



Office of the  
Public Guardian

Office of the Public Guardian  
Annual Report & Accounts  
**2012–2013**



# **Office of the Public Guardian Annual Report & Accounts 2012 – 2013**

Annual Report presented to Parliament pursuant to  
Section 60 of the Mental Capacity Act 2005

Accounts presented to the House of Commons pursuant to  
Section 7 of the Government Resources and Accounts Act 2000

Accounts presented to the House of Lords by Command of Her Majesty.

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# Office of the Public Guardian

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## Foreword



I am delighted to present this annual report for 2012/13. It details the work delivered by the Office of the Public Guardian (OPG) during the year. This was achieved against a backdrop of sustained growth in demand for all of OPG's services, whilst continuing to progress the OPG's ambitious programme of work to transform the way we deliver our business.

This year we have made excellent progress in defining our key priorities and evaluating where we are as an organisation. Working with our customers, stakeholders and staff, we have scrutinised what is working well and where we need to improve, to ensure we consistently strive to improve service delivery for our customers.

As a result of this, we have achieved significant performance improvements, through the focus and hard work of our staff, across all aspects of the business, which is reflected in this report. This has resulted in real improvements for our customers including the reduction in processing times for Lasting Powers of Attorney (LPA) applications, more deputy supervision activities taking place, investigations being concluded faster, correspondence and calls being answered in a timely manner, and a reduction in the number of complaints.

We are fully committed to Civil Service Reform, the Government's Digital Strategy, and the Ministry of Justice's Transforming Justice initiative. To meet these challenges, we are concurrently running a continuous improvement initiative, identifying changes we can make to improve and streamline the business alongside a programme of digital transformation. This programme will provide our customers with a suite of digital tools to make it easier to do business with us; and equip the OPG with the modern back office systems.

During the year we began a fundamental review of how we supervise and support court appointed deputies to ensure that my statutory duties as Public Guardian are being delivered in an effective, proportionate, and responsive way. We are looking at whether there are more efficient ways of performing these, whilst ensuring that our safeguarding duties are maintained or improved. Our work with deputies is ultimately to ensure that the best interests of those people who lack capacity are being protected.

It is important that the OPG seeks to promote the use of LPAs and ensure that LPAs and deputyship orders can be used effectively. In support of this, this year has seen the publication of joint guidance from the British Banking Association, the Building Societies Association and OPG on the operation of bank accounts for those who lack capacity.

This has been a significant year for OPG and I have only highlighted some of the work that has been delivered which is reflected more fully in this report. It is important to acknowledge that none of these achievements would have been possible without our extremely hardworking and committed staff.

A handwritten signature in black ink, appearing to read 'Alan Eccles'.

**Alan Eccles**  
Chief Executive and Public Guardian  
26 June 2013

# Introduction

## The Role of the Public Guardian

The Public Guardian is appointed by the Lord Chancellor under Section 57 of the Mental Capacity Act 2005 (MCA). As the Chief Executive and Accounting Officer of the Office of the Public Guardian, the Public Guardian is personally responsible to the Lord Chancellor and Secretary of State for Justice for the effective operation of the agency, including the way the agency spends public money and manages its assets.

The Public Guardian is supported by the Office of the Public Guardian (OPG) in the delivery of his statutory functions under the MCA.

The Public Guardian's responsibilities extend throughout England and Wales (separate arrangements exist for Scotland and for Northern Ireland).

## What does the OPG do?

The OPG was established in October 2007 and is an executive agency of the Ministry of Justice (MoJ). Its remit is to support and enable people to plan ahead to prepare for both their health and their finances to be looked after should they lose capacity in future, and to safeguard the interests of people who may lack the mental capacity to make certain decisions for themselves.

The OPG's core functions are to:

- register Lasting Powers of Attorney (LPAs) and Enduring Powers of Attorney (EPAs);
- supervise deputies appointed by the Court of Protection;
- maintain the registers of deputies, LPAs and EPAs, and respond to requests to search the registers; and
- investigate complaints, or allegations of abuse, made against deputies or attorneys acting under registered powers.

## Our customers and stakeholders

The OPG serves several types of customers and stakeholders, including:

- Donors - people who have made an LPA or EPA to protect their welfare or finances should they lose capacity in the future;
- Attorneys - people who have been appointed by donors to manage their welfare or finances should they lose capacity in the future
- Clients - people who have lost capacity and whose welfare or finance affairs are subject to proceedings before the Court of Protection;
- Deputies - lay or professional individuals or authorities (such as councils or solicitors) who have been appointed by the court to manage the welfare or finances of a client; and
- Other stakeholders - relatives of a client or donor, local authorities, GPs or other health professionals, charities, and the legal sector.

## Ministry of Justice

The OPG is an executive agency of the MoJ.

The government ministers responsible for OPG are:

- The Right Honourable Chris Grayling MP, Lord Chancellor and Secretary of State for Justice; and
- Helen Grant MP, Parliamentary Under-Secretary of State at the MoJ.

As an MoJ executive agency, alongside HM Courts and Tribunals Service (HMCTS) and the National Offender Management Service (NOMS), the aims of the agency are in line with those of the MoJ's Transforming Justice agenda; a justice system that is more effective, less costly and more responsive for the public.

To find out our performance achievements and results, see pages 65 - 71.

## OPG Vision, Mission and Values

Throughout 2012/13 the following vision, mission and values were used as a standard by which we delivered our business.

### Our Vision

To encourage everyone to prepare for a possible lack of mental capacity and to empower and safeguard those who lack mental capacity now.

### Our Mission

To deliver excellent services to attorneys and deputies, and those they represent in order that actions are taken or decisions made, optimally and quickly.

To constantly seek to develop innovative ways of improving the way that we deliver services to all of our customers.

To create a customer-focused, proficient and motivated workforce with the skills to carry out their roles effectively.

To improve our mechanisms for building knowledge of our customers and their needs, and develop robust mechanisms for using that knowledge proactively to deliver better customer outcomes.

To develop effective relationships with partner organisations in order to support the delivery of OPG services and increase the impact of the MCA.

### Our Values

**Accessible** – We make our services available to all who need them, providing an adaptable delivery of support, advice and choice.

**Straightforward** – We conduct our business in an open and honest way, respecting and protecting confidentiality.

**Professional** – We treat our customers and staff with respect, working in partnership effectively and demonstrating personal and organisational excellence.

**Progressive** – We are flexible and evolve by learning from experience to continually improve the service to our customers and the working environment for our staff.

**People Orientated** – We foster a learning environment to encourage our staff to develop and to further their skills for the benefit of the business and to meet their personal goals.

**Diverse** – We acknowledge the diverse society that we serve and we respect and value this diversity in all that we do.

In line with our programme of transformation our vision and values were revised for 2013/14. These can be viewed in our 2013/14 business plan-  
[www.justice.gov.uk/downloads/publications/corporate-reports/OPG/opg-business-plan-2013-14.pdf](http://www.justice.gov.uk/downloads/publications/corporate-reports/OPG/opg-business-plan-2013-14.pdf)

## Service Delivery

### Registration of Powers of Attorney

Similar to the message from last year's Annual Report, the volume of applications to register LPAs continue to rise, maintaining the trend of recent years. EPAs, however, have remained steady. Overall, 2012/13 total annual increase in applications received was 19%.

<b>Received</b>	<b>2011/12</b>	<b>2012/13</b>	<b>% Difference</b>
<b>EPA</b>	18,000	18,000	0%
<b>LPA</b>	200,000	242,000	21%
<b>Total</b>	218,000	260,000	19%

(figures rounded to the nearest 1,000)

Similarly, our total registered LPA/EPA documents increased in year, from 199,000 in 2011/2012 to 246,000 in 2012/13.

<b>Registered</b>	<b>2011/12</b>	<b>2012/13</b>	<b>% Difference</b>
<b>EPA</b>	16,000	17,000	6%
<b>LPA</b>	183,000	229,000	25%
<b>Total</b>	199,000	246,000	24%

(figures rounded to the nearest 1,000)

With the majority of the organisation having relocated to Birmingham by the start of the 2012/13 year, we began the year in a good position to consolidate on the improved performance achievements already being demonstrated from January 2012 onwards. The 2011/12 year ended with 44% of applications registered within 11 weeks of receipt. In the 2012/13 year 90% of applications were registered within 10 weeks.

Due to the sustained high volumes of applications received in-year we continue to operate two working shifts from 07:00 to 22:00. This continued to ensure maximum usage of our estate in order to meet customer service expectations.

### Customer contact centre (CCC)

With an improvement in performance across the board, and particularly in the registration of Powers of Attorney, our customer contact centre (CCC) in Nottingham saw a reduction in the number of calls received. 2011/12 saw 238,500 calls presented to the CCC and despite increasing work volumes across all areas of our business, the number of calls reduced by 7% to 222,000 during 2012/13. Throughout the year customers calling the CCC experienced an average wait time of 37 seconds prior to their call being answered.

# Protecting the vulnerable

## Deputyship Allocations

Throughout the year the number of deputyship orders made by the Court of Protection fluctuated, as in 2011/12. In 2012/13, we successfully assessed and allocated an appropriate supervision level within 15 days on 99% of orders. This is an improved performance on the previous business year, as the timeframe was reduced from 20 working days.

## Supervision of Deputies

2012/13 was the final year of the three year rolling programme ambition to contact all cases in type 2 (light supervision) and type 3 (minimal supervision) that had not received a case review during that period. We successfully contacted deputies from all remaining 6,582 cases through a combination of telephone reviews, visits and questionnaires.

In addition, we aimed to review 30% of our total supervision caseload through casework activities (e.g. visits, case reviews). With a caseload of 44,575 cases this required a total of 13,373 reviews. In practice we actually achieved 18,247 (41%).

For all new deputies, who are allocated type 2a (intermediate) supervision, we have introduced a first contact call, where a caseworker contacts the new deputy by phone within 6 to 8 weeks of initial postal contact with the deputy. Throughout the year feedback has been sought from deputies; they have all been extremely positive about the first contact process in terms of learning how the OPG can support them. Many felt they had benefited from the opportunity to talk through their deputyship with us. Deputies are largely happy with the timing of the contact as it has allowed them time to start to use their order and identify any issues with this, which we can then talk through with them. This positive response has underpinned our subsequent decision to roll out this initiative for all new lay deputies allocated to type 2 and 3 supervision from April 2013.

To improve accessibility across the OPG, 21,000 supervision files were scanned to provide an electronic record, increasing efficiency when dealing with customer enquiries. The floor space freed up has provided additional accommodation for resources to support the continuous improvement of supervision activity.

## Safeguarding & Investigations

During the year, the Public Guardian received 2,982 Safeguarding referrals from:

- Local Authorities - 656 (22%)
- Relatives - 1,133 (38 %)
- Solicitors - 298 (10%)
- Other OPG sections - 269 (9 %)
- Whistleblowers - 183 (6 %)
- Other sources - 443 (15%)

The safeguarding team referred 728 (24%) safeguarding referrals for full investigation and referred 2,152 (72%) for further information or signposted to other agencies. The remaining 102 (3%) were dealt with by the safeguarding team<sup>1</sup>.

The safeguarding team made 36 Protection of Vulnerable Adult referrals to local authority safeguarding teams where immediate action was required from another agency.

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<sup>1</sup> Percentages are rounded

The Public Guardian approved 480 investigation case recommendations. Of these recommendations, 136 (28%) were to make an application to the Court of Protection. In 87 (18%) of these cases he did not uphold the concern raised. In 51 cases (10%) he requested further action such as ongoing monitoring.

The investigation teams concluded 596 cases\* to resolve concerns. These break down into the following main types:

Obtain a final order to remove deputy or revoke LPA/ EPA from the Court of Protection	244
Other Court Orders	91
Monitor 3rd party Court of Protection applications to remove the deputy or attorney	59
No OPG jurisdiction to continue investigating (i.e. death of client or disclaim of Attorney)	150
Referrals to local Police forces for criminal investigation	11
Further action (e.g. monitoring)	124

\* Cases may have more than one outcome

**Court Applications**

Following investigations into cases where a deputy or attorney allegedly abused their power or were not complying with their duties, the Public Guardian made 163 applications to the Court of Protection. At the end of the year 124 applications were at various stages of progress within the Court.

The outcomes achieved are as follows:

- 62 Court orders discharging deputies or revoking Powers of Attorney.
- 1 Deputy was ordered to account to the Public Guardian.
- 2 applications were dismissed.
- 22 applications were withdrawn (primarily because the issue was resolved, or the person lacking capacity had died, so the Public Guardian no longer had jurisdiction).

**Developing Practice**

Throughout 2012/13 we continued to develop our practice and processes with the aim of ensuring maximum protection for people who lack mental capacity. These include:

- Completion of a competitive re-tender for a provider of surety bonds, (which most finance and property deputies are required to have in place to protect the assets of the person whose affairs they manage). From 1 October 2012 Deputy Bond Services took over the provision of bonds to newly appointed deputies, offering competitive premiums and establishing streamlined working processes with OPG and the Court of Protection. Additionally, in December 2012 we published a statement of expectations, which ensures that other bond providers in the market offer a product which affords adequate protection of the assets of the person lacking capacity. In April 2013 we introduced a change in the regulations that enables a bond to be cancelled automatically 2 years after switching to a new bond provider, avoiding the need to apply to the Court of Protection to cancel a bond.
- Joint working and a review of the processes between OPG, Court Funds Office and the Court of Protection has resulted in tighter procedures and closer working across all three organisations.

- In January 2013, we published a Public Guardian Practice note outlining the OPG's approach to deputies and attorneys who make gifts from the funds of the person whose affairs they manage.
- Over the course of the year, we published a number of "orders of interest" and judgements resulting from Public Guardian applications to the Court of Protection. They provide useful pointers to the Public Guardian's response in cases of concern and covered matters such as investment of funds, failure to co-operate with the OPG and use of the assets of a donor of a Power of Attorney.
- We introduced new processes around the appointment and regular appraisal of Court of Protection Visitors, in line with Cabinet Office guidelines on public appointments.
- We launched a tender for a mediation pilot, to be conducted in 2013/14, which will trial working with cases where there is potential to resolve the issues without a court application.

### Recovery and Resolution Team

A review of deputies with outstanding OPG fees and unpaid bond premiums totalling £1,066,979 (as of July 2012) was completed in September 2012. As a result, a dedicated recovery and resolution team was set up at the end of January 2013 (for a minimum of six months) to resolve these issues.

The team will also tackle new cases and will produce a report in the business year 2013/14 to outline lessons learnt, with a view to improving the supervision process.

### Visits

The Public Guardian commissioned 10,500 visits, both general and medical, which is an increase of 28% on the previous year. OPG recruited 3 additional permanent visitors to meet the increased demand and currently 6 permanent, 62 general and 10 medical visitors are deployed visiting deputies and clients. During this year, visitors supported a drive to ensure newly appointed deputies in Type 2A were assisted in understanding what their role demanded; the support that was available to them from the OPG; and the needs of completing and providing their Annual Report on time. Visits were commissioned by both the Court of Protection and the OPG to ensure that deputies or attorneys are acting in the best interests of the client.

### Panel Deputy

Under the new panel of deputies, there were 324 last resort cases referred to the panel in 2012/13 (a last resort case is where there is no one willing or suitable to act as deputy), of which 164 (50.6%) have resulted in the appointment of a panel deputy by the Court of Protection. The panel deputy support team commissioned 23 panel deputy audits comprising 78 client visits and 27 panel deputy visits to ensure that the panel deputies comply with the service level agreement and act in the best interests of the client.

## Raising Awareness & Stakeholder Engagement

Raising awareness of our business and engaging effectively with our customers and other stakeholders are crucial to ensure we maximise the support and commitment of key organisations and individuals, in enabling us to achieve our objectives. The OPG's vision for everyone to consider preparing for a possible lack of mental capacity and to empower and safeguard those who lack mental capacity now, is at the heart of our communication activities.

The focus in 2012/13 has been working with stakeholders to ensure their involvement at every step throughout a significant period of change.

We worked very closely with financial organisations, including the British Bankers' Association and Building Societies Association, to develop and publish guidance on how banks should deal with attorneys and deputies. The guidance was published in March 2013 with the backing of the Law Society, Age UK, Alzheimer's Society and Solicitors for the Elderly. This promotes consistency in how banks and other financial institutions should work with attorneys and deputies and was met with a positive response by customers and in the media.

The OPG trialled a relationship management model for stakeholder engagement to focus on exploring opportunities for working together more effectively. We will further refine this model during 2013 and in particular, we will work with stakeholders to develop and implement an Assisted Digital strategy to help those in need of assistance to access our digital tools.

Over the last year OPG has continued to raise awareness of LPAs. We have also highlighted the Public Guardian's safeguarding duties, and the statutory function that the Public Guardian has in supervising deputies appointed by the Court. We have achieved this through our strategic and operational stakeholder groups and through our participation at events within the MCA landscape, and our contributions to magazines and journals.

In response to requests, we presented at 36 external events, predominantly in the legal, charity, and public sectors.

We used our centralised email hub for managing corporate news for our key stakeholders, and held meetings that helped shape the development of our digital LPA tool. Our strategic and operational stakeholder groups are merged into one for 2013, and the new group membership will be key to stakeholder communication next year.

In July 2012, a consultation was launched on the LPA forms and other policy issues. The communications team ensured maximum publicity for the consultation through engaging with stakeholders, and posting a video online to encourage participation.

October 2012 saw the move of OPG's web content (previously held on 'Directgov') to the new platform Gov.uk, improving ease of access, and utilising plain English guidance for maximum accessibility.

There has been a moderate level of media coverage of the OPG during 2012/13, with the focus on the benefits of making an LPA, and some of the issues faced by customers using them. Throughout the year we have been involved in opportunities to raise awareness of mental capacity issues in the national media, including an appearance on BBC Radio 4's 'Moneybox' in May 2012, as well as a number of interviews for national and trade publications.

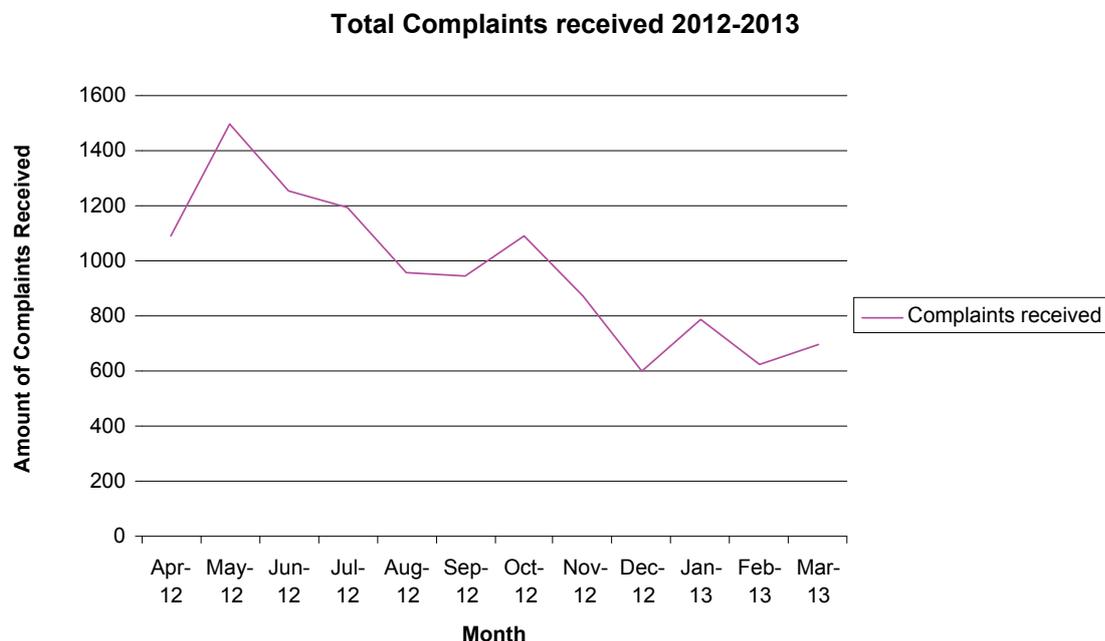
In April 2012 we re-launched our In-Touch magazine for deputies, which is produced on a quarterly basis, and contains news and information that supports deputies in their role. When researching how deputies feel about OPG services, our Customer Insight team found a positive response to the revamped magazine.

## Complaints

We continue to provide a tiered complaints process for those customers who are unhappy with the level of service offered. At the first tier, customers who are unhappy with the service received will have their complaint dealt with by the area of business responsible. If a customer is unhappy with the way the complaint has been dealt with they may write to the Public Guardian and Chief Executive for further consideration. Finally, if the customer is still unhappy with the response they can ask their MP to refer their complaint to the Parliamentary and Health Service Ombudsman (PHSO).

The number of complaints received in-year reduced to 11,617 compared with the 14,814 received in 2011/12. This coincides with a further increase in the number of LPA/EPA applications to 260,000 in 2012/13 compared with 218,000 received in 2011/12. We have therefore met the objective we set in our 2012/13 Business Plan to reduce complaints by 10% proportionate to volumes of work. At the same time there has been a significant improvement in our response rates and 98% of complaints were responded to within our ten working day timescale, compared with 73% for the previous year.

Our focus throughout the year has been to continue to improve the level of service we provide to our customers and we have used complaints to help us identify areas for change and improvement. The work we have done in streamlining processes has helped to reduce delays and backlogs, leading to a steady reduction in the number of complaints received. Regular staff feedback, combined with better technical support, has also contributed by improving quality. The graph below illustrates the reduction in the number of complaints received:



Of the complaints we received, 1.65% were escalated to tier 2 for a response from the Public Guardian in line with our complaint procedures. Two cases were referred to the PHSO for full investigation in 2012/13. In its most recent published review of complaint handling by Government Departments and public organisations (2011/12) the PHSO reported that one complaint about the OPG was accepted for full investigation and three investigations were concluded. Two of those concluded were fully upheld (all issues raised by the customer were fully justified) and one was partially upheld (parts of the complaint were justified). We complied with all eight of the PHSO recommendations arising from those investigations. We

continue to use the feedback from the PHSO to inform further improvements and we also participate in the Cross Government Complaints Forum. This was set up following a report from the PHSO suggesting there was a need to identify clear and consistent standards for complaint handling across all Government Departments.

We provided information to allow Ministers to respond to 54 complaints and enquiries raised by MPs about the OPG, all were completed within 10 working days. In addition, 84 MPs wrote directly to the OPG and we responded to 82 of these within 10 working days.

We have updated and improved the OPG complaints guidance available to our staff, as a result of recommendations from an internal review of our processes. We remain fully committed to providing a high level of service to our users and to support a culture of continuous improvement in all areas of the OPG. In line with this, we are carrying out a full review of the way we deal with complaints. The aim of the review is to ensure we have the best process in place, not only to respond to concerns in an effective and timely manner, but also to identify as quickly as possible, any areas for change and improvement. One of the first changes we have made is to introduce a facility to allow customers to provide feedback or make a complaint over the telephone. We hope this will make it easier for our customers to report complaints and will ensure that all concerns are captured, whilst supporting improved identification of complaints and enabling us to address any issues at the earliest opportunity.

## Change

In order to equip the OPG to meet future challenges, two programmes of change activities are currently underway.

The OPG's transformation programme seeks to change the processes, systems and culture of the OPG fundamentally. A significant aspect of this change will be the shift from a mainly paper-based way of working to digital across all areas of the business. Just as important will be a fundamental review of the way the Public Guardian exercises his statutory functions to safeguard people who lack capacity and to support those who make decisions on their behalf.

In addition, the OPG is rolling out a programme of 'continuous improvement' across the entire agency to drive a wider cultural change that focuses squarely on the customer and seeks constantly to deliver improved outcomes for customers on a day to day basis.

## Transformation

The transformation programme has continued during 2012/13. The programme will see the replacement of OPG's existing back office systems and the delivery of a suite of digital tools and services for customers. This work is being carried out in line with the Government's Digital Strategy which focuses on using digital technology to drive better services for our customers.

We undertook a formal consultation exercise during 2012/13 on changes to the LPA forms and a number of additional policy proposals to support transformation. As a result we have reduced the statutory waiting period for LPAs from 6 to 4 weeks, and the objection periods for LPAs from 5 to 3 weeks effective from 1 April 2013.

## Review of Supervision

A fundamental review of supervision also forms part of the programme of transformation and work is progressing well. This has included looking at how the Public Guardian currently exercises his statutory duties under the Mental Capacity Act 2005 and whether there are better and more efficient ways of performing these duties whilst ensuring that our safeguarding function continue to be strong and effective.

We surveyed deputies from all areas and the results have been used to develop a revised business model that will deliver a customer focused, case management approach. We will engage with stakeholders to refine and develop this model further in the coming business year.

We have continued to undergo regular, focused, independent reviews (gateway reviews) at key stages of the programme to ensure that it is on track to deliver. These will continue as the programme progresses.

## Technology

The OPG continues to work in partnership with the Government Digital Service (GDS) in developing the digital LPA tool. The tool will allow users to complete an LPA application online before printing, signing and sending it to the OPG. The OPG ran a pilot of the digital LPA tool from November 2012 to March 2013 using actual LPA applications. A range of feedback was collated to identify key issues to be refined in readiness for launch. As with all digital tools, we will continue to improve it over time based on, amongst other things, feedback received from our customers.

The OPG plans two further digital products: a collection of digital tools for deputies and visitors to enable them to perform their roles more easily and effectively, and an online

search tool for the OPG's registers. Work is due to start on both of these products, with input from GDS as well as the MoJ's Digital Services Division.

The procurement of a replacement back office system continues. This will replace the OPG's current systems including data and document capturing. Following on from initial work to understand the scope of the potential solutions that could be delivered by the market we engaged with potential suppliers through a request for information in early 2013 and we are now starting the formal tender process. Work on developing the systems is due to start in summer 2013. The system will be integrated across the business incrementally between April and September 2014. This will provide the OPG with a stable back office system that also gives us the flexibility to deal with increasing workloads.

### **Current IT Systems**

During 2012/13 changes have continued to be made to the OPG's existing IT systems to ensure they remain functional and can meet both the changing business needs as well as the continuing growth in volumes.

One of the more significant changes has enhanced performance of existing systems until they are replaced. With over 400 staff across four sites using the system, this service was put under strain causing frequent service disruption and lost time. Work was carried out with IT suppliers to put the system on more stable, supported software. Adjustments were also made to coincide with the reduction in the statutory waiting period for LPAs from 6 weeks to 4 weeks.

Changes to our accounting system included new printers that allow us to print combined cheque and remittance advice notes as opposed to separate documents. This will reduce time and cost associated with despatching cheques.

### **Continuous Improvement and Cultural Change**

Continuous improvement seeks to promote a cultural change within the OPG to ensure that the customer is the focus of the way we deliver our services. The initiative seeks to deliver the best value service to the customer, in the most efficient way possible as an organisation, whilst ensuring a high quality service.

Work has started in coaching and supporting leaders to encourage staff to continually review our processes and to work together to develop new and better ways of delivering our services on a day-to-day basis. Although at a very early stage, this process further consolidates the customer at the centre of our business.

As well as using continuous improvement as a tool to encourage a cultural change within the OPG, employee engagement has also been a focal point during 2012/13. The OPG has continued to engage with staff and the results of the most recent staff engagement survey have shown an improvement from the previous year.

## Management Commentary

The OPG is funded by the MoJ, from its Parliamentary Supply, and by income derived from fees and charges from external customers.

In common with other Government agencies future funding has to be approved by our sponsor department, the MoJ, and by Parliament.

Such approval has already been given for 2013/14 and there is no reason to question future funding. The financial statements have therefore been prepared on a going-concern basis for financial reporting and asset valuation purposes.

### Financial Summary

The OPG had a net operating surplus of £9.3m, £7.8m increase from the previous year. A breakdown of income and expenditure is as follows:

	2012/13	2011/12	Difference	
	£m	£m	£m	%
Total Income	-44.2	-37.3	-6.9	18%
Expenditure				
Staff Costs	17.5	17.7	-0.2	-1%
Other Operating Costs	6.1	6.7	-0.6	-9%
Non Cash Charges	4.3	4.6	0.3	6%
Fee Exemptions and Remissions	7.0	6.8	-0.2	-3%
Total Expenditure	34.9	35.8	-0.9	-3%
<b>Net Operating Cost</b>	<b>-9.3</b>	<b>-1.5</b>	<b>-7.8</b>	<b>520%</b>

In this financial year OPG received £44m in gross fee income versus £37m last year and saw a growth rate of 18%, with 16% of this due to 260,000 Power of Attorney applications received compared to 218,000 in the previous year. Work equivalent to a further 9% of total applications was also processed in year, while costs were managed down by 3%.

### Full Cost Recovery

The financial objective agreed with HM Treasury to achieve full cost recovery, excluding fee exemptions and remissions, is overachieved at 158% for the year. The over-recovery represents a surplus of income against cost, primarily due to an 18% increase in business (income). Costs were managed and reduced through more efficient processes, slower than expected recruitment, rephasing the procurement for the digital-by-default programme and a reduction in corporate overhead recharged from MoJ HQ (see Note 6 Fees and Charges).

### Looking Ahead

The financial outlook for the OPG for 2013/14 is continued growth as demand for our services is expected to increase.

### Charity Summary

OPG makes no charitable donations from public funds but we support our staff in their fundraising activities.

Staff across all four OPG sites have organised 19 events to raise money for local and national charities including Alzheimer's Society, Help for Heroes, Guideposts and Wythall Animal Sanctuary. Events have included cake sales, team quizzes and sports activities amongst other themes raising £4,005 in total during 2012/13.

### **Equal Opportunities**

The OPG is an equal opportunity employer. Our aim is to be fair to everybody, to ensure that no eligible job applicant, or employee, receives less favourable treatment on the grounds of race, colour, nationality, ethnic or national origins; age; gender; sexual orientation; marital status; disability; religion or religious affiliation; or is disadvantaged by conditions or requirements which cannot be shown as justifiable.

Our equality and diversity strategy will continue to embed positive values into the business, ensuring the Equality Act 2010 and the new general equality duty on public sector bodies is fully realised within our work and services. In doing so, we support the MoJ by contributing to the equality objectives, the equality action plan, and supporting the wider Civil Service diversity strategy.

### **Employee Engagement**

In 2012/13, 75% of OPG staff took part in the annual staff engagement survey. As a result of all the work done during the year, the employee engagement index increased by +2 to 60%. This index is used as a marker to measure the level of engagement and compare this to the previous year and other agencies. OPG equalled or exceeded seven of the nine engagement themes when compared to the Civil Service benchmark. Understanding the organisation's objectives remains the most positive score increasing from 85% in 2011 to 88% in 2012.

In 2012/13 the OPG introduced a regular series of stand up sessions delivered by senior managers which gave all staff a chance to gain a vital insight into continuous improvement and the transformation programme, as well as increasing the visibility of senior managers around all OPG sites.

### **Learning and Development**

Between April 2012 and March 2013 the activities of the learning and development team have been diverse. The team has been providing support to the digital transformation team as well as the teams managing the supervision and complaints reviews respectively, providing advice and training as needs emerge.

In collaboration with learning services, the learning and development team has built an e-learning facility on the Justice Academy (a MoJ based website that staff can use to access online learning) and has developed three e-learning packages that enable remote workers and new staff to gain essential induction knowledge about the OPG and the MCA. The facility will be further developed to encompass a broader range of business skills and knowledge, so that learning can be provided more efficiently and cost effectively.

The team has been encouraging and supporting staff to make use of the Civil Service Learning provision to address learning needs. This has involved issuing communications, guidance and support. As a result, staff now actively use the portal to access learning products and further their development.

### **Creditor Payment, Policy and Performance**

The OPG pays all supplier invoices in accordance with the Government payment performance targets. These require us to pay all invoices not in dispute within 30 days or within the agreed contractual terms. They also require us to pay 100% of invoices, including disputed invoices once the dispute has been settled, on time within these terms. From 1 April 2012 to 31 March 2013, we paid 100% of invoices within this time span. Payments are only

made once they have been properly authorised under the terms of our financial delegation. No interest was paid under the Late Payment of Commercial Debt (Interest) Act 1998.

The OPG, in keeping with public sector organisations, aims to pay suppliers within 10 days, and in this year we paid 97% of invoices within this time span.

## Health and Safety

The OPG acknowledges its legal responsibilities in relation to the health, safety and welfare of its employees and for all people using its premises. We comply with the Health and Safety at Work Act 1974 and all other relevant regulations and legislation as appropriate.

The OPG recognises that to have effective health and safety management, the key elements as outlined within HSG65 (Health and Safety Executive's guidance on managing for health and safety) need to be in place. These elements are policy, organising, planning, measuring performance, auditing & reviewing.

The OPG has health and safety policies in place that are reviewed annually and a health and safety delivery plan that runs alongside our business objectives.

A health and safety risk register is maintained, informed by local risk assessment that is reviewed and monitored at a quarterly health and safety committee and is used to inform decisions and priorities.

Health and safety performance is monitored, reviewed, and communicated through performance data and presented to the health and safety committee.

The OPG maintain a programme of inspections that includes quarterly inspections carried out in conjunction with trade union representatives and monthly management inspections.

This year, the OPG conducted a week of awareness raising activities, in line with European health and safety week, with focus being on risk prevention.

In addition, 2013/14 will see the introduction of annual health and safety audits that are to be introduced by MoJ HQ staff and will be carried out in all OPG sites.

## Sustainability

As with all government agencies and departments the OPG has a requirement to report on sustainability and related costs in accordance with the Government Financial Reporting Manual (FRoM). However, OPG has in this financial year occupied no buildings where it is directly responsible for the supply of utilities, and so has no reporting responsibility under the Carbon Reduction Commitment (CRC). The OPG is looking to reduce carbon dioxide emissions and its impact on the environment by reducing water and paper consumption and the amount of waste generated.

The key resources consumed by the OPG are utilities and paper within its buildings, travel to these buildings by staff (other than their normal place of work) and the Court of Protection visitors within their monitoring role for OPG.

### Scope

The table below sets out our present occupancy. The OPG has now completed its relocation of the majority of work to the midlands, with the Archway Tower office in London closing in March 2012. Petty France is not reported on as the space occupied is minimal for OPG and the building will be reported on as whole by MoJ.

Property name	Tenure	MoJ floor area	OPG floor area	Financial information
Pearson Building	Memorandum of Terms of Occupation (MOTO) between HMCTS and Department for Works and Pensions (DWP)	1,653	1,350	By way of service charge to HMCTS
Floors 1–4, 54 Hagley Road	Leasehold HMCTS	3,052	784	By way of service charge to HMCTS
The Axis	Leasehold MoJ/OPG	3,744	3,744	By way of service charge via agents on behalf of the British Railway Board.
Petty France	Leasehold MoJ	Not applicable	Not applicable	Not applicable

Staffing within OPG has again increased from 599 FTE to 615, with all OPG's buildings now fully occupied.

### Greening Government Commitments (GGC)

The GGC commenced on 1 April 2011 and replaced sustainable operations on the Government estate targets. The GGC requires departments to take action to significantly reduce their impact on the environment by 2015 (compared with 2009/10).

### About our data

The key limitation to data collated is still its comparison with financial information. Costs for managing the estate are by way of service charges and the level of detail that OPG would require for a true comparison between sites and year on year is not available at present.

Due to multiple changes in waste collection, contracts and shared occupancy of buildings, no clear waste data has been gathered this year. Therefore no reports on this area have been

produced. For 2013/14, new contracts will be in place to enable reporting on waste to landfill and recycling.

There may be some minor variance of historical figures between reporting years due to changes in the DEFRA conversion factors used to convert energy use into CO<sub>2</sub> emissions.

All emissions figures are given as tonnes of carbon dioxide equivalent (CO<sub>2</sub> e) to account for other green house gases created such as methane and nitrogen oxides.

**Travel**

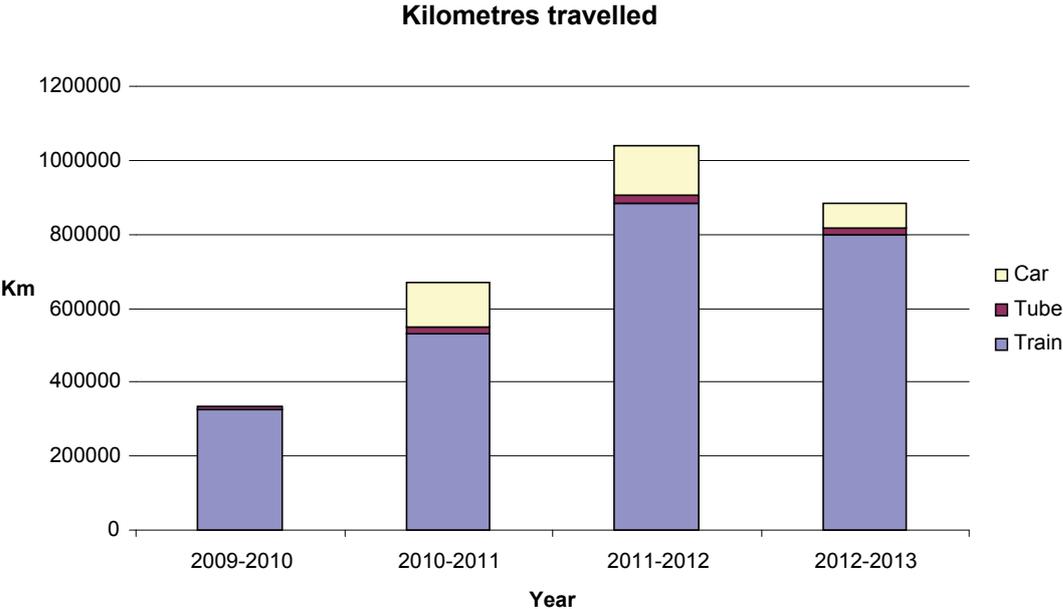
After utilities, travel is the major key cost in terms of carbon usage. OPG has made improvements in this area with reducing travel mileage by 15% from 1,034,000km in 2011-12 to 881,650km in 2012-13 in addition to reducing the proportion of car travel from 10% to 7% of the total. CO<sub>2</sub> emissions have similarly fallen from 77.6 tonnes to 61 tonnes. This fall is primarily down to the finalisation of the OPG relocation project.

There were 5 return aeroplane journeys made this financial year, travelling 4992 km and emitting 822 kg of CO<sub>2</sub>e. These were made when the Chief Executive and his team visited the OPG in Scotland. Flying was chosen due to the distances involved and was significantly more cost effective than taking the train.

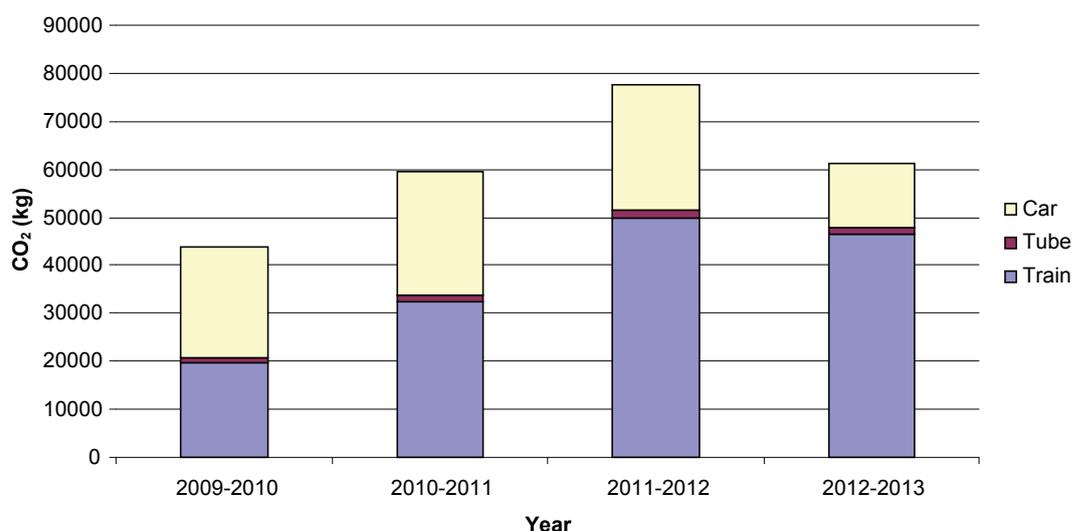
Car travel, although a minor fraction of total travel, accounts for one fifth of travel CO<sub>2</sub> emissions. Emphasis will be placed upon reducing this even further in the coming financial year. A significant proportion of car use is made by Court of Protection Visitors in the course of their duties. It will be difficult to reduce this source of CO<sub>2</sub> due to the necessity of the Visitors to travel via car.

It is hoped that with the increase in use of video and teleconferencing OPG will reduce non-visits travel further.

A summary of the data can be found in the following two charts. (NB no mileage figures available for car travel in 2009-10)



## CO<sub>2</sub> emissions



## Paper

Paper usage has fallen from 15,185 reams to 10,595. This is due to introduction of multifunction devices across all OPG sites that enforce double sided printing reducing the amount of paper used.

## Detailed performance data year by year

Carbon dioxide emissions		2009/10	2010/11	2011/12	2012/13
Non-financial indicators (tCO <sub>2</sub> )	Utilities	940	856	1,057*	890
	Travel	45	65	78 <sup>+</sup>	62
	<b>Total</b>	<b>985</b>	<b>921</b>	<b>1,135</b>	<b>951</b>
Financial indicators (£k)	Utilities			214	157
	Travel	N/A	N/A	303	256

\* This figure is revised upwards from the previous reports due to updated gas meter readings

<sup>+</sup> This figure is revised upwards due to changes in DEFRA conversion factors

## Targets

From 1 April 2011 new Greening Government Commitments require OPG to reduce greenhouse gas emissions for the whole estate by 2015 from a 09/10 baseline and also to cut domestic business-related transport and business travel flights by 20%.

## Description of terms, scope and data quality

OPG reports energy use in buildings in all buildings apart from Petty France which is reported in its entirety by MoJ HQ. Travel data includes travel by all OPG staff regardless of their location. Over 90% of reported carbon dioxide emissions are from electricity and gas use in buildings. The majority of readings are direct meter readings; usage is then estimated based on occupancy. Financial information is by way of service or recharges by other parts of MoJ and any comparisons should be treated cautiously.

## Performance commentary

Overall CO<sub>2</sub>e figures have fallen this year, both due to reductions in business travel, and by the reduction of the OPG's estate to 4 buildings and the closure of Archway Tower. Overall emissions have fallen by 16% over the year to 951 tonnes CO<sub>2</sub>e

Managing energy use from buildings			2009/10	2010/11	2011/12	2012/13
Non-financial indicators	Energy consumption (kWh)	Electricity: non-renewable	1,456,605	1,296,104	1,644,999	1,166,277
		Gas	803,240	819,136	1,032,557*	1,287,338
		<b>Total kWh</b>	<b>2,259,845</b>	<b>2,115,240</b>	<b>2,685,927</b>	<b>2,475,615</b>
Financial indicators (£k)	Total energy expenditure				214	156

\*This figure is revised upwards from the previous reports due to updated meter readings

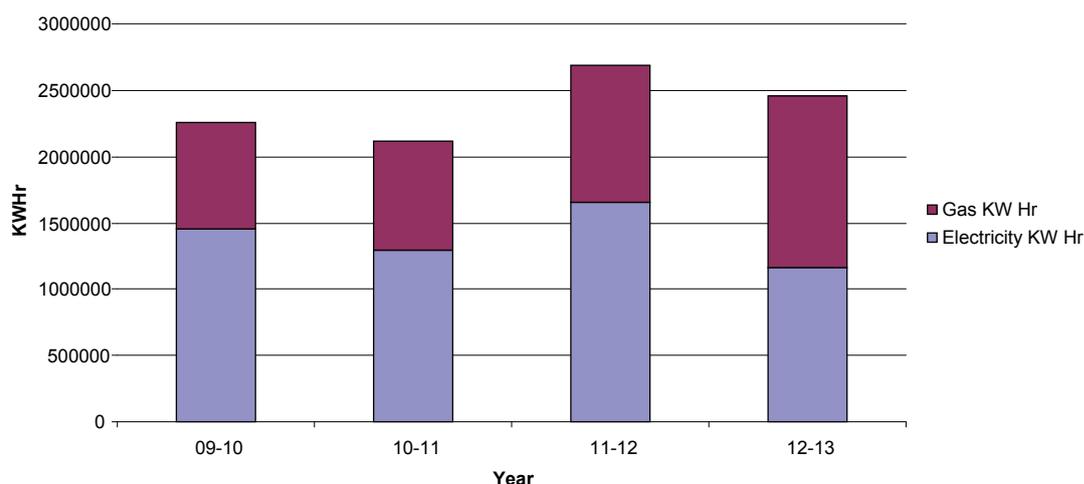
### Description of terms, scope and data quality

The data is taken directly from the building meters and is split according to floor area used. No figures have been obtained for Petty France due to the small occupancy. Expenditure is based on kWh times the unit cost, as OPG is not directly billed for any utilities.

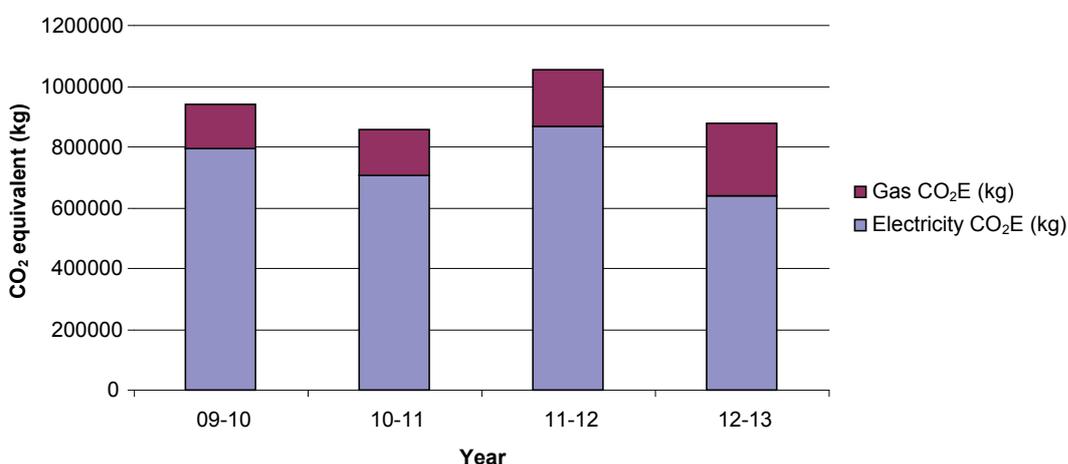
### Performance commentary

Overall CO<sub>2</sub>e figures have fallen this year, both due to reductions in business travel, and by the reduction of the OPG's estate to 4 buildings and the closure of Archway Tower. The reduction in emissions from utilities was 16% due to a significant fall in electricity use. This was partly offset by a 20% rise in gas use this year caused by the very cold 4<sup>th</sup> quarter.

Energy use KWHr



Energy CO<sub>2</sub>e emissions



Managing water use		2009/10	2010/11	2011/12	2012/13
Non-financial indicators	Water consumption (m <sup>3</sup> )	4,820	4,384	4,467	1,811
Financial indicators (£)	Mains water supply costs	N/A	N/A	8,000	2,752

### Targets

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

≥6m<sup>3</sup> water consumption per FTE poor practice

4 m<sup>3</sup> to 6 m<sup>3</sup> per FTE good practice

≤4 m<sup>3</sup> per FTE best practice

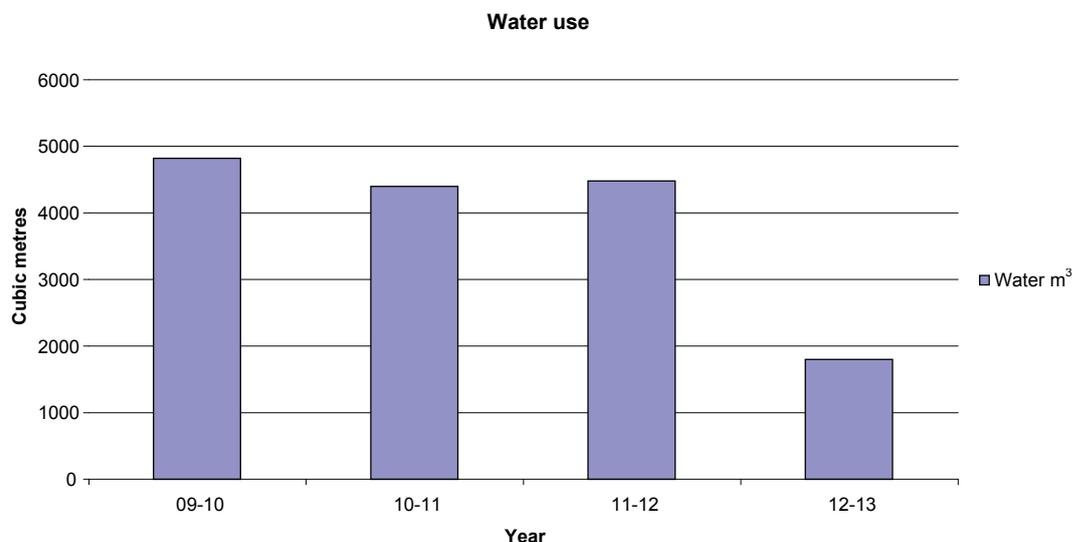
% offices meeting best/good/poor practice benchmark.

### Description of terms, scope and data quality

Water use is almost exclusively from washrooms and drinking. The figures are from building meters split by floor space occupied

### Performance commentary

Water use has fallen over the year to ~2.6m<sup>3</sup> per FTE. This falls within best practice targets. The very large fall over the year is primarily due to no longer running Archway tower, which was extremely inefficient.



### Summary

The OPG's environmental impact has fallen significantly over this financial year, primarily due to reducing the estate from 5 buildings to 4, no longer occupying Archway Tower, which was a highly inefficient building.

### Forward plans

Now that the OPG has seen its estate stabilise it will look to improve its sustainability figures. The OPG will continue to look to improve its data collection in particular around waste collection.

A 'green champions' network attended by staff, has been introduced. This will target recycling, increasing use of video and teleconferencing to reduce unnecessary travel and other energy saving measures.

Direct metering of electricity use will be introduced into the Axis site that will assist with the ability to record and report upon usage more accurately.

# Remuneration Report

## Remuneration policy

The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries.

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

In reaching its recommendations, the Review Body has regard to the following considerations:

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

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations.

## Salary

'Salary' includes:

- Gross salary;
- Performance pay or bonuses;
- Overtime;
- Reserved rights to London weighting or London allowances;
- Recruitment and retention allowances;
- Private office allowances; and
- Any other allowance to the extent that it is subject to UK taxation.

This report is based on payments made by the department on behalf of OPG and thus recorded in these accounts. The tables in this remuneration report have been subject to audit.

## Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the department and treated by HM Revenue and Customs as a taxable emolument.

## Service contracts

Civil service appointments are made in accordance with the Civil Service Commissioners' Recruitment Code. The Code requires appointments to be on merit on the basis of fair and

open competition but also includes the circumstances when appointments may otherwise be made.

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

Non-executive directors were appointed on a three year fixed contract.

Further information about the work of the Civil Service Commissioners can be found at [www.civilservicecommissioners.gov.uk](http://www.civilservicecommissioners.gov.uk)

## Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the members of the Agency Board.

### Remuneration

Members	2012/13			2011/12		
	Salary £'000	Bonus payments £'000	Benefits in kind (to nearest £100)	Salary £'000	Bonus payments £'000	Benefits in kind (to nearest £100)
<b>Alan Eccles</b> Chief Executive and Public Guardian (From 16/04/12)	105-110 (110-115 full year equivalent)	-	-	-	-	-
<b>Martin John</b> Chief Executive and Public Guardian (Until 13/04/12)	0-5 (75-80 full year equivalent)	-	-	75-80	-	-
<b>Stephen Taylor</b> Head of Corporate Services (Until 16/04/12)	0-5 (65-70 full year equivalent)	-	-	65-70	0-5	-
<b>Karen Morley</b> Head of Corporate Services (From 17/09/12)	30-35 (55-60 full year equivalent)	-	-	-	-	-
<b>Angela Johnson</b> Head of Practice and Compliance	55-60	0-5	-	55-60	0-5	-
<b>Jo Weaver</b> Head of Operations (Until 11/05/12)	5-10 (50-55 full year equivalent)	0-5	-	50-55	0-5	-
<b>Iain Dougall</b> Head of Operations (From 12/11/12)	25-30 (65-70 full year equivalent)	-	-	-	-	-
<b>Steve Wade</b> Head of Strategy and Business Development	55-60	0-5	-	50-55	0-5	-
<b>Sarah Wood</b>	5-10	-	-	0-5	-	-

Members	2012/13			2011/12		
	Salary £'000	Bonus payments £'000	Benefits in kind (to nearest £100)	Salary £'000	Bonus payments £'000	Benefits in kind (to nearest £100)
<b>Prof Anthony Schapira</b> (From 01/10/12)	0-5 (5-10 full year equivalent)	-	-	-	-	-
<b>Janet Grossman</b> (From 01/10/12)	0-5 (5-10 full year equivalent)	-	-	-	-	-
<b>Deep Sagar</b> (Until 21/01/13)	0-5 (0-5 full year equivalent)	-	-	0-5	-	-
<b>Rosie Varley</b> (Until 20/06/12)	0-5 (10-15 full year equivalent)	-	-	10-15	-	-
<b>Maurice Rumbold</b> (Until 20/06/12)	0-5 (5-10 full year equivalent)	-	-	5-10	-	-
<b>Lionel Joyce</b> (Until 20/06/12)	0-5 (5-10 full year equivalent)	-	-	5-10	-	-
<b>Suzanne McCarthy</b> (Until 20/06/12)	0-5 (0-5 full year equivalent)	-	-	0-5	-	-
<b>Sue Whittaker</b> (Until 20/06/12)	0-5 (0-5 full year equivalent)	-	-	0-5	-	-
<b>Band of Highest Paid Director:</b>		110-115		75-80		
<b>Total Remuneration (£'000)</b>						
<b>OPG Median Total Remuneration (£)</b>		<b>19,775</b>		<b>18,534</b>		
<b>Ratio</b>		5.7		4.2		

In order to increase the independence of the Public Guardian Board and its Secretariat, and to provide another route through which the Board could access the senior management team in the MoJ, the Secretariat function moved from OPG to the (then) Access to Justice Sponsorship and Performance Unit for the financial year 2010/11.

The Public Guardian Board was abolished in May 2012 under the Public Bodies Act 2011.

### Fair pay disclosures

Reporting bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce.

The banded total remuneration of the highest paid director of OPG in 2012/13 was £110–115k (2011/12; £75–80k). This was 5.7 times (2011/12; 4.2 times) the median remuneration of the workforce, which was £19,775 (2011/12: £18,534)

In 2012/13, no employee (2011/12: 1) received remuneration in excess of the highest-paid director. Total remuneration includes salary, non-consolidated performance related pay, benefits-in-kind but excludes severance payments. (Figures for the whole organisation in respect of severance payments are disclosed at note 3.4.) It does not include employer pension contributions and the cash equivalent transfer value of pensions.

The information shown in the table of remuneration is subject to audit.

## Pension benefits

Pension benefits Members	Accrued pension at age 60 as at 31/3/13 and related lump sum	Real increase in pension and related lump sum at age 60	CETV at 31/3/13	CETV at 31/3/12	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
<b>Alan Eccles</b> Chief Executive and Public Guardian (From 16/04/12)	60 - 65 plus lump sum of 0-5	0 - 2.5 plus lump sum of 0 - 2.5	978	918	7	-
<b>Karen Morley</b> Head of Corporate Services (From 17/09/12)	30 - 35 plus lump sum of 90-95	0 - 2.5 plus lump sum of 0 - 2.5	475	456	12	-
<b>Angela Johnson</b> Head of Practice and Compliance	20 - 25 plus lump sum of 0-5	0 - 2.5 plus lump sum of 0 - 2.5	394	351	22	-
<b>Iain Dougall</b> Head of Operations (From 12/11/12)	10 - 15 plus lump sum of 0-5	0 - 2.5 plus lump sum of 0 - 2.5	145	138	5	-
<b>Steve Wade</b> Head of Strategy and Business Development	5 - 10 plus lump sum of 20-25	0 - 2.5 plus lump sum of 0 - 2.5	99	87	5	-
<b>Martin John</b> Chief Executive and Public Guardian (Until 13/04/12)	15 - 20 plus lump sum of 55 - 60	0 - 2.5 plus lump sum of 0 - 2.5	259	258	0	-
<b>Stephen Taylor</b> Head of Corporate Services (Until 16/04/12)	5 - 10 plus lump sum of 25 - 30	0 - 2.5 plus lump sum of 0 - 2.5	-	171	0	-
<b>Jo Weaver</b> Head of Operations (Until 11/05/12)	10 - 15 plus lump sum of 40 - 45	0 - 2.5 plus lump sum of 0 - 2.5	181	180	0	-

Prior year CETV figures differ from those in last years financial statements as they have been rebased.

There is no pension arrangement made for the non-executive directors. The information shown in the table of pension benefits is subject to audit.

## Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a 'final salary'

scheme (classic, premium or classic plus); or a 'whole career' scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with changes in the Consumer Price Index (CPI). Members who joined from October 2002 could opt for either the appropriate defined benefit arrangement or a good quality 'money purchase' stakeholder pension with a significant employer contribution (partnership pension account).

Employee contributions are set at a rate of between 1.5% and 3.9% of pensionable earnings for classic and between 3.5% and 5.9% for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, the benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits from October 2002 worked out as in premium. In nuvos, a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and, immediately after the scheme year end, the accrued pension is updated in line with CPI. In all cases members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

From April 2015, members of the classic, premium and premium plus schemes with a retirement age before April 2022, will move to a new career average scheme similar to nuvos. Benefits earned after April 2015 will be based on average earnings rather than final salary. Benefits earned in the existing schemes up to that date will be preserved and increased in line with CPI. Retirement ages will align with the state pension age.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product chosen by the employee from a panel of three providers. The employee does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution).

Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

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

Further details about Civil Service pension arrangements can be found at the website [www.civilservice.gov.uk/pensions](http://www.civilservice.gov.uk/pensions).

### **Cash Equivalent Transfer Values**

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

arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost.

CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### **Real increase in CETV**

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



**Alan Eccles**  
Chief Executive and Accounting Officer  
26 June 2013

## Statement of Accounting Officer's Responsibilities

Under section 7(2) of the Government Resources and Accounts Act 2000 HM Treasury has directed the agency to prepare a statement of accounts for each financial year in the form and on the basis set out in their Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the agency's state of affairs at the year-end and of its income and expenditure, total recognised gains and losses and cash flows for the financial year.

The Principal Accounting Officer for the MoJ has designated the Chief Executive of the OPG as the Accounting Officer for the agency, with responsibility for preparing the agency's accounts and for transmitting them to the Comptroller and Auditor General.

In preparing the accounts, the Accounting Officer is required to comply with the *2012/13 Government Financial Reporting Manual (FReM)* issued by HM Treasury that follows International Financial Reporting Standards (IFRS) to the extent that it is meaningful and appropriate to the public sector, and in particular to:

- observe the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgments and estimates on a reasonable basis;
- state whether applicable accounting standards, as set out in the FReM, have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going-concern basis.

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

# Governance Statement

This Statement sets out the basis on which the Office of the Public Guardian (OPG) has been established; the way in which it is governed and managed, and how it is accountable for what it does and its risk and control framework.

## Governance Framework

In so far as it is relevant and proportionate, the OPG is compliant with HM Treasury's *Corporate Governance in Central Government: Code of Good Practice 2011* as it relates to an executive agency of the Ministry of Justice (MoJ). Whilst the focus of the code is on ministerial departments, where applicable the OPG applies its principles that it considers are commensurate with its size, status and legal framework.

The Secretary of State for Justice and Lord Chancellor is the Minister accountable to Parliament for the activities and performance of the OPG. The Chief Executive is appointed to manage the OPG and responsibility for the exercise of its functions as set out in the Framework Document and for its day-to-day performance is delegated to the Chief Executive.

The Permanent Secretary for the MoJ is the Department's Principal Accounting Officer and is the principal adviser to the Secretary of State on matters affecting the MoJ as a whole, including allocation of resources to the OPG, expenditure and finance.

The Permanent Secretary designated the Chief Executive as OPG's Accounting Officer for the Agency's administrative expenditure by letter, in a form approved by HM Treasury, which defined the Chief Executive's responsibilities and the relationship between the role of Agency Accounting Officer and the role of Principal Accounting Officer.

The OPG Framework Document laid before Parliament on 1 April 2009, set out the financial and organisational framework within which the OPG operates as an executive agency of the MoJ and the responsibilities of those involved, however a revised version of this document is currently with MoJ ALB Governance Division awaiting finalisation.

## Board Effectiveness

This was a year of transition in respect of governance in the OPG. The Public Guardian Board was abolished in September 2012 and the new OPG Board was initiated in October 2012. At the start of the year, OPG carried out a formal review of the overall effectiveness of each of the current Boards and Committees. Following the review, the OPG reduced the number of Boards and Committees and as a result of this, from October 2012 the Workforce Change Committee, Delivery Board, Leadership Committee and Celebrating Success meetings were captured under the Executive Management Board.

An overview of the Governance Framework as from October 2012 is shown at Figure 1 and the Governance Assurance Structure appears at Figure 2.

Figure 1 OPG Governance Framework – from October 2012

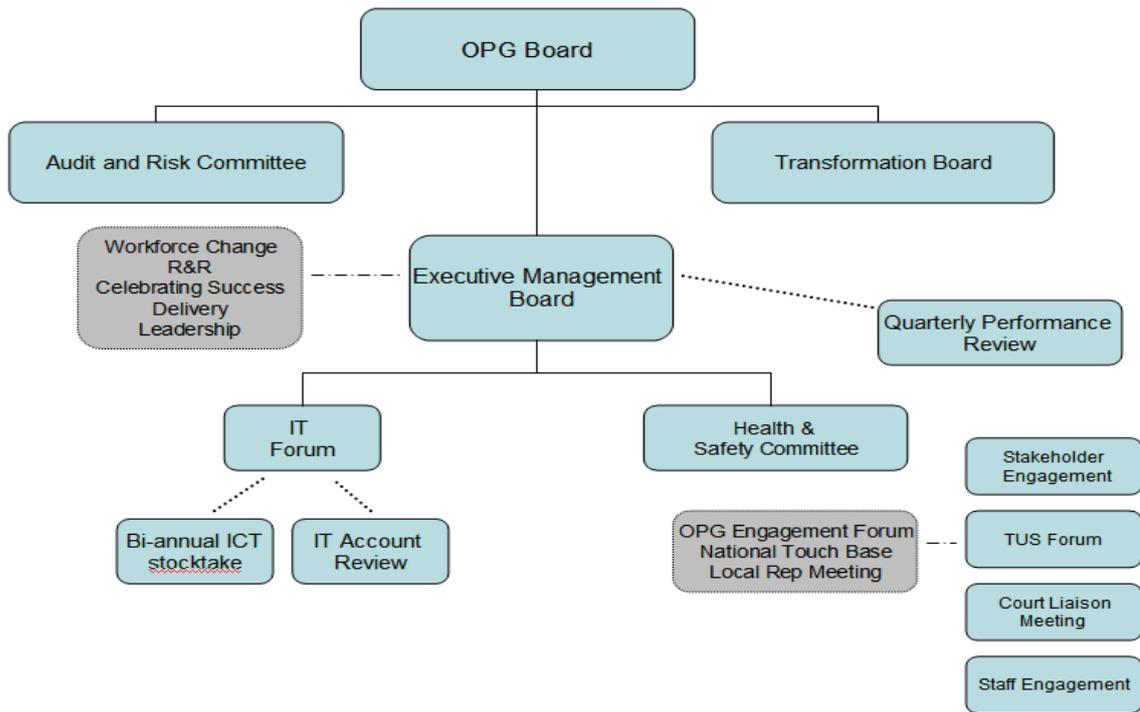
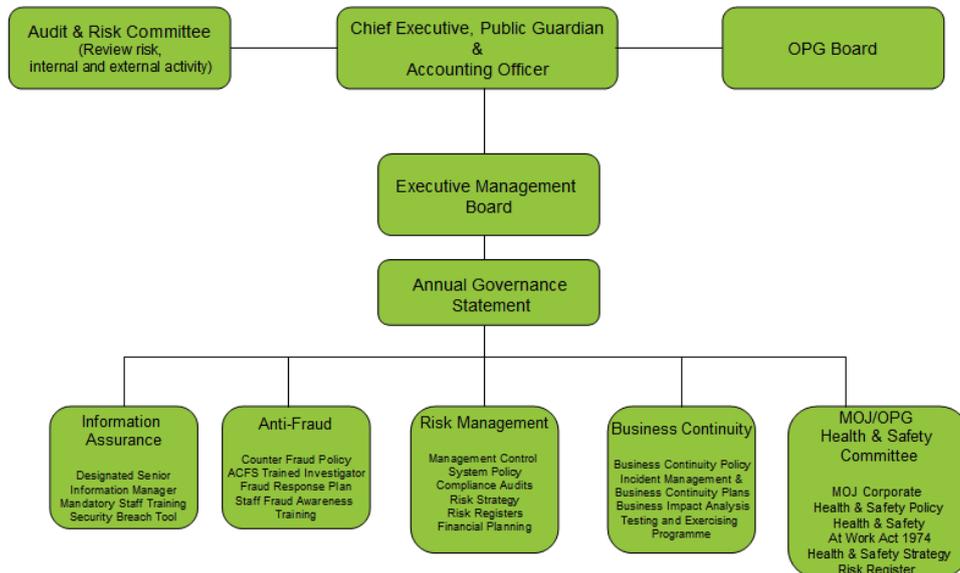


Figure 2 OPG Assurance Structure – from October 2012



## The Chief Executive

The Chief Executive and Accounting Officer is responsible for the leadership and management of the OPG. He is directly accountable to the Permanent Secretary who is in turn accountable to the Lord Chancellor and Secretary of State for Justice for the effective operation of the OPG.

He is also responsible for the proper and economical use of resources and expenditure of money voted by Parliament and for ensuring that correct procedures are followed for securing the propriety and regularity of public funds.

The OPG governance structure consists of an OPG Board that met six times from its inception in October 2012 supported by three sub-boards:

- Executive Management Board.
- Transformation Board.
- Audit and Risk Committee.

## OPG Board

The OPG Board exists to protect and enhance the reputation of the Agency. It does so by steering and overseeing the direction of the Agency in delivering the aims and objectives of the OPG.

The OPG Board operates within the MoJ / OPG Framework Document agreed with the Minister and the appropriate Director General. Its members take decisions collectively and not as representatives of the business areas which they may lead.

The OPG Board comprises five executive staff members, one MoJ nominee and four non-executive directors:

- **Alan Eccles** – Chief Executive and Public Guardian
- **Karen Morley** – Head of Corporate Services
- **Iain Dougall** – Head of Operations
- **Angela Johnson** – Head of Practice & Compliance
- **Steve Wade** – Head of Strategy and Business Development
- **Antonia Romeo** – Director General Transforming Justice
- **Sarah Wood** – Non-executive Director & Chair of the Audit & Risk Committee
- **Bill Griffiths** – Non-executive Director
- **Janet Grossman** – Non-executive Director
- **Professor Anthony Schapira** – Non-executive Director

## Key Successes:

- The early formation of the OPG Board once the Public Guardian Board was abolished in September 2012.
- The successful recruitment of non-executive board members, which included MoJ non-executive board members.
- Signing off the Operating Framework.
- New proposed governance structure for meetings under the OPG Board approved, which has supported the streamlining of meetings within the OPG.

- Highlighting underperformance across the OPG, ensuring that this was presented and measures taken to improve both performance and the way it is measured and reported.
- Ensuring the OPG Board had strong links with MoJ Audit Committee and they were following all necessary audit/governance requirements.
- Executive Members are full members of the OPG Board with equal decision making authority as opposed to solely representing their own business area.
- The Safeguarding Policy which had been in place since 2008 was reviewed and submitted to the OPG Board in March 2013 where it was approved with some amendments.
- The new OPG risk register was presented to the OPG Board in December 2012 and approved by the Audit and Risk Committee in January 2013.

Papers submitted to the Board for information, discussion and decision making purposes were generally high quality and fit for purpose. Development of performance hub posters to support the balance scorecard reporting was particularly commended by the Board throughout the year. Reports focussing on Risk and Finance have received constructive feedback and incremental improvements were delivered.

No Agency members had any other directorship or significant interest that conflicted with their responsibilities as a member of the Board.

### Executive Management Board

The Executive Management Board (EMB) meetings focus primarily on: finance, performance, risk, workforce change/planning, complaints, HR (sick absence etc), business delivery, leadership and celebrating success.

The EMB comprises five executive staff members:

- **Alan Eccles** - Chief Executive and Public Guardian
- **Karen Morley** - Head of Corporate Services
- **Iain Dougall** - Head of Operations
- **Angela Johnson** - Head of Practice & Compliance
- **Steve Wade** - Head of Strategy and Business Development

### Key Successes:

- Bringing the EMB functions into focus by separating out their formal decision making meetings from pure information giving sessions - this set the right level of strategic overview for the EMB and was signed off on the 8th January 2013.
- Reduced the number of meetings across the wider OPG so that all non-essential meetings were removed and only those that have a form of governance/risk reporting requirement to the business remain.
- The EMB now have a forward look document in place which details all the strategic and business commitments across the organisation under each Executive in order for them to confidently assess whether there is the capacity to carry out individual initiatives and whether the timeframe for completion is realistic.
- Undertaking away days for senior leaders and leaders within the organisation in February/March 2013 to turn the Business Plan into deliverables prior to the start of the 2013/14 business year.
- Having the Business Plan 2013/14 signed off before the start of the business year (the 2012/13 plan was not signed off until June 2012- some way into the business year).

- Amended Reward and Recognition Policy signed off in March 2013 which is more aligned to the MoJ Reward and Recognition/Celebrating Success policy/processes.

### Transformation Board

The Transformation Board (TB) exists to bring together the key stakeholders from across OPG, MoJ Justice Policy Group (JPG), MoJ ICT and partners in delivery, Government Digital Services (GDS), to ensure the programme runs effectively, in particular through providing the primary forum for the relationship between OPG, MoJ, GDS, and Transformation colleagues. The purpose of the TB is to ensure that the Programme delivers to time, cost and quality and that the scope of the programme is maintained or altered only through agreed processes.

The TB comprises of five executive staff members, one non-executive director, two OPG staff, two MoJ staff, two GDS staff:

- **Alan Eccles** – Chief Executive and Public Guardian
- **Iain Dougall** – Head of Operations
- **Steve Wade** – Head of Strategy and Business Development
- **Angela Johnson** – Head of Practice and Compliance
- **Lillian Ashman** – Financial Responsible Officer, replaced by **Karen Morley** Head of Corporate Services (joined 01/10/2012)
- **Sarah Wood** – Non- executive Director and Chair of Audit and Risk Committee, replaced by **Janet Grossman** (joined 01/10/2012)
- **Helen Journeaux** – OPG Programme Manager
- **Kit Collingwood** – OPG Delivery Manager
- **Arwa'a Abdulla** – MoJ ICT Lead, replaced by **Steve Turnbull** (joined 01/03/2013)
- **Jayne Bowman** – Justice Policy Group
- **Mike Beavan** – Transformation Programme Director, Government Digital Service
- **Richard Wilson** - Deputy Director, Government Digital Service

### Key Successes:

- Awareness that the timetable for delivery of the programme was too ambitious and starting work to rebase the timetable. The TB agreed the new timetable and this was signed off by both the Transforming Justice Committee and the Minister.
- Ensured that the programme monitored its progress and risks against the minimum criteria for success of the programme – rather than against the ultimate delivery which is dependent on factors outside the OPG control – such as need for primary legislation. This ensured that the effort and activity was channelled to the right areas at the right times.
- Ensured that the TB dealt with dependencies across the programme, ensuring that all areas of the programme worked towards a consistent end goal and the TB ensured that the OPG stayed on track financially.
- Agreed that the business case was robust and offered value for money and that it was suitable for onward approval processes.
- Confirmed that procurement processes were correct and that the relevant approvals were given prior to procurement.

## Audit & Risk Committee

The Audit & Risk Committee (ARC) provides support to the Accounting Officer and Chief Executive in the discharge of his responsibilities for governance, risk management, control and assurance. It is an advisory body and has no executive powers.

The members of the ARC during the period were:

- **Sarah Wood** – Chair & non-executive Director
- **Deep Sagar** – Non-executive Director (left 31/03/2013)
- **Kate Ivers** – Independent member
- **Professor Anthony Schapira** – Non-executive Director (joined 01/04/2013)

The ARC met quarterly in 2012/13, which included overseeing the production of the Annual Report and Accounts for 2011/12. The system of internal control is a standing agenda item, its importance is stressed and actions noted to ensure issues arising are followed through and appropriate action taken.

The ARC received and reviewed reports from MoJ Internal Audit and Assurance and, as appropriate, the National Audit Office (NAO). The ARC's terms of reference and membership are in accordance with the HM Treasury publication 'The Audit Committee Handbook'.

The Chair of the ARC presents an Annual Report to the Accounting Officer and Chief Executive together with an assessment of the ARC's effectiveness.

## Key Successes:

- Supporting OPG in securing an appropriate level of service from MoJ Internal Audit and Assurance
- Supporting OPG in re-establishing appropriate relationships with MoJ Audit Committee
- Raising the profile of OPG risk registers by monitoring management review at EMB and OPG Board meetings.

## OPG Board Attendance

**Table 1** – The OPG Board is scheduled to meet twelve times every financial year, however as this Board came in to existence in October 2012 it has met only six times throughout the year.

Member	No. of Meetings Attended
Alan Eccles	6/6
Karen Morley	6/6
Iain Dougall	5/5
Angela Johnson	5/6
Steve Wade	5/6
Antonia Romeo	1/1
Sarah Wood	4/6
Bill Griffiths	3/3
Janet Grossman	4/6
Professor Anthony Schapira	4/6

## Executive Management Board Attendance

**Table 2** – The EMB is scheduled to meet twelve times every financial year; twelve meetings were held.

Member	No. of Meetings Attended <sup>2</sup>	
	April – September 2012	October – March 2013
Alan Eccles	5/6	6/6
Karen Morley	1/1	6/6
Iain Dougall		4/5
Angela Johnson	3/6	3/6
Steve Wade	5/5	5/6

## Transformation Board Attendance

**Table 3** – The TB is scheduled to meet twelve times every financial year; twelve meetings were held.

Member	No. of Meetings Attended <sup>2</sup>	
	April – September 2012	October – March 2013
Alan Eccles	4/6	5/6
Karen Morley		5/6
Iain Dougall		3/5
Angela Johnson	4/6	3/6
Steve Wade	3/6	5/6
Lillian Ashman	3/3	1/1
Sarah Wood	4/4	
Helen Journeaux	4/6	5/6
Kit Collingwood		5/5
Arwa'a Abdulla	3/6	
Steve Turnbull		4/6
Jayne Bowman	3/6	4/6
Mike Beavan	1/6	2/6
Richard Wilson	2/6	0/1
Janet Grossman		5/6

## Audit & Risk Committee Attendance

**Table 4** – The ARC is scheduled to meet four times every financial year; four meetings were held.

Member	No. of Meetings Attended
Sarah Wood	4/4
Deep Sagar	3/4
Kate Ivers	4/4

<sup>2</sup> Shaded area relates to a period when the member did not sit on the Board or Committee.

In Attendance	No. of Meetings Attended
Alan Eccles	4/4
Karen Morley	2/2
Steve Wade	1/1
Jim Rogers	4/4
A representative of the National Audit Office (NAO)	4/4
Marc Rainforth – Internal Audit Assurance (IAA)	2/4
Chris Davis - IAA	3/4
Helen Journeaux - OPG	2/2
Jack Chimes - OPG	1/1
Julie Smith - OPG	4/4

### Internal Audit

The Accounting Officer and Chief Executive has established and maintained arrangements for the provision of internal audit services from MoJ within the OPG in accordance with the objectives and standards for internal audit set out in the Public Sector Internal Audit Standards (published by HM Treasury)

The MoJ Internal Audit and Assurance team has a right of access to the OPG in support of the Permanent Secretary's responsibilities as Principal Accounting Officer that includes access to all books, records, data, assets, personnel and premises of the OPG as may be considered desirable or necessary to discharge the OPG's responsibilities. MoJ receives copies of the OPG's annual internal audit plans and annual report from the Chief Executive. MoJ is notified of any fraud or irregularity within the definition set out by HM Treasury.

With regards to the internal audit of the OPG's governance, risk management and internal control:

Internal Audit assessed the level of assurance as 'reasonable'. Internal audit work identified moderate and significant rated findings that were isolated to specific systems and processes that, when taken in aggregate, were not considered to be pervasive to the system of internal control as a whole. This represents a considerable improvement from the previous year's rating of 'limited assurance' and reflects the considerable work undertaken by OPG to improve controls throughout the business.

### Risk framework

The OPG has a well established approach to the management of risk at all levels across the organisation. Risk management is used across OPG as an enabling tool to encourage innovation and efficiency.

The OPG's risk appetite is that it considers itself:

- A forward-facing and innovative organisation, more willing to take and manage risk in the areas of:
  - delivering improved service to clients;
  - modernising and transforming the OPG to benefit the customer;
  - increasing awareness of its services to provide a positive image and reputational effect; and

- striking a balance between empowering and safeguarding when encouraging clients to make decisions for themselves.
- A risk averse organisation, less willing to take and manage risk in the areas of:
  - exercising effectively the Public Guardian's statutory functions and powers;
  - when providing a risk-based supervision regime for deputies and ensuring that safeguards are applied for vulnerable adults in identifying, preventing and stopping abuse where possible; and
  - in its internal governance and management control systems.

Before the start of the financial year, a Risk Workshop was held with the Executives, internal and external auditors and senior managers from OPG to discuss and identify the OPG risks for the year ahead against the achievement of the OPG Business Plan objectives and operational services to the public.

The OPG risks were identified, including risks regarding data disclosures, poor customer service and disengagement of customers and stakeholders. With feedback and recommendations from the ARC, new CEO and the appointment of two new Executives the OPG risk register required updating. A workshop was held mid year with the EMB to identify current risks that the OPG faced. These risks were recorded in an OPG risk register and disseminated to each directorate, to re-evaluate their risk registers accordingly.

The updated OPG risks identified and managed for 2012/13 were:

1. Failure to deliver the digital transformation programme within the required deadlines.
2. Transformation handover may affect the high delivery of service that continues to be achieved at Operational level.
3. IT systems are un-reliable to enable a continued delivery of our services.
4. Staff inexperience of Operational processes.
5. Health & Safety of OPG Visitors (Lone Working).

Management of these risks throughout the year:

1. OPG re-structured it's staffing resource for the programme and re- baselined the timetable for delivery in September 2014, with a phased approach. OPG has fostered partnerships with MoJ, JPG and GDS in order for the programme to run effectively, deliver on time, within budget and to the required quality.
2. OPG has ensured all senior managers are engaged with transformation and staff are embedded with programme resource to advise, assess and improve the integration of the transformation programme in to business areas.
3. OPG is actively seeking to wholly replace the IT systems with those being developed by the IT transformation project.
4. OPG has a learning and development strategy; it links learning and development activities with business needs and values in order to establish priorities and planned activities within agreed resources, including 'Building Capability for All' as set out in the new Civil Service Competency Framework. Additionally, it outlines activities for meeting the learning and development needs that support major change activities and programmes such as continuous improvement and transformation.
5. OPG has ensured that all Visitors have been made aware and comply with the MoJ lone working guidance. All Visitors have completed lone working risk assessments and are developing a risk assessment framework to be used prior to each visit.

## Control framework

The system of internal control is designed to manage risk to a reasonable level, rather than eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness.

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

- identify and prioritise the risks to the achievement of the OPG's policies, aims and objectives;
- evaluate the likelihood of those risks being realised and the consequential impact; and
- manage those risks efficiently, effectively and economically.

During the year, using the system of internal control each risk has been monitored on a monthly basis, with additional controls identified and put in place to lower the severity of each risk throughout the year.

Risks below corporate level are managed at directorate level and are recorded in directorate risk registers. Programme and project risks are managed separately and risk registers compiled.

Directorate, programme and project risk registers are subject to regular review by each Executive and Programme/Project Boards. If required, significant risks are escalated to the OPG risk register.

At operational level, risks are managed on a day-to-day basis, through efficient management practises and robust operating procedures. Executives receive assurance that operational risks are being effectively managed on their behalf from the completed monthly compliance certificates, which inform the content of each Executive's quarterly compliance certificate to the Chief Executive. More specifically EMB members and senior managers confirm compliance with prescribed internal controls throughout the period, including the reporting of exceptions and remedial actions and linked to significant risks.

The OPG received no ministerial directions during 2012/13.

## Anti-fraud

The OPG has a fraud response plan that is underpinned by the MoJ Anti-Fraud and Corruption Policy. The manager with specific counter fraud responsibilities for OPG has attained Certification as an Accredited Counter Fraud Specialist (ACFS); is a member of the Institute of Counter Fraud Specialists; MoJ Counter Fraud Co-ordination Group; and is able to draw on best practise across the Department if necessary.

Fraud investigations are co-ordinated by the ACFS, along with the appropriate Executive Head, HR Shared Services and the relevant Line Manager.

Fraud awareness seminars are provided to all new staff on induction and via a rolling programme to existing staff.

The counter fraud, bribery and corruption E-learning modules, which were mandated by Francis Maude, Minister for the Cabinet Office, have been completed by 98% of OPG staff. This completion rate was considered to be an exemplar within MoJ.

The OPG was a victim of external fraud arising from unauthorised access to the telephony system in our Nottingham site over a weekend in December 2012 during which OPG suffered a minor financial loss. The telecom provider identified an unusual pattern of calls and applied controls that prevented further abuse of the system. They alerted OPG who investigated the matter, invoked a case conference between the internal stakeholders and managers and ensured completion of the required actions to prevent a further occurrence.

## Business Continuity

The OPG has developed and maintained Incident Management & Business Continuity Plans to manage the risk of disruption; ensure effective response to incidents; maintain the continued operation and recovery of the OPG business.

The OPG Governance and Assurance Team has delivered and continues to deliver a training and educating programme to those with business continuity roles and responsibilities; and to raise awareness of all staff of the OPG's business continuity arrangements.

Plans were implemented when the Contact Centre's telephone system failed to work for two days. The contingency to switch over to the Axis Building worked successfully and the staff who had been trained for this purpose took the calls throughout the two days. The OPG did not receive any complaints regarding this issue.

Plans were also implemented when one of the computer systems failed to operate for one day in December 2012. Manual processes were initiated, resources were re-distributed and all business continuity processes were followed, which resulted in minimal impact on the business.

The OPG received an internal audit report of its business continuity and disaster recovery procedures to provide management with assurance on the adequacy with which recommendations made in an initial report (March 2012) had been implemented. The follow up report considered the level of implementation to be satisfactory, with an overall 'Green' rating for the financial year 2012/13.

## Information Assurance

An OPG-appointed Information Assurance Executive Lead (IAEL) performs the role of Senior Information Risk Owner supported by an Information Assurance Manager (IAM). The OPG approach is consistent with good practice and Government policy and has an Information Security Policy, information asset register; information risk appetite statement and associated risks built into the OPG risk register. A new post-incident response process is in place following a review of information loss reporting procedures.

Current controls include:

- a management control system with controls specifically covering security of information procedures and responsibilities;
- all staff during the year receiving mandatory training in the security of information with additional remedial training where required;
- managers with specific security of information responsibilities attaining a Certificate in Information Security Management Principles (CISMP);
- dedicated intranet pages, available to all staff, providing bespoke advice and guidance on a range of Information Assurance and Security considerations, including additional guidance on how to apply protective markings;
- information risk assessments completed in respect of all key IT systems;
- a clear desk policy with compliance checking to be rolled out across the organisation in 2013.

## Information Security

A year end report on information security breaches revealed a number of enhancements derived from the introduction of the new information breach reporting process (IBRP) from September 2012, including:

- more robust incident statistics; the ability to identify 'at fault' incidents; and to discount breaches outside the scope of the OPG's control from both the scorecard and MoJ return statistics;
- simpler, predetermined levels of harm attributed to specific document types, placing the focus on the impact of what is lost or compromised and not just the cause behind it;
- regular monthly updates to business areas, challenging the effectiveness of remedial controls, supported by quarterly updates to Business Area Executives (the primary Information Asset Owners) to ensure relevant areas/individuals remain aware of/accountable for, the information they manage and handle;
- full staff awareness of the reporting process, with a dedicated IBRP page on the OPG's Intranet where process guidance and additional guidance on how to confirm or identify a potential breach can be found 'all in one place'.

Information breach statistics overall remain very low, equating to less than 1% of total Power of Attorney work volumes since September 2012.

A downward trend in information security breaches is anticipated over the next quarter as a consequence of implementing revised processes.

A peak of 18 'High-Harm' information breaches in October 2012 is wholly attributable to the clearance of LPA backlogs within operations during the early Autumn and the resultant throughput of outgoing post. The total volume of breaches for October 2012 remained at 0.2% as a percentage of the workload.

### Accounting Officer

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control, including the risk management framework. My review is informed by the work of the internal auditors and the executive managers within the OPG who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. In their annual report, our internal auditors have given an overall assurance that the OPG has a 'reasonable' level of assurance. I have been advised on the implications of the result of my review by the OPG Board and the Audit & Risk Committee. I am satisfied that a plan to address weaknesses in the system of internal control and ensure continuous improvement of the system is in place. I am also satisfied that all material risks have been identified, and that those risks are being properly managed.

### Disclosure of relevant audit information

As Accounting Officer I confirm that:

- There is no relevant audit information of which the auditors to the Office of the Public Guardian are unaware;
- I have taken all the steps I ought to ensure that the said auditors are aware of the relevant audit information; and
- I have taken all the steps I ought to establish that the said auditors are aware of such information.



**Alan Eccles**  
Chief Executive and Accounting Officer  
26 June 2013

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

I certify that I have audited the financial statements of the Office of the Public Guardian for the year ended 31 March 2013 under the Government Resources and Accounts Act 2000. These comprise the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

## Respective responsibilities of the Accounting Officer and Auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Chief Executive as Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Office of the Public Guardian's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Office of the Public Guardian; and the overall presentation of the financial statements. In addition I read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

## Opinion on regularity

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

## Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of Office of the Public Guardian's affairs as at 31 March 2013 and of the net operating surplus for the year then ended; and
- the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

## Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000; and
- the information given in the Management Commentary and Performance Achievement sections of the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## Matters on which I report by exception

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## Report

I have no observations to make on these financial statements.

*Amyas C E Morse  
Comptroller and Auditor General*

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

28 June 2013

## Financial Statements

### Statement of Comprehensive Net Expenditure

		2012/13	2011/12
	Note	£'000	£'000
Programme costs			
Staff costs	3	17,510	17,685
Expenditure	4/5	10,408	11,304
Income	2	(37,203)	(30,515)
<b>Net Operating (surplus)</b>		<b>(9,285)</b>	<b>(1,526)</b>

### Other Comprehensive Net Expenditure.

		2012/13	2011/12
	Note	£'000	£'000
Net (gain) on revaluation of Property, Plant and Equipment	8	(28)	-
Net (gain) on revaluation of Intangibles	8a	(2)	(5)
<b>Total Comprehensive Net Expenditure for the year ended 31 March 2013</b>		<b>(9,315)</b>	<b>(1,531)</b>

The notes on pages 49 to 63 form part of these accounts.

<b>Statement of Financial Position</b>			
<b>as at 31 March 2013</b>			
		<b>31-Mar-13</b>	<b>31-Mar-12</b>
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>
<b>Non-current Assets:</b>			
Property, plant and equipment	8	1,436	1,328
Intangible assets	8a	1,473	1,173
Total non-current assets		<u>2,909</u>	<u>2,501</u>
<b>Current assets:</b>			
Trade and other receivables	9	23,334	5,555
Cash and cash equivalents	10	2,289	2,218
Total current assets		<u>25,623</u>	<u>7,773</u>
Total Assets		<u>28,532</u>	<u>10,274</u>
<b>Current Liabilities</b>			
Trade and other payables	11	(1,618)	(1,971)
Provisions for liabilities and charges	12	(315)	(254)
		<u>(1,933)</u>	<u>(2,225)</u>
Total current liabilities		<u>(1,933)</u>	<u>(2,225)</u>
<b>Total assets less current liabilities</b>		<u>26,599</u>	<u>8,049</u>
<b>Non-current liabilities</b>			
Provisions for liabilities and charges	12	(206)	(111)
Total non-current liabilities		<u>(206)</u>	<u>(111)</u>
Total Assets less total liabilities		<u>26,393</u>	<u>7,938</u>
<b>Taxpayers' equity:</b>			
General fund		26,008	7,583
Revaluation reserve		385	355
Total taxpayers' equity		<u>26,393</u>	<u>7,938</u>



**Alan Eccles**  
Chief Executive and Accounting Officer  
26 June 2013

The notes on pages 49 to 63 form part of these accounts.

**OPG - Statement of Cash Flows**  
**For the period ended 31 March 2013**

	Note	2012/13 £000	2011/12 £'000
<b>Cash Flows from operating activities</b>			
Surplus/(Deficit) for the year		9,285	1,526
Other non-cash income	2	-	(323)
Other non-cash charges	5	4,740	4,518
Other non-cash operating costs	4	1,160	1,556
Other non-cash MoJ Funding		5,714	-
		20,899	7,277
(Increase) / decrease in trade and other receivables	9	(18,459)	7,098
Increase / (decrease) in trade and other payables	11	(678)	(1,374)
Utilisation of provisions settled by OPG	12	(344)	(141)
		1,418	12,860
<b>Cash flows from investing activities</b>			
Non current asset payables written back		-	68
Purchase of property, plant and equipment	8	(336)	(457)
Purchase of Intangible assets	8a	(702)	(331)
		(1,038)	(720)
<b>Cash flows from financing activities</b>			
Surrender of cash to MoJ		(309)	(10,309)
		(309)	(10,309)
<b>Net increase / (decrease) in cash</b>			
		71	1,831
<b>Cash and cash equivalent at the beginning of the period</b>			
	10	2,218	387
<b>Cash and cash equivalent at the end of the period</b>			
	10	2,289	2,218

The notes on pages 49 to 63 form part of these accounts.

**Statement of changes in Taxpayers' Equity  
For the period ended 31 March 2013**

	Note	General Fund £'000	Revaluation Reserve £'000
<b>Balance at 31 March 2012</b>		7,583	355
Other non-cash MoJ Funding		5,714	
<b>Net gain / (loss) on revaluation of:</b>			
Revaluation of Property, Plant and Equipment			28
Revaluation of Intangible assets			2
<b>Non-cash charges</b>			
Auditor's remuneration	5	52	
Costs settled by MoJ	4	1,160	
Notional element of Departmental recharge	5	2,523	
Surrender of cash to MoJ		(309)	
<b>Net surplus for the year</b>		9,285	
<b>Balance at 31 March 2013</b>		26,008	385

The notes on pages 49 to 63 form part of these accounts.

<b>Statement of changes in Taxpayers' Equity For the period ended 31 March 2012</b>		<b>General Fund</b>	<b>Revaluation Reserve</b>
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>
<b>Balance at 31 March 2011</b>		7,052	395
<b>Net gain / (loss) on revaluation of:</b>			
Revaluation of Intangible assets		-	5
Realised element of Revaluation Reserve Transfer		45	(45)
<b>Non-cash charges</b>			
Auditor's remuneration	5	57	-
Retention of OPG income by MoJ	2	(323)	-
Costs settled by MoJ	4	1,556	-
Notional element of Departmental recharge	5	6,319	-
Utilisation of provisions settled with cash from MoJ	12	617	-
Removal of balances relating to Court of Protection		(322)	-
Surrender of cash to MoJ		(10,309)	-
Assets transferred from MoJ		1,365	-
<b>Net surplus for the year</b>		1,526	-
<b>Balance at 31 March 2012</b>		<b>7,583</b>	<b>355</b>

The notes on pages 49 to 63 form part of these accounts.

# Notes to the Accounts

For the period ended 31 March 2013

## 1. Statement of Accounting Policies

### 1.1 Basis of preparation

These accounts have been prepared in accordance with the 2012/13 *Government Financial Reporting Manual (FReM)* issued by HM Treasury. The accounting policies contained in the *FReM* apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context.

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

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

The Statement of Comprehensive Net Expenditure is not split between administration and programme net expenditure as OPG net expenditure is classified as 100% programme, based on assessment of the work carried out by the OPG, which is mainly front-line services. This classification has been agreed with HM Treasury.

The OPG has made an assessment of the proposed changes to the *FReM* for 2013-14, and any new accounting standards in issue that are not yet effective, and has determined that there would be no material effect on its current or prior period or a future period.

### 1.2 Going Concern

The Agency is funded by the MoJ, from its Parliamentary Supply and by income derived from fees and charges from external customers (see note 2). In common with other government agencies, future funding has to be approved by our sponsor department and by Parliament.

Such approval has already been given for 2013/14. These accounts have therefore been prepared on a going-concern basis for financial reporting and asset valuation purposes.

### 1.3 Accounting convention

These accounts have been prepared on an accruals basis, under the historical cost convention modified to account for the revaluation of non-current assets.

### 1.4 Income recognition

#### Operating income

Operating income is income, which relates directly to the operating activities of the Agency. It principally comprises fees and charges for services provided on a full-cost basis to external customers, net of fees remitted (see note 1.5) and net of VAT (see note 2).

The Mental Capacity Act 2005 provides for fees to be charged in relation to proceedings brought in relation to the functions carried out by the Public Guardian. The levels of charges are contained in two Statutory Instruments, Lasting Powers of Attorney, Enduring Powers of Attorney and Public Guardian Regulations 2007 and The Public Guardian (Fees etc) Regulations 2007.

The fee structure effective for 2012/13 has been in place since when it was altered at 1st October 2011 by The Public Guardian (Fees, etc.) (Amendment) Regulations 2011 which amended and updated The Public Guardian (Fees, etc.) Regulations 2007.

## **Public Guardian Supervision and Deputyship fees**

The Regulations replaced the range of fees that were payable by receivers appointed by the court with a single set up fee, payable when a new deputyship is initially assessed for supervision; and a single annual administration fee. Cases are placed into one of four categories of supervision and bring in annual fees according to the level allocated. The majority of cases fall into one supervision category. Income is recognised through supervision fees calculated on pro rata basis if:

- there has been more than one type of supervision applied in a one-year period; or
- supervision has been in place for less than one year; or
- the person lacking capacity or the Deputy dies. Fees are payable up to the date of death.

## **EPA and LPA registration fees**

Income is recognised when the application is made and the registration fee is payable with the application. A separate registration fee is payable for Property and Financial Affairs LPAs and Health and Welfare LPAs when each application is made.

### **1.5 Exemption and remission of fees**

Both instruments provide for exemption and remission from fees. Exemptions apply to people in receipt of qualifying means tested benefits who have not received a damages award in excess of £16,000, which has been disregarded for the purposes of eligibility for these benefits. The OPG criteria adopts a consistent policy with other Government agencies in disregarding these awards. The instruments also provide for fees to be waived or reduced, where, due to the exceptional circumstances of the case, payment would cause undue hardship.

The Office of Public Guardian is responsible for authorising exemption from payment of fees and for approving applications to waive fees on exceptional grounds.

An application for a fee exemption or remission can be made with the initial application form or submitted within six months of application. Income is recognised on receipt of a valid application.

In those cases where an application for an exemption or remission is not made with the original LPA application there is a proviso that a completed exemption or remission application must be received within six months of the invoice being raised.

Where a fee is paid and a subsequent exemption or remission is agreed a refund is issued.

Exemptions and remissions are recognised as a reduction in income on receipt of valid forms received in year. A provision is recognised based on a detailed assessment of the extent to which Supervision fee exemption and remission have been granted in the year following recognition of the income. This represents the anticipated amount of exemption and remission that may be received in the following year (note 9). Income is shown net of exemptions and remissions on the Statement of Comprehensive Net Expenditure, and on a more detailed gross basis at note 2.

### **1.6 Employee Benefits**

#### **Employee leave accrual and performance bonuses**

An accrual is made for untaken employee leave and flexi leave. Performance bonuses are not accrued as the annual approval process, which determines performance pay, is not finalised at the time these accounts are prepared. They are therefore recognised in arrears, e.g. 2011/12 bonuses are recognised in 2012/13 when they are paid.

#### **Early Departure costs**

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

## **Pensions**

The provisions of the Principal Civil Service Pension Scheme (PCSPS), which is described in note 3.2 and the Remuneration Report, cover past and present employees. The defined benefit schemes are unfunded and non-contributory except in respect of dependants' benefits. The Agency recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employees' services, by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution schemes, the Agency recognises the contributions payable for the financial year.

### **1.7 Leases**

Where substantially all risks and rewards of ownership of a leased asset are borne by the Agency, the asset is classified as a finance lease, is recorded as a non-current asset and a debt is recorded to the lessor of the minimum lease payments, discounted by the interest rate implicit in the lease. The interest element of the finance lease payment is charged to the Statement of Comprehensive Net Expenditure over the period of the lease, at a constant rate in relation to the balance outstanding.

Other leases are regarded as operating leases and the rentals are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the term of the lease. In accordance with the principles of IAS17 (Leases) and the supplementary guidance specified in SIC 15 (Operating lease incentives) the OPG has spread the value of the rent-free period for occupation of space at The Axis Building over the initial 10 year term.

### **1.8 Non cash charges**

Non cash charges are included in the Statement of Comprehensive Net Expenditure to reflect the full cost of the Agency's services, in line with the FReM and Managing Public Money. These charges include:

#### **MoJ headquarters' support charges**

The *MoJ Recharge Methodology Calculations* is the documented basis applied transparently and consistently to apportion overheads including HR and ICT to all MoJ departments and agencies on a non-cash basis.

#### **External auditor's remuneration**

The non cash charge for the statutory audit of the accounts carried out by the National Audit Office (NAO).

### **1.9 Bad debts**

Bad debts are written off when identified. A provision for doubtful debts is made based on a specific review of the individual cases, which is netted off the trade receivables balance and is then presented on a net basis.

### **1.10 Property, plant and equipment**

#### **Recognition**

Items of property, plant and equipment, including subsequent expenditure on existing assets, are initially recognised at cost when it is probable that future economic benefits or service potential associated with the asset will flow to OPG and the cost of the asset can be measured reliably. All other repairs and maintenance are charged to the Statement of Comprehensive Net Expenditure during the financial period in which they are incurred.

#### **Capitalisation threshold – Individual assets**

OPG's capitalisation threshold for individual assets is £1,000 (including VAT).

#### **Capitalisation threshold – Grouped assets**

Where a significant purchase of individual assets which are individually beneath the capitalisation threshold arise in connection with a single project, they are treated as a grouped

asset. Grouped assets typically comprise:

- An integrated system of diverse equipment designed to deliver a specific solution, for example, an IT equipment refresh project;
- A materially significant acquisition of furniture or IT at a single site; or
- IT and furniture refresh programmes, where the planned spend exceeds the capitalisation threshold.

### **Valuation method**

For other property assets in continuing use, fair value is interpreted as market value for existing use. This is defined as 'market value on the assumption that property is sold as part of the continuing enterprise in occupation'. The 'value in use' of a non-cash-generating asset is the present value of the asset's remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential.

Non-property assets are included at cost upon purchase and are restated at each reporting date using appropriate indices (Business Monitor MM22) produced by the Office for National Statistics.

### **Revaluation**

When an asset's carrying value increases as a result of a revaluation, any revaluation surplus is credited to the Statement of Other Comprehensive Net Expenditure and accumulated directly in Taxpayer's equity under the heading of Revaluation Reserve. An exception is any gain on revaluation that reverses a revaluation decrease on the same asset previously recognised as an expense. Such gains are first credited within net operating cost in the Statement of Comprehensive Net Expenditure to the extent the gain reverses a loss previously recognised within net operating cost in the Statement of Comprehensive Net Expenditure.

A revaluation decrease is charged against the Revaluation Reserve to the extent that it does not exceed the amount held in the Revaluation Reserve in respect of the same asset. Any residual decrease is then recognised within net operating cost in the Statement of Comprehensive Net Expenditure.

Each year the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost is transferred from the Revaluation Reserve to the General Fund.

### **Depreciation**

Depreciation is charged on a straight-line basis at rates calculated to write-off the value of the assets, less estimated residual value evenly over their estimated useful lives or for leased assets, over the life of the lease or the period implicit in the repayment schedule. The useful lives of assets or asset categories are reviewed annually and any changes are discussed with the relevant authorities to ensure the budgeting implications have been properly considered. Where a change in asset life is agreed, the asset is depreciated on a straight-line basis over its remaining assessed life. Depreciation commences in the month following the acquisition of a non-current asset.

If an item of property, plant and equipment comprises two or more significant components, with substantially different useful lives, then each component is treated separately for depreciation purposes and depreciated over its individual useful life.

Estimated useful asset lives are within the following ranges:

- Leasehold improvements    Remaining lease period
- Furniture & fittings        10 years
- Plant & equipment         5 to 7 years
- Information technology     5 to 7 years

## **Assets under construction**

Assets under construction are valued at historical cost within Property, plant and equipment and Intangible assets and are not depreciated or amortised. An asset ceases to be classified as an asset under construction when it is ready for use. Its carrying value is then removed from assets under construction and transferred to the respective asset category. Depreciation or amortisation is then charged on the asset in accordance with the stated accounting policy.

## **Disposal of non-current assets**

Gains and losses on disposal of non-current assets are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Net Expenditure. When revalued assets are sold, the amounts included in the Revaluation Reserve are transferred to the General Fund.

### **1.11 Intangible assets**

Intangible assets comprise of internally developed software for internal use (including such assets under construction) and purchased software licences.

Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by OPG are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- OPG intends to complete the software product and use it;
- There is an ability to use the software product;
- It can be demonstrated how the software product will generate probable future service potential;
- Adequate technical, financial and other resources to complete the development and to use the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. The costs of external consultants engaged on projects are capitalised where appropriate. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Purchased software licences are recognised when it is probable that future service potential will flow to OPG and the cost of the licences can be measured reliably. Such licences are initially measured at cost.

Subsequent to initial recognition, intangible assets are included in the accounts at fair value. As no active market exists for OPG's intangible assets, fair value is assessed as replacement cost less any impairment losses (i.e. depreciated replacement cost).

Intangible assets are amortised using the straight-line method over their expected useful life. The useful lives of internally developed software range from 5 to 7 years. Purchased software licences are amortised over the licence period.

## **Capitalisation thresholds**

OPG's capitalisation threshold for software projects is £1,000 (including VAT).

### **1.12 Impairment**

An impairment reflects a permanent diminution in the value of an asset as a result of a consumption of economic benefits or service potential. At 31st March, each year, OPG assesses all non-current assets for indications of impairment. The assets in question are tested for impairment by comparing the carrying value of those assets with their recoverable amounts.

Where the recoverable amount of an asset is less than its carrying value, the carrying value of the asset is reduced to its recoverable amount.

The recoverable amount of an asset is the higher of its 'fair value less costs to sell' and 'value in use'. For the purposes of the public sector, the FReM defines the 'value in use' of a non-cash-generating asset as the present value of the asset's remaining service potential, which can be assumed to be at least equal to the cost of replacing that service potential.

Any impairment loss is recognised in the Statement of Comprehensive Net Expenditure. If the impaired asset had previously been revalued, any balance on the revaluation reserve (up to the level of the impairment loss) is transferred to the General Fund.

At 31st March, each year, OPG assess whether there is any indication that any impairment loss recognised in a previous period either no longer exists or has decreased. If any such indication exists, the recoverable amounts of the assets in question are reassessed. The reversal of an impairment loss is then recognised, in the Statement of Comprehensive Net Expenditure, if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment test was carried out. The amount of any reversal is restricted to increasing the carrying value of the relevant assets to the carrying value that would have been recognised had the original impairment not occurred (that is, after taking account of normal depreciation that would have been charged had no impairment occurred).

### **1.13 Value Added Tax (VAT)**

The Agency does not have an individual VAT registration with HM Revenue and Customs, but falls under the MoJ's registration, which advises the Agency of any recoverable input VAT.

Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of tangible fixed assets. Where output VAT is charged or input VAT is recoverable, the amounts are stated net of VAT.

### **1.14 Provisions**

The Agency provides for legal or constructive obligations, which are of uncertain timing or amount at the Statement of Financial Position date on the basis of the best estimate of the expenditure required to settle the obligation.

### **1.15 Segmental reporting**

Segmental reporting is performed in monthly management accounts on the basis of Directorates, but not applied to annual financial accounts. Since OPG essentially has one operating activity and one operating segment, an analysis by Directorate would not provide a meaningful analysis of the sort intended by IFRS 8.

### **1.16 Court of Protection**

The Court of Protection is a separate entity which has now become part of HMCTS. However, both entities have interacting responsibilities under the Mental Capacity Act 2005 (MCA).

### **1.17 Contingent liabilities**

In accordance with IAS 37, the Agency discloses as contingent liabilities potential future obligations arising from past obligating events, where the existence of such obligations remains uncertain pending the outcome of future events outside of the Agency's control, unless their likelihood is considered to be remote. Guarantees, indemnities and undertakings which are not financial guarantee contracts under IAS 39 are treated as contingent liabilities.

In addition to contingent liabilities disclosed in accordance with IAS 37, the Agency also discloses for Parliamentary reporting and accountability purposes certain contingent liabilities where the likelihood of a transfer of economic benefit is remote.

Where the time value of money is material, contingent liabilities are stated at discounted amounts. Contingent liabilities required for Parliamentary reporting are not discounted.

## 2 Income

### 2.1 Operating Income

	2012/13 £'000	2011/12 £'000
<b>OPG fee Income</b>		
Lasting Powers of Attorney	(30,424)	(24,725)
Enduring Powers of Attorney	(2,222)	(2,369)
Supervision	(10,396)	(8,468)
Appointment of Deputy	(1,175)	(1,382)
	<u>(44,217)</u>	<u>(36,944)</u>
<b>Exemptions and remissions</b>		
Lasting Powers of Attorney	3,330	3,908
Enduring Powers of Attorney	174	186
Supervision	3,213	2,295
Appointment of Deputy	297	363
	<u>7,014</u>	<u>6,752</u>
<b>Total Operating Income</b>	<u>(37,203)</u>	<u>(30,192)</u>

### 2.2 Other non-cash income

Charges for services provided to CAFCASS	-	(192)
Miscellaneous	-	(51)
Rental income	-	(80)
		<u>(323)</u>
<b>Total Income</b>	<u>(37,203)</u>	<u>(30,515)</u>

## 3 Staff Numbers and costs

### 3.1 Staff costs

	Total	2012/13 Permanently employed staff £'000	Others	2011/12 Total £'000
Wages and salaries	15,128	10,689	4,439	15,272
Social security costs	697	697	-	765
Other pension costs	1,685	1,685	-	1,648
<b>Total net costs</b>	<u>17,510</u>	<u>13,071</u>	<u>4,439</u>	<u>17,685</u>

### 3.2 The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme but the OPG is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2007. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation ([www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk)).

For 2012/13, employers' contributions of £1,685,000 (2011/12: £1,648,000) were payable to the PCSPS at one of four rates in the range 16.7 per cent to 24.3 per cent of pensionable pay, based on salary bands (2011/12: 16.7 per cent to 24.3 per cent). The scheme's Actuary reviews employer contributions every four years following a full scheme valuation.

The contribution rates are set to meet the cost of the benefits accruing during 2012/13 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

**3.3** The average number of whole-time equivalent persons employed during the year was as follows:

Number	2012/13			2011/12
	Total	Permanent staff	Other	Total
Directly employed	462	462	-	457
Other	153	-	153	142
<b>Total</b>	<b>615</b>	<b>462</b>	<b>153</b>	<b>599</b>

**3.4 Reporting of Civil Service and other compensation schemes – exit packages**

Comparative data for previous year is shown in brackets

**Disclosure of compensation information for 2012-13**

	2012/13	2012/13	2012/13
	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<b>Exit package cost band</b>			
<£10,000	0 (0)	1 (3)	1 (3)
£10,000 to £25,000	0 (0)	3 (21)	3 (21)
£25,000 to £50,000	0 (0)	1 (13)	1 (13)
£50,000 to £100,000	0 (0)	1 (5)	1 (5)
£100,000 to £150,000	0 (0)	0 (0)	0 (0)
£150,000 to £200,000	0 (0)	0 (0)	0 (0)
Total number of exit packages	0 (0)	6 (42)	6 (42)
Total resource cost/£	0 (0)	172,000 (766,000)	172,000 (766,000)

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year of departure. Where the department has agreed early retirements, the additional costs are met by the department and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

#### 4. Other operating costs

	OPG	MoJ	2012/13	2011/12
	£'000	£'000	£'000	£'000
Cash losses and ex-gratia payments	88	-	88	286
Consumables	230	-	230	142
Maintenance	150	408	558	348
Computer running costs	724	-	724	1,055
Travel and subsistence costs	335	-	335	583
Other running costs	143	-	143	72
Postage	1,449	-	1,449	1,134
Rates	184	198	382	519
Accommodation	526	554	1,080	1,338
Utilities	43	-	43	240
Visitor services (assessment of client needs)	1,092	-	1,092	968
	4,964	1,160	6,124	6,685

The MoJ recharges are shown separately in order to make clear their effect in the Statement of Cash Flows, since they are settled directly by the MoJ and have no cash impact on OPG.

#### 5. Non cash charges

	2012/13	2011/12
	£'000	£'000
<b>MoJ Headquarters support charges:</b>		
ICT	1,483	1,848
Estates	349	978
Human Resources Division	113	60
Other (including Estates Transformation)	578	3,433*
	2,523	6,319
Depreciation – Property, plant & equipment	256	431
Amortisation – Intangible assets	727	847
External auditor's remuneration	52	57
Increase in provision for doubtful debts	15	59
Loss on disposal of fixed assets	-	74
Other non-cash charges	297	-
<b>Provision for Liabilities:</b>		
Provided in the year	324	217
Provisions written back	(121)	(3,486)
	4,073	4,518
<b>Bad debts written off</b>	211	101
	4,284	4,619

\* Estates Transformation costs of £2,120k were incurred in the relocation to Birmingham in 2011/12.

## 6. Fees and Charges

The Agency is required, in accordance with *Managing Public Money*, to disclose results for the areas of its activities undertaken throughout the financial year, where fees and charges were made.

Ministers and HM Treasury agreed a fees strategy for the OPG involving 100% cost recovery. This strategy was reflected in both statutory instruments and was implemented from 1 October 2007.

In 2011, the fees strategy was reviewed to allow OPG to invest in future to ensure it had sufficient and efficient capacity to meet growing demand for its services and spread this cost over the remaining four years of the parliamentary period, namely March 2015. Thus, cost recovery is planned to be balanced by then.

A subsidy is provided as planned to ensure clients are not denied access to services through the inability to afford the requisite fees.

	2012/13	2011/12
	£'000	£'000
Operating Income	(37,203)	(30,192)
Fees Remitted	<u>(7,014)</u>	<u>(6,752)</u>
Total Income	(44,217)	(36,944)
Total Expenditure	<u>27,918</u>	<u>28,989</u>
<b>Deficit/(Surplus)</b>	<b>(16,299)</b>	<b>(7,955)</b>
<b>Cost Recovery (%)</b>	<b>158%</b>	<b>128%</b>

The financial objective agreed with HM Treasury to achieve full cost recovery, excluding fee exemptions and remissions is over-achieved at 158%.

## 7. Analysis by administration and programme

OPG income and expenditure is classified as 100% Programme, based on an assessment of the work carried out by the OPG, which is mainly front-line services; this classification has been agreed with HM Treasury.

## 8. Property, plant and equipment

	Leasehold improvements	Furniture & fittings	Plant & equipment	Information technology	Assets under construction	Total
Cost or Valuation	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2012	786	229	684	650	-	2,349
Additions	-	-	11	325	-	336
Disposals	-	-	-	-	-	-
Reclassification	-	-	-	-	-	-
Revaluation	7	-	-	33	-	40
<b>At 31 March 2013</b>	<b>793</b>	<b>229</b>	<b>695</b>	<b>1,008</b>	<b>-</b>	<b>2,725</b>
<b>Depreciation</b>						
At 1 April 2012	(60)	(28)	(523)	(410)	-	(1,021)
Provided in year	(79)	(23)	(49)	(105)	-	(256)
Disposals	-	-	-	-	-	-
Revaluation	(1)	-	-	(11)	-	(12)
<b>At 31 March 2013</b>	<b>(140)</b>	<b>(51)</b>	<b>(572)</b>	<b>(526)</b>	<b>-</b>	<b>(1,289)</b>
<b>Net book value at 31 March 2013</b>	<b>653</b>	<b>178</b>	<b>123</b>	<b>482</b>	<b>-</b>	<b>1,436</b>
<b>Net book value at 1 April 2012</b>	<b>726</b>	<b>201</b>	<b>161</b>	<b>240</b>	<b>-</b>	<b>1,328</b>

All property, plant and equipment disclosed above are owned outright by OPG.

## 8. Property, Plant and Equipment

	Leasehold Improvements	Furniture & Fittings	Plant & Equipment	Information Technology	Assets under construction	Total
Cost or Valuation	£'000	£'000	£'000	£'000	£'000	£'000
At 1 April 2011	5,168	431	634	469	272	6,974
Reclassification	-	172	15	-	(187)	-
Additions	786	12	110	188	-	1,096
Disposals	(5,168)	(431)	(80)	(6)	-	(5,685)
Adjustment	-	44	5	-	(85)	(36)
Revaluation	-	1	-	(1)	-	-
<b>At 31 March 2012</b>	<b>786</b>	<b>229</b>	<b>684</b>	<b>650</b>	<b>-</b>	<b>2,349</b>
<b>Depreciation</b>						
At 1 April 2011	(4,916)	(366)	(554)	(318)	-	(6,154)
Provided in year	(231)	(60)	(46)	(94)	-	(431)
Disposals	5,087	407	78	1	-	5,573
Adjustment	-	(9)	(1)	-	-	(10)
Revaluation	-	-	-	1	-	1
<b>At 31 March 2012</b>	<b>(60)</b>	<b>(28)</b>	<b>(523)</b>	<b>(410)</b>	<b>-</b>	<b>(1,021)</b>
<b>Net book value at 31 March 2012</b>	<b>726</b>	<b>201</b>	<b>161</b>	<b>240</b>	<b>-</b>	<b>1,328</b>
<b>Net book value at 1 April 2011</b>	<b>252</b>	<b>65</b>	<b>80</b>	<b>151</b>	<b>272</b>	<b>820</b>

**8a. Intangible assets**

	Software licences	Internally generated software	Assets under construction	Total
	£'000	£'000	£'000	£'000
<b>Cost or Valuation</b>				
At 1 April 2012	895	5,256	-	6,151
Additions	87	613	325	1,025
Revaluation	-	6	-	6
<b>At 31 March 2013</b>	<b>982</b>	<b>5,875</b>	<b>325</b>	<b>7,182</b>
<b>Amortisation</b>				
At 1 April 2012	(614)	(4,364)	-	(4,978)
Provided in year	(200)	(527)	-	(727)
Revaluation	-	(4)	-	(4)
<b>At 31 March 2013</b>	<b>(814)</b>	<b>(4,895)</b>	<b>-</b>	<b>(5,709)</b>
<b>Net book value at 31 March 2013</b>	<b>168</b>	<b>980</b>	<b>325</b>	<b>1,473</b>
<b>Net book value at 1 April 2012</b>	<b>281</b>	<b>892</b>	<b>-</b>	<b>1,173</b>

Additions for the year include £325,000 of capital accruals (2011/12 £120,000)  
All intangible assets disclosed above are owned outright by OPG.

**8a. Intangible assets**

	Software licences	Internally generated software	Assets under construction	Total
	£'000	£'000	£'000	£'000
<b>Cost or Valuation</b>				
At 1 April 2011	716	5,003	120	5,839
Reclassifications	120	-	(120)	-
Additions	55	224	-	279
Revaluation	4	29	-	33
<b>At 31 March 2012</b>	<b>895</b>	<b>5,256</b>	<b>-</b>	<b>6,151</b>
<b>Amortisation</b>				
At 1 April 2011	(444)	(3,659)	-	(4,103)
Provided in year	(167)	(680)	-	(847)
Revaluation	(3)	(25)	-	(28)
<b>At 31 March 2012</b>	<b>(614)</b>	<b>(4,364)</b>	<b>-</b>	<b>(4,978)</b>
<b>Net book value at 31 March 2012</b>	<b>281</b>	<b>892</b>	<b>-</b>	<b>1,173</b>
<b>Net book value at 1 April 2011</b>	<b>272</b>	<b>1,344</b>	<b>120</b>	<b>1,736</b>

## 9. Trade receivables and other current assets

	31 March 2013	31 March 2012
	£'000	£'000
<b>Amounts falling due within one year</b>		
<b>Balances with other central Government bodies</b>		
Amount due from MoJ	15,273	-
VAT recoverable	60	36
	<hr/>	<hr/>
	15,333	36
<b>Balances with bodies external to Government</b>		
Prepayments	189	128
Staff receivables	10	22
Trade receivables	7,729	4,952
Accrued income	73	417
	<hr/>	<hr/>
	8,001	5,519
<b>Total receivables</b>	<b>23,334</b>	<b>5,555</b>

Amount due from MoJ is settled via equity where it does not involve the transfer of cash. This is accounted for via the General Fund, with a corresponding increase or decrease in intra-departmental payables or receivables, and is usually applied when settling balances arising from intra-departmental transfer of assets or service functions.

Trade receivables are shown net of a provision for doubtful debts of £171,000 (2011/12: £156,000), a provision for remissions of £667,000 (2011/12: Nil), and an accrual for remissions of £180,000 (2011/12: £609,000).

## 10. Cash and cash equivalent

	31 March 2013	31 March 2012
	£'000	£'000
Balance at 1 April	2,218	387
Net cash Inflow /(outflow)	71	1,831
Balance at 31 March	<hr/>	<hr/>
	2,289	2,218

The following balances are held at:

Government Banking Service	2,289	2,218
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## 11. Trade payables and other current liabilities

	31 March 2013	31 March 2012
	£'000	£'000
<b>Amounts falling due within one year</b>		
<b>Balances with bodies external to Government</b>		
Accruals	1,403	1,949
Trade payables	215	22
	<hr/>	<hr/>
	1,618	1,971
<b>Total payables</b>	<b>1,618</b>	<b>1,971</b>

## 12. Provisions for liabilities and charges

	Early Retirement	Other	Total
	£'000	£'000	£'000
<b>Balance at 1 April 2012</b>	143	222	365
Provided in the period	164	160	324
Provisions not required written back	-	(121)	(121)
Provisions utilised in the period	(31)	(16)	(47)
<b>Balance at 31 March 2013</b>	<b>276</b>	<b>245</b>	<b>521</b>

### Analysis of expected timings of cashflow

Not later than one year	70	245	315
Later than one year and not later than five years	145	-	145
Later than five years	61	-	61
	<b>276</b>	<b>245</b>	<b>521</b>

### Early departure costs

The Agency meets the additional costs of benefits beyond the normal PCSPS benefits in respect of employees who retire early by paying the required amounts annually to the PCSPS over the period between early departure and normal retirement date. The Agency provides for this in full when the early retirement programme becomes binding on the Agency by establishing a provision for estimated payments.

### Other

The above provision represents potential liabilities that the Agency, in accordance with IAS 37, considers should be recognised at the Statement of Financial Position date, where there is a present obligation that probably requires an outflow of resources.

## 13. Commitments Under Operating Leases

The total of future minimum lease payments under operating leases in the period in which they are non-cancellable are given in the table below, analysed according to the period in which the payments fall due.

Analysis of expected timings of cashflow	31 March 2013 Land & Buildings £'000	31 March 2012 Land & Buildings £'000	31 March 2013 Other £'000	31 March 2012 Other £'000
Not later than one year	554	459	-	-
Later than one year and not later than five years	2,040	1,904	-	-
Later than five years	1,380	2,099	-	-
Total	3,974	4,462	-	-

## 14. Contingent Liabilities

The Agency does not recognise any further liabilities over and above those provided for in the accounts, (see note 12).

## 15. Related Party Transactions

The Agency is an executive agency of the MoJ. The MoJ is regarded as a related party. During the period the agency had various material transactions with the MoJ. In particular the agency's staff costs (and accounting for advances and recoveries of salaries) are managed by the MoJ. In addition, the MoJ also provides internal audit services to the agency. The MoJ manages the lease arrangements and associated accommodation costs of the OPG's occupancy of its offices.

The MoJ Recharge Methodology Calculations is the documented basis applied transparently and consistently to apportion overheads including HR and ICT to all MoJ departments and agencies on a notional basis.

The Agency had transactions with other government departments and entities.

None of the members of the Board of the Agency, key managerial staff or other related parties has undertaken any material transactions with the Agency during the financial year.

#### **16. Events after the Reporting Period**

Events after the reporting period are considered up to and including the date on which the accounts are authorised for issue. This is interpreted as the date of the Comptroller and Auditor General's certificate and report.

#### **17. Financial Instruments**

As OPG's cash requirements are met through the Estimate process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the Agency's expected purchase and usage requirements and the Agency is therefore exposed to little credit, liquidity or market risk. All financial assets and liabilities are stated at their fair value.

#### **18. Losses and Special Payments**

##### **Fees remitted**

There were 61,120 cases where fees were remitted or exemptions applied. The total value was £7,014,000 (2011/12: 57,905 cases – £6,752,000 as described in Note 2.1).

##### **Cash losses**

There were 13 cases involving cash loss totalling £18,000 (2011/12: 14 cases – losses £16,000).

##### **Special payments**

There were 486 special payments totalling £70,000 (2011/12: 433 special payments, totalling £142,000).

##### **Payments exceeding £250,000**

There were no losses or special payments exceeding £250,000 (2011/12: there were no payments exceeding £250,000).

## Appendices

### FIVE YEAR FINANCIAL RECORD

	2008/09	2009/10	2010/11	2011/12	2012/13
	£'000	£'000	£'000	£'000	£'000
Operating income					
Lasting Powers of Attorney	7,995	10,865	16,319	20,817	27,094
Enduring Powers of Attorney	2,334	2,203	2,020	2,183	2,048
Supervision*	4,905	5,322	5,525	7,192	8,061
Other	28	29	8	-	-
	15,262	18,419	23,872	30,192	37,203
Fees remitted					
Lasting Powers of Attorney	892	1,813	4,159	3,908	3,330
Enduring Powers of Attorney	143	222	292	186	174
Supervision*	816	1,119	1,897	2,658	3,510
Other	2	5	4	-	-
	1,853	3,159	6,352	6,752	7,014
Total income	17,115	21,578	30,224	36,944	44,217
Total expenditure	16,935	21,286	25,881	28,989	27,918
(Deficit) / Surplus	180	292	4,343	7,955	16,299
Cost recovery	101%	101%	117%	128%	158%

\* includes Appointment of Deputy

FEE VOLUMES	2008/09	2009/10	2010/11	2011/12	2012/13
LPA	59,244	106,106	171,259	178,790	241,214
EPA	20,623	20,053	19,356	18,912	17,968
Search (no fee payable after 1 October 2011)	760	884	1,364	1,408	4,196
Appointment of Deputy	10,913	11,587	11,165	12,744	11,801
Type 1 supervision	1,539	1,520	448	476	600
Type 2A supervision	-	5,977	6,289	12,715	10,624
Type 2 supervision	26,652	25,435	23,196	28,529	31,952
Type 3 supervision	-	-	-	10,804	13,751
REMISSIONS VOLUMES	2008/09	2009/10	2010/11	2011/12	2012/13
LPA	6,267	14,447	37,498	32,086	36,217
EPA	1,278	1,829	2,562	1,608	1,923
Search (no fee payable after 1 October 2011)	22	27	16	36	0
Appointment of Deputy	3,199	2,913	3,351	3,931	3,263
Type 1 supervision	65	204	1,030	139	133
Type 2A supervision	-	460	2,257	2,843	2,049
Type 2 supervision	2,947	3,379	6,455	17,243	16,908
Type 3 supervision	-	-	-	19	627
PAYMENT METHODS - VOLUMES	2008/09	2009/10	2010/11	2011/12	2012/13
Cheque	108,679	123,292	167,096	178,454	168,496
Credit Card	392	1,002	3,269	5,211	11,755
Direct Debit	8,536	8,707	7,525	10,447	11,402
Total	117,607	133,001	177,890	194,112	191,653

## Performance Achievements

Impact Indicator 1: Powers of Attorney			
EPAs must be registered when the Donor loses capacity. LPAs, although similar in principle, require the Public Guardian to have a more active role in the notification process. There is a 42-day statutory waiting period for the registration of an LPA, once the OPG sends out notification to the party or parties who did not make the application.			
Performance Aim Purpose	Calculation Method	Data Source	Achieved to 31 March 2012 / Achieved to 31 March 2013
<p>Register and return 90% of applications for registration of Attorneyship (LPA/EPA) within 10 weeks of receipt.*</p> <p>*Where an application is incapable of registration (invalid, contains significant errors, or an objection is received) it is excluded.</p>	<p>Data will be collected through the MERIS casework system, drawing on the following inputs in order to deliver the relevant reports.</p> <p>'Date of receipt' is taken from the post room stamp, i.e. the day of receipt by the OPG.</p> <p>'Date notices sent' is the date they are sent by caseworkers when they check the application (unless application is invalid).</p> <p>Status of case.</p> <p>'Date of dispatch' is the dispatch of the registered EPA/LPA as the last part of the process in an application.</p> <p>Imperfect status – relating to either significant or insignificant errors.</p> <p>MERIS tells us how many applications capable of registration were received. For KPI calculation purposes insignificant imperfections are included and invalids are excluded, as are objections. MERIS then calculates how many were dispatched, in working days.</p>	A daily report from MERIS.	<p>44% (registered in 11 weeks)</p> <p>90%</p>

## Impact Indicator 2: Supervising Deputies

We will carry out a full case review of all Deputyship cases subject to supervision within 3 years, and this year we will review a minimum of 40% of cases, target is cases. A case review will be generated following one or more of the following activities:

1. Case Review
2. Time limited order
3. Reassessment of case
4. Annual report
5. Visit review.

Performance Aim Purpose	Calculation Method	Data Source	Achieved to 31 March 2012	Achieved to 31 March 2013
<p>To review all Deputyship cases and ensure any potential problems are resolved; to provide a deterrent against financial abuse; and to recommend to the Court of Protection any action that may be required.</p> <p>This will ensure that no case is left unsupervised and that each case is reviewed using a systematic rolling programme of contact.</p> <p>A proportionate approach will be taken to make sure that cases which have been assessed as needing a closer regime of supervision will be reviewed more quickly, but that all cases will be looked at as a minimum every three years.</p>	<p>Targets will be set in line with the projected caseload for 2012/13, and monitored monthly.</p> <p>Targets will then be adjusted during the year in line with the actual caseload.</p> <p>For example, if the target number of reviews that month is 100 and 90 have been completed, the calculation will be <math>90/100 \times 100 = 90\%</math> in month. If the actual caseload that month is 10,000 the YTD figure calculation will be <math>90/10,000 \times 100 = 9\%</math>.</p> <p>The annual achievement figure will be based on the total caseload at 28/02/13 x 30% divided by the total number of reviews completed by 31/3/13.</p> <p>CyberQuery will be used to produce the reports of the number of annual reports, visits and reviews of supervision level recorded on CASREC.</p> <p>This data will be collated using Excel.</p> <p>The data will be cross-referenced to ensure that any cases that have been subject to more than one review in the year are only counted once.</p>	Case data held on internal data management system – CASREC.	40%	41%

### Impact Indicator 3: Investigations

The Public Guardian has an important role in the safeguarding of vulnerable adults. A significant part of this is the investigation of concerns that are raised, either directly with the Public Guardian or via the Court of Protection, about the way in which registered Attorneys or Court-appointed Deputies are exercising their powers in respect of the vulnerable adults for whom they act.

Performance Aim Purpose	Calculation Method	Data Source	Achieved to 31 March 2012	Achieved to 31 March 2013
The swift risk assessment of concerns that are raised about Deputies and Attorneys is central to ensuring that appropriate and timely safeguarding action is taken.	<p><b>2 Working Days (Risk Assessment)</b></p> <ul style="list-style-type: none"> <li>The 2 working days starts from the date that the concern is received in the OPG.</li> <li>Day 1 will be the next working day after the concern is received.</li> <li>For example, if a concern is received in the OPG on 19 April 2011, day 1 will be 20 April and day 2 will be 21 April 2011.</li> </ul>	<p>Managers manage acceptance dates and completion dates by use of an internal database.</p> <p>The following data is logged:</p> <ul style="list-style-type: none"> <li>Performance type;</li> <li>the date the concern/S49 Order was received in the OPG; and</li> <li>the date the risk assessment was carried out.</li> </ul> <p>Formal reporting is carried out monthly by completion of the monthly performance statistics return and Balanced Scorecard return.</p>	74%	91%
The formal investigation aim is crucial in ensuring that where a full investigation is required it is undertaken in a timely fashion to ensure that the vulnerable adult is protected where required.	<p><b>3 Months, 4 months, 5 months and 6 months</b> The start date commences from the date that the concern, which leads to the commencement of an investigation, is received in the OPG.</p> <ul style="list-style-type: none"> <li>Day 1 will be the next day after the concern is received.</li> <li>e.g. if a concern within the Public Guardian's jurisdiction is received on 21 April 2011 it is dealt with within the 3 month target as long as one of the above conclusions is met by 20 July 2011 (or next working day).</li> <li>Investigations cleared divided by working days taken to conclude investigations</li> </ul>		<p>3 months- 54%</p> <p>4 months- n/a</p> <p>5 months- n/a</p> <p>6 months-83%</p>	<p>3 months- 73%</p> <p>4 months- 78%</p> <p>5 months- 83%</p> <p>6 months- 93%</p>
Average working days to conclude Investigations			Not reported	79 days

### Customer Service Indicator 1: Deputyship Allocation

All Deputyship cases require a supervision regime based on a risk assessment. Risk criteria include whether a Deputy is an un-discharged bankrupt; whether the Deputy has any financial interests that conflict with those of the client; the value of the client's estate; and any concerns about the Deputy's handling of the case.

CSI Purpose	Calculation Method	Data Source	Achieved to 31 March 2012	Achieved to 31 March 2013
<p>To ensure the appropriate monitoring of the Deputy in his duties.</p> <p>To ensure Deputies are notified of their responsibilities within a specified timescale, and to ensure that the clients' interests are being protected as soon as possible.</p>	<p>The data will be extracted from CASREC each month using CyberQuery.</p> <p>The difference between the receipt date of the order and the date of contact with the deputy will be calculated in Microsoft Excel.</p> <p>The percentage of deputies contacted within the target can then be calculated, also using Excel.</p> <p>This will be calculated as: the number of Deputies notified within 20 working days / total number of Deputies notified (or due to be notified) x 100.</p>	<p>Supervision record on CASREC – an internal data management system - when a new Deputy order is received in supervision, and when a letter notifying the Deputy of the supervision type has been produced.</p> <p>Responsibility for recording these dates lies with the Allocations team.</p> <p>These dates can be validated if necessary by retrieving the relevant documents from LiveLink.</p>	98%	99%

## Customer Service Indicator 2: Contact Centre

Calls to OPG Customer Contact Centre to be answered in a timely manner.

CSI Purpose	Calculation Method	Data Source	Achieved to 31 March 2012	Achieved to 31 March 2013
<p>Timely and accurate support and guidance to callers on how to apply for a Lasting Power of Attorney; to provide support and guidance to callers on the Enduring Power of Attorney/Lasting Power of Attorney (EPA/LPA) application and registration process; to signpost callers to the Court of Protection where calls relate to an individual who lacks capacity and no EPA or LPA is in place. To deal promptly with calls regarding issues concerning safeguarding vulnerable adults. To give support to callers on general issues relating to supervision of Deputies appointed by the Court of Protection.</p>	<p>The management information will be extracted from Highpath data into Excel spreadsheets on a daily basis. Calculation changed in 2012/13 to record average wait time. 2011/12 was calculated as % within 60 seconds.</p>	<p>All telephone calls to the Contact Centre are recorded on the Highpath data management system. Details of the number of calls received, number of calls answered within 60 seconds, number of all calls answered, the average wait times and number of calls abandoned are all recorded. Lead Team Leader in the Contact Centre generates reports from the data collected.</p> <p>Calls are recorded and monitored by the Team Leaders, active listening to the calls and feeding back to individuals is undertaken monthly. Remedial training will be provided as needed.</p>	<p>70% within 60 seconds.</p>	<p>Average Call Wait Time 37 seconds</p>

### Customer Service Indicator 3: Complaints

CSI Purpose	Calculation Method	Data Source	Achieved to 31 March 2012	Achieved to 31 March 2013
Complaints play an important part in understanding to what extent we are achieving our customers' expectations and delivering upon our vision and objectives. Answering complaints effectively and speedily is fundamental to maintaining our reputational integrity. Applying a feedback system to complaints allows the organisation to learn and develop.	Performance against this indicator will be measured at business area level and an average at Tier 1 and Tier 2 will be calculated. The following is measured: - complaints received in month - complaints due in month - performance against the target in month This is measured on monthly basis. Data is collated on the 5 <sup>th</sup> working day of the month and then submitted for balance scorecard purposes.	Each individual business area will record their data on a spreadsheet. This spreadsheet is located on local folders. The spreadsheets are submitted to the Tier 2 Complaints Team at the end of the month, who will collate the information on a master spreadsheet for reporting purposes.	73%	98%
Total number of complaints received	Numbers received in-year	As above	14,814	11,617

### Corporate Indicator: All spends over £25,000 and contracts over £10,000

CFI Purpose	Calculation Method	Data Source	2011/12	2012/13
Supporting the Government Transparency agenda by publishing all spends and contracts in excess of £25,000 and £10,000.	Actual spends and contracts	Internal spreadsheet	32 spends totalling £1,309,596 20 Contracts totalling £1,369,257	61 spends totalling £2,980,614 15 Contracts totalling £1,013,816

## Financial Indicator 1: Cost Recovery Percentage

Achieve 100% cost recovery

CFI Purpose	Calculation Method	Data Source	Achieved to 31 March 2012	Achieved to 31 March 2013
<p>The CFI target is set to ensure that OPG clients receive value for money through effective and efficient service delivery.</p> <p>The cost recovery is across the full four years of the 2010 Spending Review 2011-12 to 2014-15.</p> <p>Full cost is defined as: the total cost of providing services to the taxpayer, before social subsidy/fee exemption and remission; financial losses over and above a yearly non cash premium; and any bad debts or exceptional items.</p>	<p>The model is driven by ratios and staff numbers. For service areas e.g. Finance, Performance and Change, Post Room etc. a set of ratios is used to allocate their cost to an operational area.</p> <p>The following data is incorporated in the model:</p> <ul style="list-style-type: none"> <li>• full forecast outturn from monthly Management Accounts;</li> <li>• staff numbers from the monthly staffing returns from Heads of Division; and</li> <li>• HQ recharges.</li> </ul>	<p>The cost recovery outturn is calculated using a full cost model to compare the income and expenditure streams of the OPG.</p> <p>The cost estimates used in the model are based upon the full year forecast outturn for the OPG as taken from the Management Accounts each period.</p> <p>This represents the full resource-based cost of the agency including non-cash items and HQ recharges.</p>	128%	158%

## How to Contact Us

**Address:** Office of the Public Guardian  
PO Box 16185  
Birmingham  
B2 2WH  
DX744240  
Birmingham 79

**Email:** [customerservices@publicguardian.gsi.gov.uk](mailto:customerservices@publicguardian.gsi.gov.uk)

**Web:** [www.justice.gov.uk/about/opg](http://www.justice.gov.uk/about/opg)  
[www.gov.uk/browse/births-deaths-marriages/lasting-power-attorney](http://www.gov.uk/browse/births-deaths-marriages/lasting-power-attorney)

**Helpline:** 0300 456 0300 (+44 300 456 0300, if dialling from abroad)  
Phone lines are open Monday – Friday 9am – 5pm  
(Wednesday 10am – 5pm)

**Textphone:** 0115 934 2778  
If you have speech or hearing difficulties, and you have access to a text phone, you can call the OPG text phone and a customer service operator will assist you. Phone lines are open Monday – Friday 9am – 5pm.

**Fax:** 0870 739 5780



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