resources.

Further Information

Further information can be obtained from:

The Communications Manager
HMCPSI
26-28 Old Queen Street
London SW1H 9HP

Telephone: 020 7210 1143
Fax: 020 7210 1195
Website: www.hmcpsi.gov.uk

¹ Inspection Reform: Establishing an Inspectorate for Justice and Community Safety.





