

Public Prosecution Service for Northern Ireland

Annual Report and Resource Accounts

2017-18



Independent, Fair and Effective

Public Prosecution Service for Northern Ireland

Annual Report & Resource Accounts 2017-18

Annual report presented to Parliament pursuant to section 42(6) of the Justice (Northern Ireland) Act 2002.

Resource Accounts Presented to Parliament by Command of her Majesty.

Annual Report laid before the Northern Ireland Assembly by the Attorney General for Northern Ireland under section 42(6) of the Justice (Northern Ireland) Act 2002.

Resource Accounts laid before the Northern Ireland Assembly by the Department of Finance under section 10(4) of the Government Resources and Accounts Act (Northern Ireland) 2001.

Ordered by the House of Commons to be printed on 28 June 2018.



© Crown copyright 2018

This publication is licensed under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence, visit nationalarchives.gov.uk/doc/open-government-licence/version/3

Where we have identified any third party copyright information you will need to obtain permission from the copyright holders concerned.

This publication is available at www.gov.uk/government/publications

Any enquiries regarding this publication should be sent to us at info@ppsni.gov.uk.

ISBN – 978-1-5286-0432-1

CCS0518684594

06/18

Printed on paper containing 75% recycled fibre content minimum

Printed in the UK by the APS Group on behalf of the Controller of Her Majesty's Stationery Office.

Annual Report and Resource Accounts 2017-18

Contents

Foreword by the Attorney General for Northern Ireland	5
Foreword by the Advocate General for Northern Ireland	6
Statement of Vision, Aim and Values	7
Part 1: Performance Report	9
- Director's Commentary on Performance	10
Overview of Performance during 2017-18	12
- Introduction	12
- About the Public Prosecution Service	12
- Corporate Planning in the Public Prosecution Service	16
- Performance during 2017-18	17
Strategic Priority 1: Providing a high quality prosecution service	17
Strategic Priority 2: Building the trust of victims, witnesses and the community we serve	21
Strategic Priority 3: Strengthening our capability to deliver	25
Strategic Priority 4: Building the capability of our people	28
Performance Analysis	30
- Management of Corporate Performance	30
- Performance against Key Delivery Targets during 2017-18	31
- Financial Performance during 2017-18	36
- Long-Term expenditure trends	37

Part 2: Accountability Report	39
Corporate Governance Report	40
- Introduction	40
- Director's report	41
- Statement of Accounting Officer's Responsibilities	43
- Governance Statement	44
Remuneration and Staff Report	58
- Remuneration Report	58
- Staff Report	65
Assembly Accountability and Audit Report	69
- Statement of Assembly Supply	69
- The Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly	75
Part 3: Financial Statements	79
- Financial Statements for the year ended 31 March 2018	80
- Notes to the Financial Statements	85
Part 4: Annexes	103
Annex A: PPS Organisation Chart	104
Annex B: Performance against Key Delivery Targets 2017-18	105
Annex C: Personal Data Related Incidents 2017-18	108

Annual Report and Resource Accounts 2017-18

The Public Prosecution Service (PPS) presents its Annual Report and Resource Accounts for the financial year ended 31 March 2018. The accounts demonstrate the resources that have been used in delivering the Service's objectives.

The accounts are prepared in accordance with the guidance set out in the Government Financial Reporting Manual and as directed by the Department of Finance and on the basis of PPS as a going concern.

Foreword

by the Attorney General for Northern Ireland

It is a pleasure once again to give a preface to the annual report of the Public Prosecution Service.

Shortly before I was appointed Attorney General, a senior civil servant observed to me that having responsibility for prosecutions was a burden rather than a blessing, for, said he, “if things go well, the prosecution never gets the credit, if they go badly, the prosecution is always blamed – even when it’s not their fault.”

The years since that observation was made have tended to confirm that the Public Prosecution Service does not always get the credit to which it is entitled for the many criminal cases that are brought timeously to a just conclusion. And it has also seemed to me that the Public Prosecution Service has, at times, been blamed for errors which have causes that stretch far beyond the desk of a public prosecutor.



John F Larkin QC
Attorney General for Northern Ireland

As citizens in Northern Ireland we are, I believe, fortunate to have so many fine lawyers in leadership roles in the Public Prosecution Service. It has been my pleasure this year to have appointed both a new Director of Public Prosecutions and a new Deputy Director. Both Mr Herron and Mr Agnew are excellent lawyers, and dedicated public servants. It has already been my great privilege and pleasure to have worked closely with them both and I look forward to continuing to do so as they lead the Public Prosecution Service into an, inevitably, challenging future. Whatever the challenges, and we already know some of them, I feel confident that the Service is in safe and wise hands.

A handwritten signature in black ink, which appears to read 'John F Larkin'. The signature is fluid and cursive.

John F Larkin QC
Attorney General for Northern Ireland

Foreword

by the Advocate General for Northern Ireland

As Attorney General for England and Wales I am also honoured to hold, by virtue of that office, the position of Advocate General for Northern Ireland. As Advocate General I am the chief legal advisor to the UK Government on matters relating to Northern Ireland. My principal responsibilities relate to national security and international terrorism, as these matters are reserved to Westminster under the devolution settlement for Northern Ireland.



The Rt Hon Jeremy Wright QC MP
Advocate General for Northern Ireland

I was very pleased to read this report and to see that the Public Prosecution Service has had another successful year. It is apparent from the report that the Service continues to have a clear vision as to how it should best serve the people of Northern Ireland, has a strong commitment to justice, and that it is made up of people who put professionalism at the heart of their work.

This has been a year of change for the Public Prosecution Service, with the arrival of the new Director of Public Prosecutions for Northern Ireland, Stephen Herron. I welcome him to the post and look forward to working closely with him as he continues the impressive work of his predecessor to implement a bold transformation programme. I would also like to take this opportunity to thank Barra McGrory QC for all of his efforts and achievements during his time in post.

I am very pleased to see that the Public Prosecution Service has continued to meet, and indeed exceed, the various quality assurance targets that it has set for itself.

I am also very pleased to see that the Service has adopted a new Victim and Witness Policy. It is clear that serving the community of Northern Ireland and obtaining justice for the victims of crime is central to how the Service operates, and this new policy contributes to achieving that goal.

A handwritten signature in black ink that reads "Jeremy Wright". The signature is written in a cursive, flowing style.

The Rt Hon Jeremy Wright QC MP
Advocate General for Northern Ireland

Statement of Vision, Aim and Values

Our Vision

To be recognised as providing a first class prosecution service for the people of Northern Ireland.

Our Aim

The aim of the Public Prosecution Service is to provide the people of Northern Ireland with an independent, fair and effective prosecution service.

Our Values

- **Independence and Integrity**

We will maintain our independence and act at all times with integrity, fairness and impartiality. We will seek to deliver justice in every case in accordance with the law, respecting the human rights of all persons.

- **Openness and Honesty**

We will communicate openly and honestly, in accordance with our professional duties. We will set clear standards about the service the public can expect from us.

- **Respect**

We will respect each other, our colleagues and the public we serve, showing courtesy, sensitivity and understanding.

- **Excellence**

We will make the best use of our people and resources, seeking to achieve excellence in everything we do.

- **Partnership**

We will work in partnership within the criminal justice system to better serve the community.

Part 1: Performance Report



Director's Commentary on Performance

I am pleased to present the Annual Report on the performance of the Public Prosecution Service (PPS-the Service), the first report since my appointment as the Director of Public Prosecutions in January 2018.

Whilst I have only recently taken up the role of Director, I have previously served in a number of senior management roles within the PPS, and have first-hand experience of the challenges faced by the organisation and the positive steps taken to enhance our services. The last 2 - 3 years have been a very dynamic period for the Service, as we have implemented substantial reforms as part of our Transformation Programme, including the consolidation of our operational teams in Belfast, Foyle and Newry and the creation of the Serious Crime Unit. I am pleased to report that the revised structures are operating well and during 2017-18 we have been able to maintain a high level of effectiveness within this much streamlined model. This is evidenced by our performance in respect of the timeliness of our prosecution decisions, where 9 of the 10 regional targets for the past year were met.

Improving the timeliness of our casework remains a priority for the Service, particularly with regard to the more complex cases. The recent review of avoidable delay in the criminal justice system by the Northern Ireland Audit Office highlighted the importance of collaborative working. I am keen to foster ever closer working relationships with partner agencies in this regard, and to identify new approaches and ways of working. I believe there are opportunities to learn from the experience of other jurisdictions. We are already active participants in the current Speeding-Up Justice Programme. This has included PPS input to the committal reform initiative which originates from the Justice Act (Northern Ireland) 2015. Since May 2017 we have been working with our partners in the new Indictable Cases Process, which demonstrated substantial benefits in terms of timeliness during its pilot phase in 2015. The Working Together Project, which is operated jointly with police, also offers real opportunities for improvement.

Quality sits at the heart of everything we do. Our performance against the PPS Prosecution Quality Standards is monitored on an ongoing basis, and I can report that the quality of our decisions has been maintained during 2017-18. Based on the results of dip sampling by Assistant Directors, 98% of decisions were assessed as having been taken in accordance with the Code for Prosecutors, meeting the agreed target. New case management arrangements for complex cases, first introduced in 2016, are also being embedded across the organisation.

The Service remains committed to providing high quality services to victims and witnesses. Our new Victim and Witness Policy, published in June 2017, reflects the requirements set out in the Victim and Witness Charters, as well as our commitment to the Victim and Witness Care Unit. We have also conducted a review of our Witness Expenses Policy and a revised policy has been implemented.

In October 2016, Criminal Justice Inspection was invited to conduct a review to assess the effectiveness of the Service's response to the 2015 Starmer Report. The findings, published in October 2017, were largely positive; of the nine recommendations, four were assessed as having been achieved, and for the remaining five there was evidence of substantial progress. Inspectors have identified a number of areas for further improvement which are being addressed by the PPS senior management team.

It is essential that the PPS provides a service in which the community can have confidence. The latest findings from the 2017 NI Omnibus Survey are very encouraging. Over three-quarters of those asked (76%) stated that they were very or fairly confident in the fairness and impartiality of the Service, the highest level recorded in more than a decade.

Of course resources continue to present genuine difficulties for the Service. The ongoing budgetary constraints have meant that it has been necessary to operate with a reduced staffing complement; since April 2015, this has fallen from 565 to the current figure of 481, a reduction of 15%. Inevitably this has meant that we have had to ask staff to do more with less. In response, the Service is seeking to introduce efficiencies and to work 'smarter', while maintaining the full range of services. In particular we are seeking to exploit the benefits offered by greater digital working. For example, during the last 12 months we have rolled out a new electronic case file application running on secure tablet devices. These devices, which are taken into court by PPS staff, have significantly reduced the requirement for paper files and should also generate financial savings due to a reduction in courier costs. The implementation of secure remote access facilities is also being progressed. This will enable PPS staff to access all of the Service's systems when at court, providing a more agile, flexible way of working.

Overall this has been a year of considerable achievement for the Service. I would like to recognise the outstanding professionalism of all of my colleagues during the year. All staff have continued to demonstrate high levels of dedication, ensuring the continuity of a quality and effective service across all areas of the organisation.

Finally I would like to take this opportunity to pay tribute to Barra McGrory QC, my predecessor as Director, who steered the PPS through difficult times, including the substantial reforms outlined above. Barra's leadership, and his resilience in asserting the independence of our decision-making, has left the Service well placed to face the challenges of the future.

I am confident that PPS staff will continue to provide a highly performing prosecution service during the year ahead.



Stephen Herron
Director of Public Prosecutions
for Northern Ireland

Overview of Performance during 2017-18

Introduction

This overview of performance is intended to provide a short summary of the PPS's key business priorities, objectives and related milestones for the 2017-18 financial year, and an account of what has been delivered by the Service over the period.

It also provides relevant background to the PPS, including its structures, role, the operating environment and the approach to risk management.

About the Public Prosecution Service

The PPS is the principal prosecuting authority in Northern Ireland. In addition to taking decisions as to prosecution in all cases initiated or investigated by the police, it also considers cases initiated or investigated by other statutory authorities, for example HM Revenue and Customs.

The Service was established on 13 June 2005 by the Justice (Northern Ireland) Act 2002. The Act creates the PPS and defines its statutory duties and commitments and the legislative framework within which it must provide its services.

PPS Structures

The PPS is a regionally based organisation. There are two regions, Belfast and Eastern Region and Western and Southern Region, each of which is headed by an Assistant Director (AD). The AD is responsible for working with the courts and the police to provide a high quality prosecution service in their area. The regions deal with a wide range of cases, from the less serious summary cases, which are heard in the Magistrates' Courts, through to more serious indictable cases which are heard in the Crown Court.

In addition there are four legal sections, based in PPS Headquarters, which are also headed at AD level. These sections are as follows:

- The Serious Crime Unit deals with a range of the most serious offences including murder, manslaughter, rape and other serious sexual offences and human trafficking.
- Central Casework Section deals with some of the most high profile and difficult cases in Northern Ireland, including files relating to terrorism and organised crime.

- Fraud and Departmental Section deals with serious and complex fraud files submitted by the police, as well as files from Government Departments and Agencies.
- High Court and International Section deals with a range of specialist legal matters, including High Court bail applications, restraint and confiscation orders, extradition, international letters of request, judicial reviews, appeals to the Court of Appeal and cases referred by the Criminal Cases Review Commission.

Corporate Services is responsible for the organisation's support services such as Policy and Information, Finance, Resource Management, Business Assurance and ICT, as well as the Victim and Witness Care Unit (VWCU).

An Organisation Chart for the PPS is presented at Annex A.

PPS Role

The primary role of the PPS is to reach decisions to prosecute or not to prosecute and to have responsibility for the conduct of criminal proceedings. Additional services are also available which have been designed to enhance the effectiveness of the Service, including the provision of prosecutorial and pre-charge advice.

Options are available to allow prosecutors to deal with offenders other than through prosecution. These include adult and restorative cautions, informed warnings and youth conferencing. Prosecutors may also refer offenders to the National Driver Alertness Course. The purposes of diversion include dealing quickly and simply with less serious offenders, reducing the risk of reoffending and engaging the offender in a restorative process with the victim and society as a whole.

Standards Applied

The PPS in exercising its functions ensures that it complies with the binding obligations of international law ratified by the UK. It also complies with the convention rights incorporated into domestic law by the Human Rights Act 1998, the UN Declaration of Basic Principles of Justice for Victims of Crime, relevant EU Directives and Conventions and relevant case law.

Prosecutors will also have regard to any legal guidance provided by the Director and the Attorney General for Northern Ireland, including Human Rights Guidance issued under Section 8 of the Justice (Northern Ireland) Act 2004.

Prosecution Decisions

Prosecutions are instituted or continued only where the public prosecutor is satisfied that the Test for Prosecution is met. The Test for Prosecution is met if:

- The evidence which can be adduced in court is sufficient to provide a reasonable prospect of conviction – the Evidential Test; and
- Prosecution is required in the Public Interest – the Public Interest Test.

The Test for Prosecution is the key element in the Code for Prosecutors issued under Section 37 of the 2002 Act. The Code gives guidance on the general principles to be applied in determining in any case whether criminal proceedings should be brought, what charges should be preferred and how prosecutions should be conducted. It also sets out the standards of conduct that the PPS requires from prosecutors, including external counsel instructed on behalf of the Director.

Conduct of Prosecutions

The majority of prosecutions in the Magistrates' and Youth Courts, and appeals at the County Court, are conducted by Public Prosecutors, with the remainder conducted by external counsel. In general, members of external counsel represent the PPS at the Crown Court, High Court and the Court of Appeal. In performing this role external counsel are essential to the effective delivery of PPS services.

All members of external counsel are required to comply with the policies and guidance of the Director in the conduct of prosecutions, the PPS Advocacy Standards and the PPS Code of Ethics.

Working in Partnership: Criminal Justice System Northern Ireland

The PPS works in partnership with the Police Service of Northern Ireland (PSNI), the Northern Ireland Courts and Tribunals Service (NICTS), the Northern Ireland Prison Service (NIPS), the Probation Board for Northern Ireland (PBNI), the Youth Justice Agency (YJA) and the Department of Justice (DOJ), as part of the Criminal Justice System Northern Ireland (CJSNI).

The Director is a member of the Criminal Justice Board. This was established to improve engagement between the most senior leaders within the criminal justice system. The Board also provides strategic oversight to the work of the Criminal Justice Programme Delivery Group which the Deputy Director attends. The PPS is represented on the Programme Delivery Group which comprises senior officials from each of the various agencies.

Inspection and Audit

The PPS is subject to review by Criminal Justice Inspection Northern Ireland (CJI), within the provisions of Part 3 of the Justice (Northern Ireland) Act 2002.

Internal Audit provision within the PPS is provided by the DOJ's Internal Audit Branch. An annual programme of audits is agreed with the PPS Audit and Risk Committee, in consultation with the Head of Internal Audit. The internal audit service is provided in accordance with the Public Sector Internal Audit Standards.

Details of audit activity during 2017-18 are set out at page 56.

Departmental Liabilities

The PPS is a non-ministerial Department funded by the Northern Ireland Assembly. While the liabilities of the Department exceed the assets, the functions of the Department are statutory in nature and cannot be discontinued. Future funding is assured and on this basis the going concern concept applies to the activities of the Service.

Management of Risk

The PPS risk management policy sets out the framework for the management of risk and promotes a consistent approach across the Service.

During 2017-18 the Management Board identified 10 corporate risks that could, if not managed properly, have reduced the Service's ability to deliver against its strategic priorities. These are set out below (see page 51).

Key Initiatives during 2017-18

Transformation Programme – Phase 3

The Transformation Programme was established by the PPS Management Board in 2014 to take forward a fundamental review of the delivery of the Service's functions. Following the completion of Phases 1 (Design) and 2 (Implementation), Phase 3 of the Programme was launched in August 2016.

The focus of the Transformation Working Group (TWG), which had been set up to progress the Transformation Programme, shifted its emphasis to providing support to the Board in ensuring that key PPS projects and inter-agency service delivery initiatives were delivered. The Service is engaged in a number of initiatives with the DOJ and other partners, including PSNI and NICTS. This includes the Speeding-Up Justice Programme which provides the framework for the initiatives set out in the Justice Act (Northern Ireland) 2015. A number of these initiatives are also reflected in the NI Executive's 'Fresh Start' agreement, and as such are of strategic importance in terms of enhancing service delivery, improving efficiency and delivering better outcomes within the criminal justice system. The Service is also taking forward a number of internal service delivery projects, such as the rollout of Electronic Case Files (tablet PCs) for use by prosecutors at court.

The work of the TWG during this phase has been taken forward on a programme basis, with the Senior Assistant Director (SAD) for Resources and Change acting as Senior Responsible Officer (SRO). The programme has been broken down into a number of projects to ensure that sub-groups are identified to complete specific tasks, engage the necessary expertise and achieve the results required in the agreed timescales. There are five projects in total, each of which has been assigned a project lead (see below).

Project	Issue	Project Lead
1.	Committal Reform	AD Fraud and Departmental
2.	Implementation of Indictable Cases Process (ICP)	AD Serious Crime Unit
3.	Operational Effectiveness (to include the NICS Grading Review of Legal Posts)	Head of Resource Management
4.	Working Together Project	AD Fraud and Departmental
5.	Digital Working – to include: a) Electronic Case File Initiative b) Digital Justice c) Live links d) Track My Crime (Victim Information Portal)	Head of ICT

The Head of Policy and Information and Head of Finance were appointed as programme managers, and have liaised with project leads on a regular basis to ensure that relevant milestones have been met.

Significant progress has been made in respect of these projects over the course of the year. A summary of the projects and the key deliverables is set out below (see 'Performance during 2017-18').

In January 2018, the Management Board agreed that the Transformation Programme should be concluded, the original aims of the Transformation Working Group having been met. Oversight of key TWG projects was transferred to a new Change Management Board (CMB). In addition, the CMB will monitor other identified projects with strategic implications for the organisation. Over the coming year, such work will include the implementation of the General Data Protection Regulation (GDPR) and redevelopment of the PPS intranet and online presence.

Corporate Planning in the Public Prosecution Service

The Service's corporate planning is based around four strategic priorities which act as a framework to drive our planning outcomes and our approach to managing performance and risk. Within each priority area a number of objectives have been set out as the focus of the PPS's work programme and which will progress the delivery of the Service's vision.

The PPS's strategic priorities and objectives for 2017-18 were as follows:

Strategic Priority 1: Providing a high quality prosecution service

- 1.1 To promote the highest standard of decision-making, case preparation and advocacy, applying our Quality Standards on a fair and consistent basis.
- 1.2 To reduce avoidable delay and improve our service delivery through stronger partnership working.

Strategic Priority 2: Building the trust of victims, witnesses and the community we serve

- 2.1 To meet our commitments under the Victim and Witness Charters, providing victims and witnesses with the information and support they need.
- 2.2 To improve public confidence by engaging effectively with stakeholders and the wider community.

Strategic Priority 3: Strengthening our capability to deliver

- 3.1 To embed our Transformation Programme and build a resilient and sustainable business model within the resources available.
- 3.2 To strengthen our accountability as a non-ministerial department by developing and maintaining a transparent and effective governance framework.

Strategic Priority 4: Building the capability of our people

- 4.1 To deliver the Service's priorities through strong leadership and effective performance management.
- 4.2 To provide a supportive environment, enabling our workforce to meet business needs.

Performance during 2017-18

Strategic Priority 1: Providing a high quality prosecution service

Objective 1.1:

To promote the highest standard of decision-making, case preparation and advocacy, applying our Quality Standards on a fair and consistent basis.

Legal Quality Assurance

A number of thematic reviews were undertaken by the Policy and Information Unit during 2017-18, which included an assessment of decision-making in drugs cases and the review of procedures in respect of cases with outstanding summonses or warrants. Members of the Policy team have also quality assured the PSNI's use of Community Resolution and Penalty Notices for Disorder. This is being carried out monthly on the basis of a Service Level Agreement.

In addition, senior managers have reviewed a range of serious cases where there has been an unsuccessful outcome to ensure that any lessons learned have been considered. This has included No Bills and Acquittals by Direction in the Crown Court, as well as cases in which a request for review has resulted in a change to the original decision.

Case Management

A new Case Management Policy was implemented in 2016, the purpose of which was to ensure that risks to a successful outcome in difficult and complex cases were identified at an early stage. Over the last year steps have been taken to embed the policy and to foster greater consistency of approach across the regional offices. This included a refresher workshop in February 2018 with members of the senior legal team.

Case management panels were introduced as part of the new arrangements. The panels serve as a forum for the consideration of selected complex and/or high profile cases, involving a structured meeting between the prosecutor, the AD and the senior legal team (chaired by the Director) with a view to discussing issues and challenges and providing additional support and guidance as needed. During the year, a total of 10 panels were held.

Criminal Justice Inspection Northern Ireland

The Chief Inspector has taken forward a number of inspections which focused on the work of the PPS and/or its interface with partner agencies (see page 56 for further details).

The Service has considered all findings and, where appropriate, has liaised with partner agencies to ensure that recommendations are addressed.

Policy Development

A number of new or updated policy statements have been progressed during 2017-18, including policies in relation to youth prosecution, guidelines for diversion and the prosecution of road traffic offences. These documents will be published for consultation in early summer 2018. The preparation of the youth prosecution and road traffic policies were informed by pre-consultation exercises, targeted at specific public bodies and voluntary sector groups. A further pre-consultation exercise is being conducted in respect of a new policy for dealing with offenders with a mental disorder.

In September 2017 the Policy and Information Unit produced new operational guidance in respect of cases involving domestic violence and abuse. This guidance provides a comprehensive overview of the Service's approach to domestic violence and abuse cases, and complements the Service's current domestic violence policy. Publication of the new guidance was accompanied by a training programme for both legal and administrative staff.

Arrangements are in place for all significant judgements delivered by the Court of Appeal, Supreme Court and European Court of Human Rights to be made available to the Policy and Information Unit to ensure that any learning points are passed on to staff.

A number of internal guidance documents have also been published, covering issues such as directing on offences involving acid or other corrosive substances, the use of Proportionate Forensic Reporting and the procedures to be followed in cases involving a road traffic fatality.

Objective 1.2:
To reduce avoidable delay and improve service delivery through stronger partnership working.

Tackling Avoidable Delay

Justice Act

The PPS is participating in the Speeding-Up Justice Programme which provides the strategic context and framework for the range of initiatives set out in the Justice Act (Northern Ireland) 2015. The Indicator 38 Group, on which the PPS is represented, provides oversight for the delivery of the overall Programme.

During 2017-18, this work has been wide-ranging, involving a number of different strands. For example, the committal reform initiative, which originates from the 2015 Act, sets out a number of significant changes to the committal arrangements in Northern Ireland, including the direct committal from the Magistrates' Court to the Crown Court of an accused person, charged with specified offences such as murder or manslaughter. It also provides for a mechanism to deal with those cases which are suitable to be tried on indictment where the accused indicates at an early stage that he/she intends to plead guilty. The overall aim of the initiative is to speed up justice, facilitate early and targeted case management and reduce demands on witnesses. The Committal Reform Working Group, which includes PPS membership, has made significant progress in developing the legal framework and the supporting technical specifications which are needed to support the reform. Work to implement the agreed IT and business processes has now commenced. The current target date for implementation is the end of April 2019. This is subject to the passage of the Criminal Justice (Committal Reform) Bill which provides for a number of additional changes, such as the abolition of oral evidence at committal.

The issue of summonses by public prosecutors is provided for by Section 93 of the 2015 Act. Practically, this gives the power to prosecutors who have signing authority to sign and issue a summons after a complaint has been sent electronically, and received, by a court office. The new arrangements have continued to operate successfully since their introduction in February 2017.

Indictable Cases Process

During 2015, PPS worked with partner agencies in the operation of a new Indictable Cases Pilot. This was designed in response to the Criminal Justice Board's request to deliver a 'radical pilot', and was initially a test of concept to determine what was potentially achievable in terms of reducing delay. While this was shown to be a resource intensive process for the PPS, the evaluation of the Pilot data demonstrated substantial benefits in terms of timeliness. On this basis, it was decided that the Indictable Cases Process (ICP), modelled on the Pilot, would be rolled out for a range of indictable offences, including attempted murder, serious assaults and serious drug offences. The process had already been rolled out in all murder/manslaughter cases handled by the PPS's Serious Crime Unit.

The new ICP arrangements commenced in May 2017. The ICP Compliance Group, comprising DOJ, PPS and PSNI representatives, has met on a regular basis to discuss progress and to resolve ongoing issues. Whilst the numbers of cases identified as being suitable for treatment via ICP is lower than originally anticipated (approximately 160 cases by 31 March 2018), PSNI and PPS continue with efforts to raise awareness and to highlight the benefits of the process operationally.

Working Together

In November 2015, CJI released a report on the quality and timeliness of police files. In response to the report, PPS and PSNI formed a joint project team to explore the key issues. Several methods for improving file quality and reducing delay are being trialled during a pilot exercise based on offences investigated by PSNI's A District (Belfast City).

Phase 1 of the Working Together Project was conducted between February and December 2017, and dealt with the following key areas:

- The introduction of agreed evidential standards for all common summary offence types.
- The introduction of agreed proportionate file build specifications for summary offences.
- Improved technical processes, including amended case file forms.
- A 'proof of concept' for summary offences incorporating:
 - The introduction of dedicated Police Decision Makers who will review evidence, provide disposal decisions and make assessments on guilty or not guilty anticipated pleas;
 - Introduction of a streamline file build for no prosecution case files for specified offence types; and
 - Establishment of no prosecution clinics for specified areas of work.

The available monitoring data show that Phase 1 of the Pilot has had a positive impact to date in terms of the PSNI's file submission times and the time taken for PPS to issue a prosecutorial decision.

Phase 2 commenced in January 2018 and focuses on the following key areas:

- A proportionate file build based on a 'GAP' / 'NGAP' assessment (Guilty Anticipated Plea / Not Guilty Anticipated Plea).
- Early submission of 28 day charge files by police.
- Early service of documents on defence prior to first appearance in the Magistrates' Courts.

It is envisaged that Phase 2 will lead to earlier guilty pleas, more effective court appearances and a reduced number of court adjournments. An evaluation will be conducted later in 2018.

Proportionate Forensic Reporting

PPS is working with partner agencies in the introduction of Proportionate Forensic Reporting (PFR). PFR is a staged approach to the provision of forensic evidence, which applies to both summary and indictable offences. The rationale is to reduce the requirement for full forensic evidence on occasions when it is not needed in order to ensure the best use of limited resources and to reduce delay in criminal proceedings.

The PFR processes were originally initiated as part of the Indictable Cases Pilot. This has now been developed into a suite of standardised forensic reports which can be delivered at 3 specific stages in criminal cases across all forensic disciplines.

PFR commenced in May 2016 with forensic reports relating to the identification of controlled drugs in all cases. During 2017-18 it was rolled out to Fingerprints, Footwear, Biology and Tools, Marks and Glass. PFR with respect to toxicology is also being rolled out in phases. A new pilot scheme has also commenced and is being used to assess the effectiveness of PFR in respect of digital forensics.

Problem Solving Justice

Problem Solving Justice (PSJ) is a DOJ-led programme which aims to tackle the root causes of offending behaviour and reduce rates of re-offending. In total there are five initiatives under the PSJ umbrella. PPS has contributed to the implementation of two of these initiatives – a Domestic Violence Perpetrator Programme (DVPP) and a Substance Misuse Court (SMC). These are now being taken forward on a pilot basis in Londonderry Magistrates' Court (DVPP) and Belfast Magistrates' Court (SMC).

Advocacy

Advocacy Standards

Training continues to play an important role in maintaining the quality of our advocacy. During 2017-18, 4 Public Prosecutors attended the Law Society's Advanced Advocacy Course.

Higher Court Advocates

The PPS continues to use in-house prosecutors as advocates in the Crown Court. Three Higher Court Advocates (HCAs) are in post. During the year, a total of 210 Crown Court briefs were issued to the HCAs, compared with 207 during the previous year.

The ongoing monitoring of the HCA scheme has demonstrated a number of benefits, including the cost effectiveness of HCA usage.

Panel Counsel Scheme

In 2009, the Service established a Panel Scheme for the instruction of external counsel, both junior and senior. A refresh of the junior panel was taken forward in 2015, via an open competition, and a new panel appointed. The panel continued to operate effectively during 2017-18.

The Service no longer operates a senior panel as the small numbers of counsel available are considered to be too operationally restrictive in terms of briefing.

Over the course of the financial year, senior counsel was briefed in less than a tenth (9.0%) of Crown Court cases, a small reduction on 2016-17 (9.3%).

Strategic Priority 2:

Building the trust of victims, witnesses and the community we serve

Objective 2.1:

To meet our commitments under the Victim and Witness Charters, providing victims and witnesses with the information and support they need.

Services to Victims and Witnesses

Victim and Witness Care Unit

During 2017-18 the Unit has delivered on its obligations under the Victim and Witness Charters, as well as to front-line service delivery functions within the PPS (see page 33).

The Unit's management continues to work with their delivery partner, PSNI, to ensure the Unit is resourced effectively.

Victim and Witness Policy

The PPS has taken forward a review of its Victim and Witness Policy. The revised policy, which takes on board the requirements of the Victim and Witness Charters, was issued for public consultation in June 2016. The Service's Policy and Information Unit considered all comments made in response to the consultation and the final policy was published in June 2017.

Registered Intermediaries Scheme

The PPS has continued to support the Registered Intermediaries (RI) Scheme. Representatives from the PPS attend the RI Users Group.

The RI scheme was extended to the Magistrates' Courts in April 2017, on the basis of a 12 month pilot. The pilot will now run for 18 months in order to allow a more comprehensive assessment of its use.

Track My Crime

The new PPS online victim information portal, known as 'Track My Crime', was launched in November 2016. The system is based on an initiative developed by the Ministry of Justice in England and Wales and is intended to provide victims of crime with access to and information about the progress of their cases on a 24 hour basis. This information includes updates at key stages of the process, such as when the prosecution decision has been taken, or where applicable, a suspect has pleaded guilty.

Initial usage of the portal was low, however efforts have been made to improve awareness of the facility, and as of 31 March 2018 more than 100 persons had registered on the site.

Victim and Witness Task Force

The PPS is a member of the interagency Victim and Witness Taskforce (VWTF) and has continued to contribute to the 'Making a Difference' Strategy and the supporting Victim and Witness Action Plan.

Hate Crime

Hate Crime Delivery Group

PPS is an active participant in the Hate Crime Delivery Group (HCDG) which provides a mechanism for a co-ordinated approach to hate crime across the criminal justice system. The HCDG is chaired by the Department of Justice (DOJ) and is made up of officials representing each of the relevant criminal justice agencies. The HCDG deals with hate crime related tasks, projects, emerging issues and proposals, with outcomes assessed at HCDG meetings. For example, the HCDG has monitored the progress of implementation of recommendations of the hate crime report published by CJI in December 2017. In its role as a member of the HCDG, PPS has engaged with DOJ in respect of an ongoing scoping exercise to develop a terms of reference for a review of hate crime legislation.

G3P Reloaded Programme

Together with DOJ and PSNI, PPS has agreed to support and participate in a series of study visits in Belfast, Helsinki and Turin. The Good Practice Project, entitled 'G3P Reloaded Programme', is funded by the EU and follows on from a previous Good Practice Project delivered by the Northern Ireland Council for Ethnic Minorities (NICEM), in which PPS was also a participant.

Hate Crime Statistics

In August 2017, the PPS published detailed statistics in relation to the prosecution of cases involving hate crime during the 2015-16 and 2016-17 financial years. The coverage of these statistics included details of enhanced sentences imposed in cases aggravated by hostility.

Service Level Agreement with Police – Hate Crime

In December 2017 the Director and the Chief Constable of the PSNI signed a detailed Service Level Agreement (SLA) in respect of hate crime. The aim of this SLA is to set out in clear terms the respective roles and responsibilities of the PPS and PSNI in relation to the investigation, management and prosecution of cases involving hate crime and / or marked as being aggravated by hostility.

Requests for Review

During 2017-18, 156 requests for review of a prosecution decision were made by victims of crime, 5 of which resulted in the original decision being changed. This compared with 105 reviews in the previous year, 3 of which resulted in a change of decision.

Review by Sir Keir Starmer QC

In October 2014, the Director announced that a leading human rights lawyer, Sir Keir Starmer QC, was to conduct an independent review of three interlinked cases involving sex abuse and terror-related charges. The review, which encompassed all aspects of the prosecution of these cases by the PPS, was published in May 2015. The PPS responded to the review's recommendations by way of a detailed action plan.

In October 2016, the Director invited CJI to carry out a review to assess the effectiveness of the PPS's response. CJI reported their findings in October 2017 which identified a number of areas for improvement to be taken forward by the PPS. Further details are presented at page 56.

Witness Expenses

PPS is responsible for the payment of expenses to prosecution witnesses arising from their attendance at court in respect of proceedings to which they have been summoned. The rates of witness expenses payable are equivalent to those paid by the Crown Prosecution Service in England and Wales.

An amended court witness expenses policy has been implemented by PPS during 2017-18. The revised policy sets out the PPS's position with regard to inviting and supporting members of the public as victims and witnesses in the prosecution of crimes and reimbursing their expenses. The document has been drafted in compliance with victims' rights as set out in the EU Directive on Victims' Rights and the Victim Charter.

Total PPS witness expenses for 2017-18 were £328k, compared with £313k in 2016-17.

Objective 2.2:

To improve public confidence by engaging effectively with stakeholders and the wider community.

Communications Project

Work on a new PPS Communications Strategy, website and intranet has been ongoing. This work has built on activity during 2016-17 where research was undertaken to better understand the communication needs of the PPS internally, and all external stakeholders, including partner agencies and victims and witnesses.

Outreach Programme

Over the course of 2017-18 a series of interagency and outreach events and activities were conducted across the PPS. These included:

- Meetings with victims and witnesses and representative groups.
- Participation in multi-agency events and working groups.

- Representation at the Belfast Pride and Mela Festivals.
- Presentations to voluntary organisations on the role of the PPS.
- Meetings with local elected representatives including MPs and MLAs.
- Seminars with school and university students, including the Attorney General's 'Living Law' Programme and presentations to law students from Ulster University.
- Media interviews and briefings.
- Participation in Business in the Community initiatives.
- The hosting of foreign delegations. For example in March 2018, the PPS hosted a delegation of senior judges and prosecutors from Japan who were on a fact-finding tour of the UK and Ireland.

Complaint Handling

Complaints Dealt with in 2017-18

The PPS has a three tier process for handling complaints regarding service delivery. In the first instance complaints are referred to the relevant regional office and will normally be considered by the Regional Assistant Director. The majority of complaints are satisfied at this early stage, and the matter goes no further. Where it is not possible to resolve a complaint at this initial stage, it can be escalated for consideration by a member of the senior management team.

There is also an Independent Assessor of Complaints (IAC) for the Public Prosecution Service. The role of the IAC is to review a complaint where the complainant is not satisfied with the way in which the PPS has decided to deal with the matter. The IAC can investigate only after the case has been considered by the PPS, and if it is not primarily prosecutorial in nature. The current post holder, Mr Alan Henry OBE, was appointed in June 2013.

During the year, a total of 90 complaints were received by the PPS, an increase on 2016-17 (66). Seven of these complaints were fully upheld and a further 11 upheld in part.

As part of his review of activity for 2017-18, the IAC has carried out an audit of all complaints dealt with by the Service over the year. The IAC's latest annual report will be published on the PPS website which also contains previous reports and further information on the complaint handling process.

Working Arrangements with Partner Agencies

Participation in CJSNI Working Groups

PPS is involved in a wide range of inter-agency working groups, all designed to improve the efficiency and effectiveness of the criminal justice system, and to ensure that all key interests are represented and considered during policy development and implementation.

Proceeds of Crime

During the year, the PPS continued to build effective working relationships with those criminal justice investigative agencies which have a particular focus on proceeds of crime issues, including restraint and confiscation. Representatives from PPS actively participate in regular meetings of the Organised Crime Task Force (OCTF), including the Strategy Group and the various subgroups within the OCTF.

PPS has also participated in a Mutual Evaluation of the United Kingdom conducted by the Financial Action Task Force (FATF). The FATF is an international body established in 1989 and its objectives are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system.

During 2017-18 a total of 56 confiscation orders were granted by the courts, with a value of £1,462k. This compared with the total of 44 orders granted during 2016-17, with a value of £1,974k. Actual receipts to PPS in 2017-18 were £425k.

Strategic Priority 3: Strengthening our capability to deliver

Objective 3.1:

To embed our Transformation Programme and build a resilient and sustainable business model within the resources available.

Financial Management

Details of the PPS's financial management, including performance against the agreed savings delivery plans, are presented at pages 36 to 38.

Account NI

Account NI provides an integrated Resource Accounting and Budgeting System for all NICS Departments. PPS joined Account NI on 2 July 2012.

Review of Financial Services

The Stormont House Agreement published on 23 December 2014, and agreed by the NI Executive on 22 January 2015, included a commitment to the extension of shared services across the Northern Ireland public sector. During 2017-18 PPS has participated in benchmarking and scoping exercises to highlight best practice and demonstrate areas where effective consolidation of services can take place.

The Department of Finance (DoF) committed to a Review of Financial Processes on behalf of the NI Executive and PPS has continued to participate in this review during 2017-18. The overarching objectives of the review are to improve openness and transparency in the production of financial information.

Information and Communications Technology (ICT)

During the financial year, there has been ongoing investment in ICT systems, including the Case Management System (CMS) which supports the PPS's business processes.

The Service is exploiting the benefits offered by digital working. The Causeway System already provides for electronic sharing of information between the main criminal justice organisations in Northern Ireland. The Causeway contract comes to an end in March 2019 and PPS officials have been an integral part of the contract retendering exercise which has seen a supplier selected to take forward future development of the system over the next ten years.

In addition, a range of CMS and Causeway enhancements have been progressed during the year, including commencement of development in support of committal reform.

During 2016-17, the PPS had piloted the use of a new electronic case file application running on secure tablet devices. These devices, which are taken into court by PPS staff, significantly reduce the requirement for paper files and should also generate financial savings due to a reduction in courier costs. The tablet devices have now been fully implemented across the PPS regions and in all Magistrates' Courts.

The implementation of secure remote access facilities is also being progressed. This will enable PPS staff to access all of the Service's systems when at court, providing a more agile, flexible way of working. This solution has been piloted in Antrim and Ballymena Courts and will be rolled out across all court venues over the first half of the 2018-19 financial year.

An electronic meetings system, including interactive touchscreen displays, has been implemented in PPS boardrooms and in the Belfast Chambers training facility. This will allow members of the management team to run board committee meetings on a paperless basis. In the future it is planned to implement video conferencing facilities to allow users to hold meetings remotely.

Over the year a draft Digital Strategy has been produced to cover the period 2018 – 2022. This introduces a programme of work to increase levels of digital working across the Service. In particular it is planned to work with partners to develop linked systems that will enable the digital sharing, reviewing and presentation of video, photographic and audio evidence.

Sustainable Development

The Service has promoted and encouraged sustainability through the development of an internal environmental policy. With the introduction of the new policy, a dedicated Eco Environmental Team has been set up to maximise recycling, to monitor and reduce energy consumption and to promote biodiversity.

The improvement made in 'green housekeeping' was reflected in the Service's participation in the Environmental Benchmarking Survey. This was the PPS's second year of participation and the Service moved up two bands to achieve a silver award. The overall report referred to a noteworthy improvement by the Service.

The Service's maintenance, procurement and off-site storage contracts continue to be managed centrally through the Central Procurement Directorate within DoF. Sustainable development is factored into the establishment of all contracts.

Objective 3.2

To strengthen our accountability as a non-ministerial department by developing and maintaining a transparent and effective governance framework.

Corporate Governance – Revised Committee Structures

A review of the Service's Management Board committee structures has been carried out in order to consider the impact of the Transformation Programme and other organisational changes. The outcome of the review was approved by the Management Board in June 2017.

Further details of these changes are presented at page 49.

Security Policy Framework

Information Assurance

The focus for the organisation during 2017-18 was around preparation for the implementation of the GDPR and related Law Enforcement Directive (LED). A range of activities across governance, including the appointment of a Data Protection Officer, policy, contractual amendments, staff awareness and ICT system enhancements, have ensured that PPS is well advanced in its preparations for GDPR/LED.

Regular updates on preparations were provided to the senior management team.

Business Resilience

During 2017-18 a number of Internal Audit recommendations, relating to business continuity capability within the Victim and Witness Care Unit, were taken forward.

There were no major business continuity incidents during the year.

The PPS business continuity policy will be revised during 2018-19, based on the current office structure.

Disability Action Plan

The Service's Disability Action Plan (DAP) covered a one year period to 31 March 2018. The plan set out a range of actions through which the Service would seek to implement its disability duties in areas such as victim and witness services, partnership working, communication and staff training. Issues addressed during 2017-18 included the provision of disability awareness e-learning to staff.

The SAD for Resources and Change, as the PPS Equality Champion, has participated in the regular meetings of the NICS Diversity Champions Network.

Equality Scheme

The Service published a detailed Equality Action Plan for 2017-18. Key objectives achieved during the year included the publication of PPS hate crime statistics and the ongoing support provided to the Registered Intermediaries Scheme.

The Annual Progress Report on Section 75 of the NI Act 1998 and Section 49A of the Disability Discrimination Act 1995 (as amended) was sent to the Equality Commission in August 2017.

The Rural Needs Act

The Rural Needs Act (Northern Ireland) 2016 came into operation for public authorities on 1 June 2017. The Act requires policy makers to have due regard to rural needs when developing and implementing policies and when designing and delivering public services. In order to fulfill its obligations under Section 1 of the Act, two Rural Needs Impact Assessments have been completed

within the PPS for the year 2017-18, in respect of the PPS Victim and Witness Policy and Victim and Witness Expenses Policy. No impact upon rural needs was identified in the consideration of these policies

Strategic Priority 4: Building the capability of our people

Objective 4.1

To deliver the Service's priorities through strong leadership and effective performance management.

Objective 4.2

To provide a supportive environment, enabling our workforce to meet business needs.

Staffing levels

The PPS's current full time equivalent (FTE) staff capacity is 478. As at 31 March 2018, the overall FTE staffing level was 454.4 and there were 482 staff employed. In addition there were 12 temporary staff in post.

It should be noted that the full time equivalent staffing figure at 31 March 2017 was 459.6.

The 2017-18 recruitment programme involved the use of external competitions (including those for Principal Public Prosecutor and Public Prosecutor posts), elective transfer and NICS general service promotion.

Performance Management

The NICS People Strategy sets out clear commitments for all Departments in relation to performance management and the activities that will deliver on those commitments.

Learning and Development

The Service's Corporate Training Plan for 2017-18 was built around the training needs which were identified by senior management in consultation with the Resource Management Team (RMT).

Throughout the year, RMT ensured that generic and mandatory training needs were addressed and delivered to the required standard.

In addition to generic training delivered by the Centre for Applied Learning (CAL), a wide range of specialist training was procured and delivered to staff. Staff also made use of the NICS Assistance to Study for Adult Further Education programme which made funding available for continuing applications in 2017-18.

A total of 405 training days and 137 training events were attended by PPS staff. In addition six e-Learning packages were rolled out to staff.

Investors in People

In October 2017, the PPS Management Board approved a proposal for the organisation to seek Investors in People (IIP) accreditation under the new Sixth Generation Framework.

A steering group has been formed to assist with preparations for the organisation's assessment against the IIP framework which will take place in September 2018.

Working within the NICS

The new centralised NICS human resources function, NICS HR, was launched on 3 April 2017. This is being taken forward as part of a 3 year change programme which will include a focus on enhancing the role of line managers in managing and developing people. Training, support and guidance will be provided to line managers as the changes are implemented.

As a non-ministerial department, PPS is fully engaged with NICS HR through regular meetings with Strategic Business Partners. During the year a senior NICS HR representative has attended all meetings of the PPS People and Resources Committee, as well as presenting at the Management Board Planning Day.

TUS Consultation

The PPS has agreed consultation arrangements with the Northern Ireland Public Service Alliance (NIPSA) and the First Division Association (FDA), and meets formally several times per year to enhance employee relations, to increase outcome efficiency and promote the well-being of staff.

Corporate Social Responsibility

The PPS continues to work in partnership with Business in the Community (BITC) to promote and deliver the various challenges and volunteer projects as set out in the Corporate Social Responsibility Action Plan. During 2017-18, PPS staff volunteered to help in various organisations including Southern Area Hospice and The Welcome Organisation.

PPS has also facilitated numerous 'link and learn' sessions for staff throughout the year. These sessions have included Arthritis Care, NSPCC's Keeping Children Safe On-line, Belfast City Council's Love Food Hate Waste and The Rainbow Project's LGBT&I Awareness.

The Service has hosted WELL Health checks for staff in Belfast and Newry. These checks included cholesterol and blood glucose tests, blood pressure checks and a body composition analysis.

Health and Safety

The PPS is committed to adhering to the Health and Safety at Work (NI) Order 1978 and all subordinate legislation to ensure that staff and service users enjoy the benefits of a safe environment.

Throughout the year, a range of health and safety assessments were carried out, not only on an individual basis, but also in relation to buildings and various work activities within the PPS. A number of minor accidents were also investigated over the course of the year.

The PPS Health and Safety Committee continues to meet on a quarterly basis and PPS has representation on NICS Interdepartmental health and safety and fire safety committees.

Performance Analysis

Management of Corporate Performance

Role of the Management Board

The PPS Management Board supports the Director in his leadership of the PPS and in reaching decisions on the strategic direction of the Service. At present the Board receives standing information for each meeting on key areas of performance including achievement against agreed key delivery targets and financial data.

The Performance and Delivery Committee, chaired by the SAD for Serious Crime and Regional Prosecutions, supports the Board in meeting key organisational performance standards and targets. Matters considered include case progression and issues arising from the quarterly performance and accountability meetings (see below). Key financial and resourcing issues have been discussed by the People and Resources Committee, chaired by the SAD for Resources and Change.

Details of the Board's activity, and the various committees of the Board, are set out within the Governance Statement.

Performance and Accountability Meetings

Performance and accountability meetings (PAMs), led by the Deputy Director and Senior Assistant Director for Serious Crime and Regional Prosecutions, are held on a quarterly basis. The PAMs framework commenced in 2014-15 and involves all Assistant Directors and their key personnel. Issues discussed during PAMs include:

- The steps being taken to address any deficits in performance identified via the Service's key performance measures and other performance reports.
- Details of business plan objectives which were not being met or where there has been significant slippage.
- Matters which may impact on the future performance of the Region / Section (for example, resource changes or potential increases in workload).
- Key operational or legal matters, such as the conduct of high profile cases and legal quality assurance (e.g. review of No Bills in the Crown Court).
- Updates on any action points agreed at previous meetings.

Production of performance information

All statistical and financial information is provided by professionally qualified teams within Corporate Services. For example, all casework and performance statistics are provided by statisticians from the Northern Ireland Statistics and Research Agency (NISRA), seconded to the PPS. Information is extracted from the PPS CMS, the bulk of which are received via Causeway from CJSNI partners.

Financial information is provided in accordance with the Government Financial Reporting Manual, Managing Public Money NI and guidance from the DoF. All transaction records are provided from the Account NI shared service system.

Performance against Key Delivery Targets during 2017-18

Background

The PPS Annual Business Plan for 2017-18 set out how the PPS's objectives were to be taken forward and included a total of 22 key delivery targets against which the performance of the Service was to be measured. These targets spanned the four PPS strategic priorities (see page 16).

Details of the Service's caseload and performance for the year are set out below, including information in respect of longer term trends where appropriate.

A summary of the Service's achievement against the agreed key delivery targets is presented at Annex B.

Caseloads

The volume of files received by the PPS fell by 3.5% from 43,946 in 2016-17 to 42,395 in 2017-18.

Over previous years, there had been a steady decline in file numbers, the current volume representing a decrease of 20.4% on the 53,271 cases received in 2011-12. This trend was largely the result of a fall in less complex summary cases, for example involving minor disorder and lower value retail theft. Many such offences are now being dealt with directly by PSNI by way of Penalty Notices for Disorder (PND) or Community Resolution disposals.

Whilst there has been a reduction in the overall volume of files received over the longer term, numbers in the most serious case categories have increased. The number of cases received by the regions in 'case weight' categories 1 – 4 (including homicide, sexual offences, serious fraud/dishonesty and other serious offences), and which are normally dealt with by Senior Public Prosecutors, was 4,287. This compared with 4,073 in 2016-17 and 4,132 in 2011-12.

Decisions Issued

Over 50,000 prosecutorial decisions were issued by the Service during 2017-18, which included 1,415 decisions for prosecution on indictment (i.e. in the Crown Courts) and 29,310 for summary prosecution (i.e. in the Magistrates' Courts).

The Evidential Test for Prosecution was met in the majority of cases considered by public prosecutors during 2017-18. Of the 50,231 persons subject to a prosecutorial decision, nearly seven-tenths (69%) were issued with a decision for prosecution or for diversion from the courts.

This was a similar outcome to the previous year (69%). Over the period from 2011-12, the volume of decisions issued has fallen by 21.1% (from 63,628 to 50,231), mirroring the decline in case receipts.

Persons Dealt with at Court

During 2017-18, 1,510 defendants were dealt with in the Crown Court in Northern Ireland. This was a significant decrease on the previous financial year (2,250). It should be noted that the volume of cases during 2016-17 was well above normal levels; the withdrawal of defence services by the Bar Council and Law Society (in response to the DOJ's Legal Aid reforms) meant that no new cases were conducted in the Crown Court over the period from May 2015 to February 2016. Following the resolution of the dispute, the backlog of cases then had to be dealt with in 2016-17.

The overall conviction rate in the Crown Court during 2017-18 remained high at 84.8%. The equivalent figure for 2016-17 was 86.4%.

In the Magistrates' Courts, 28,066 defendants were dealt with during 2017-18, a decrease of 0.2% on the previous year (28,128). The conviction rate during 2017-18, at 80.0%, represented an increase on 2016-17 (78.9%).

Quality Assurance

Dip Sampling

A key component of the PPS's legal quality assurance arrangements is the dip sampling of cases by ADs against the Service's Prosecution Quality Standards (PQS), introduced in 2015. PQS provides for a number of in-depth reviews to be carried out on a monthly basis, covering a total of 19 questions on topics such as the quality of advice to police, the conduct of disclosure and the standard of services delivered to victims and witnesses. All cases for dip sampling are selected independently by statisticians from NISRA.

During the year, 321 cases were dip sampled under the PQS framework. An analysis of the findings has shown that the quality of decision-making remains high, with 98.1% of decisions assessed as having been taken in accordance with the Code for Prosecutors. This compares with a figure of 97.9% for the previous year. The 321 cases reviewed represented a small shortfall (15) against the agreed annual sample of 336. These cases will be added to the dip sampling requirement for 2018-19

No Bills and Acquittals by Direction

In addition to monthly dip sampling, senior managers have reviewed a range of serious cases in the Crown Court where there has been a No Bill or an acquittal by direction.

During 2017-18, a total of 17 No Bills (all charges) were granted and there were 18 acquittals by direction. The number of No Bills was outside the targets set for the year (not to exceed 14).

Review of Charges

The PPS target is to review 90% of charge sheets in 28 day charge cases within at least 3 working days of first appearance at court. Overall performance during 2017-18 was just below the target, at 88.8%. The target was met in both the Foyle and Newry regional offices, but not in Belfast. This was largely the result of resource pressures relating to the number of available Public Prosecutors in the Belfast and Eastern Region.

Overall performance during 2017-18 was similar to the previous year (88.9%).

Timeliness of Decisions

Performance in respect of the timeliness of prosecutorial decisions is monitored by senior management on an ongoing basis. The PPS's Annual Business Plan for 2017-18 included 10 timeliness targets, covering the issue of indictable prosecution decisions, summary prosecution decisions, diversionary decisions and no prosecution decisions. Of the 10 targets, 9 were achieved (see Annex B).

The target which was not met related to one of the two targets agreed for indictable prosecution decisions, reflecting the most serious categories of case considered by prosecutors. Performance against the target, to issue 80% of indictable decisions in 180 days, stood at 76.4%. This can be attributed to a number of factors, including shortages against agreed capacity levels within the legal grades. The Serious Crime Unit, which deals with all murder, manslaughter and serious sexual offences, has also faced significant pressures as caseloads have been running at a level higher than originally anticipated when it was established in 2016. The senior management team continues to monitor performance on an ongoing basis, seeking to address regional resource pressures as they arise.

The time taken for responses by police to Decision Information Requests (DIRs) continues to be a key issue in the time taken to issue decisions, particularly in more serious cases; over half of the indictable prosecution decisions issued by PPS during 2017-18 required one or more DIRs.²

Victim and Witness Care

The performance of the Victim and Witness Care Unit continues to be reviewed by the VWCU Operations Board on the basis of agreed performance measures, for example in respect of file receipt, decision and arraignment notifications to victims. Key outcomes for 2017-18 were as follows:

- 92.5% of file receipt notifications were issued within 7 days (target 90%);
- 97.7% of decision notifications were issued within 7 days (target 90%); and
- 98.1% of notifications of the arraignment date were issued within 7 days (target 80%).

² A Decision Information Request (DIR) is issued by PPS to police where the evidence and information contained in an investigation file is incomplete and a further written report or action from the police is required.

Public Confidence – NI Omnibus Survey

On an annual basis the PPS commissions questions for inclusion in the Northern Ireland Omnibus Survey, which is carried out by NISRA's Central Survey Unit. A total of six questions were included in the 2017 survey to gauge public awareness of the PPS and its role. Key results were as follows:

- Over three-quarters (76%) of those who had heard of the PPS were very or fairly confident regarding the fairness and impartiality of the Service. This compared with 71% in 2016.
- 71% of respondents were very or fairly confident that the PPS is effective at prosecuting people accused of committing a crime. This was an improved outcome on 2016 (65%).

The results of the survey, which were published in August 2017, have been considered by senior managers and will help to inform the development of PPS policy.

Sustainable Development

Details of the Service's sustainability activity are presented at page 26.

Payment of Suppliers

PPS is committed to the prompt payment initiative which sets out a target for Northern Ireland Departments to pay 95% of external supplier invoices within 10 working days of receipt of valid invoices. PPS payment processing is now conducted by Account NI and performance is monitored monthly. For the year to end March 2018, PPS paid 95.9% of invoices within 10 working days, and therefore the target was met. The equivalent performance for 2016-17 was 95.1%.

The Service had also set a target for 80% of purchase orders to be compliant with Account NI procurement guidance. The outcome for the year was 99.3% which was an improvement on 2016-17 (95.0%).

Freedom of Information

During the year, a total of 64 requests were dealt with under the Freedom of Information Act. All requests were dealt with within the required time limit of 20 working days.

Complaints

Targets in this area relate to the acknowledgement of complaints (95% within 5 working days) and the completion of complaints (95% within 20 working days). In 2017-18, performance in acknowledging complaints was within the target at 95%. The percentage of complaints completed in 20 days also met the required level at 95%. The equivalent figures for the previous year were 99% and 93% respectively.

Sickness and absenteeism

An average of 11.7 working days were lost per whole time equivalent member of staff during 2017-18. The equivalent figure for 2016-17 was 12.0 days.

Long-term sickness is also monitored. The PPS's long-term absence frequency rate in 2017-18 was 12.3% which compared with 13.6% in the previous year.

During 2014-15, the PPS had recorded the lowest level of sickness absence across all NICS departments (8.2 days on average). The raised levels in more recent years is in line with the overall NICS trend, and can be attributed to a number of factors, including the impact of the Voluntary Exit Scheme and the effects of restructuring across the NICS.

NICS People Survey 2017

The PPS participated in the 2017 NICS People Survey, the fourth time PPS staff have taken part. The response rate for the PPS was 52%. This was slightly lower than for the NICS as a whole (55%).

The questions in the survey were split across nine main categories (for example 'My Work', 'Organisational Purpose and Objectives' etc.).

There were a number of positive findings within the survey, particularly in the following areas:

- My Work – PPS had an overall benchmark score of 64% against 62% for the NICS as a whole.
- Resources and Workload – a benchmark score of 72% in the PPS compared to 69% for the NICS as a whole.
- Organisational Objectives and Purpose – a benchmark of 86% overall in the PPS compared to 68% in the NICS.
- The overall Employee Engagement score for the PPS, at 51%, was higher than the score of 49% for the NICS overall.

A number of issues were also highlighted by PPS staff where improvement is needed, including the visibility of senior managers, the management of change and career development opportunities.

The results of the survey have been disseminated to staff and have been used to inform the development of the PPS's People Plan for 2018-19.

Financial Performance during 2017-18

A reconciliation of the resource expenditure as declared within the Estimates, Accounts and Budgets has been provided below. The only reconciling item is voted expenditure outside the budget, in respect of the notional audit fee due to the Northern Ireland Audit Office and a notional charge from the NICS Welfare Support Service.

Reconciliation of Resource Expenditure between Estimates, Accounts and Budgets

	2017-18	2016-17
	£'000	£'000
Net Resource Outturn (Estimates)	35,191	35,488
Adjustments:	-	(397)
Non-Voted Income in the resource account		
Net Operating Costs (Accounts)	35,191	35,091
Adjustments:	(56)	(55)
Voted Expenditure outside budget		
Resource Budget Outturn (Budget)	35,135	35,036
of which:		
Departmental Expenditure Limits (DEL)	33,694	34,076
Annually Managed Expenditure (AME)	1,441	960

Statement of Assembly Supply

As a non-ministerial Department the PPS is financed directly from the Northern Ireland Consolidated Fund through the supply process operated by the Department of Finance (DoF).

Each year the PPS is given approval for its expenditure when the NI Assembly votes the Main and Supplementary Estimates. As set out in the Statement of Assembly Supply, the Department was voted a Resource Estimate Provision of £36,509 for 2017-18 (£32,631k for 2016-17). Details of the PPS Estimate are available from the DoF website.

The PPS outturn for 2017-18 was £35,191k (2016-17, £35,448k) as shown in the Statement of Assembly Supply which is £1,318k lower than the net resource limit. This variance against the Main Estimate can be explained as: £739k easement in counsel fees against anticipated costs and an easement in AME of £575k for provision not required in respect of counsel fees.

The net cash requirement of the Department, at £31,649k, was £5,082k less than the Assembly limit as set out in the Reconciliation of net resource outturn to net cash requirement (SOAS 3). This was primarily due to reduced resource outturn and changes in working capital.

Statement of Comprehensive Net Expenditure

The Statement of Comprehensive Net Expenditure represents the total net administrative and programme resources consumed. The costs during 2017-18 were £35,191k (2016-17, £35,091k) and included income of £489k (2016-17, £478k) as analysed at note 4. The financial operating performance of the Department has been considered in detail under Long Term Expenditure Trends.

Statement of Financial Position

The Department was in a net negative equity position of £1,410k at 31 March 2018 (£1,083k as at 31 March 2017). Total assets comprised property, plant and equipment, intangibles, trade receivables and cash of £10,288k (£9,917k as at 31 March 2017). The Department had net liabilities and provisions of £11,697k (£8,834k as at 31 March 2017).

The PPS as a government department is funded by the Assembly and despite a negative equity position is not subject to risks in relation to going concern.

Incentivisation

The PPS is an approved recipient of incentivisation receipts under the DOJ's Asset Recovery Incentivisation Scheme, and as such is eligible for 22.5% of funds recovered from confiscations secured on conviction under the Proceeds of Crime Act 2002. Incentivisation receipts totalled £425k in 2017-18 (£376k, 2016-17). The funding received during 2017-18 has contributed to a number of initiatives, including PPS projects supporting IT infrastructure improvements.

The realisation of cash has become increasingly difficult in the current economic environment and therefore these amounts are not easy to forecast. Depending on the timing of receipts, these funds can also be difficult to use effectively as they are not subject to automatic End of Year Flexibility

Future Developments

The main factor influencing the future financial performance of the PPS will be the need to achieve a sustainable budget baseline especially in light of future anticipated operational pressures and budget cuts.

Long-Term Expenditure Trends

Expenditure analysis has been provided overleaf for 2017-18, and 3 prior years. The following exceptional items occurred during the 2017-18 year:

- During 2017-18 a provision was made for the costs of vacant elements of leased buildings, on the basis that these could be considered to be onerous under IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets*. While these are still being actively marketed, the PPS has provided for the net financial obligations to the end of the lease, estimated at £1,431k.
- Purchases of goods and services increased by approximately £952k. This was primarily as a result of increased court related costs and counsel fee costs. In particular such costs were driven by an increase in the number of Judicial Reviews during 2017-18.
- The majority of PPS expenditure is programme and focused on front line service delivery. Administration costs relate to the salaries and office costs for corporate services support functions. The majority of PPS income is derived from Incentivisation funds generated from the realisation of assets confiscated on successful prosecutions under the Proceeds of Crime Act. Income is distributed to eligible parties under the Asset Recovery Incentive scheme. It is recognised on a receipts basis and is difficult to forecast.
- Capital expenditure decreased by £518k from 2016-17 to 2017-18, £302k of this reduction was due to the completion of a programme of works to the PPS headquarters building, Belfast Chambers, during 2016-17. These were necessary in order to facilitate centralising services at this site and the closure of other PPS offices. In turn loss on disposal has decreased by approximately £827k during 2017-18. This was due to the closure of buildings in 2016 which resulted in the disposal of assets.

Total Departmental Spending

	2014-15 Outturn £'000	2015-16 Outturn £'000	2016-17 Outturn £'000	2017-18 Outturn £'000
Resource DEL				
A-1: Public Prosecution & Legal Services	33,748	37,912	34,473	33,694
Total Resource DEL	33,748	37,912	34,473	33,694
Of which:				
• Income	(992)	(464)	(478)	(489)
• Staff Costs	19,858	23,987	20,611	20,477
• Including VES costs of:	-	2,847	-	-
• Purchase of goods and services	6,163	5,598	5,825	6,777
• Including counsel fees of:	4,993	4,777	4,929	5,450
• Rentals	1,862	1,917	1,681	1,538
• Other expenditure	5,486	5,460	4,899	3,667
Resource AME				
A-2: Public Prosecution & Legal Services	142	123	960	1,441
Total Resource AME	142	123	960	1,441
Of which:				
• Borrowing costs (unwinding of discount)	142	123	117	104
• Provision for legal liability	-	-	-	-
• Provision for Counsel Fees	-	-	763	584
• Provision for costs awarded against the PPS	-	-	80	165
• Provision for onerous lease	-	-	-	1,431
Total Resource Budget	33,890	38,035	35,433	35,135
Of which:				
• Depreciation	1,371	1,411	1,538	1,643
• Loss on disposal	40	590	831	4
Capital DEL				
• Acquisition of property, plant and equipment Including costs for the enhancement of Belfast Chambers of:	237	1,171	1,408	891
	-	864	479	177
Total Capital DEL	237	1,171	1,408	891
Capital AME	-	-	-	-
Total Capital AME	-	-	-	-
Total Capital Budget	237	1,171	1,408	891
Total departmental spending	34,127	39,206	36,841	36,026
Of which:				
• Total DEL	33,985	38,083	35,881	34,585
• Total AME	142	123	960	1,441

Administration Costs

Total administration budget	1,761	1,856	1,750	1,703
Of which:				
• Staff costs	1,422	1,540	1,603	1,577
• Rentals	150	147	77	67
• Other administration costs	189	172	70	59

Declaration

I confirm that this Performance Report reflects the position of the Public Prosecution Service for the year ended 31 March 2018.



Stephen Herron
Accounting Officer
21 June 2018

Part 2: Accountability Report



Corporate Governance Report

Introduction

The purpose of the Corporate Governance Report is to set out the composition and organisation of the PPS's corporate governance structures, and how they support the achievement of the Service's objectives.

The Report is made up of three sections, as follows:

- Director's Report (page 41);
- Statement of the Accounting Officer's Responsibilities (page 43); and
- Governance Statement (page 44).

Director's Report

Accountability Arrangements

The PPS was established on 13 June 2005 by the Justice (Northern Ireland) Act 2002. The Service is headed by the Director of Public Prosecutions for Northern Ireland, Stephen Herron, who was appointed on 2 January 2018. The role of Director was previously carried out by Barra McGrory QC who stepped down on 1 January 2018. The responsibilities of the Director are specified in the 2002 Act.

Since the devolution of policing and justice to the Northern Ireland Assembly in April 2010, the PPS has been designated as a non-ministerial government department. Funding for the PPS is normally provided by the Northern Ireland Assembly through the biannual Estimate process (main and supplementary).

As Accounting Officer for the Service, the Director of Public Prosecutions is responsible for ensuring that the public monies provided are used efficiently and effectively. All members of staff are Northern Ireland Civil Servants.

In May 2010 John Larkin QC was appointed as the Attorney General for Northern Ireland, as part of the devolved justice arrangements. The Justice (Northern Ireland) Act 2002 provides for the Director and Attorney General to consult with each other from time to time on any matter for which the Attorney General is accountable to the Northern Ireland Assembly. In accordance with the 2002 Act the functions of the Director shall be exercised by him independently of any other person.

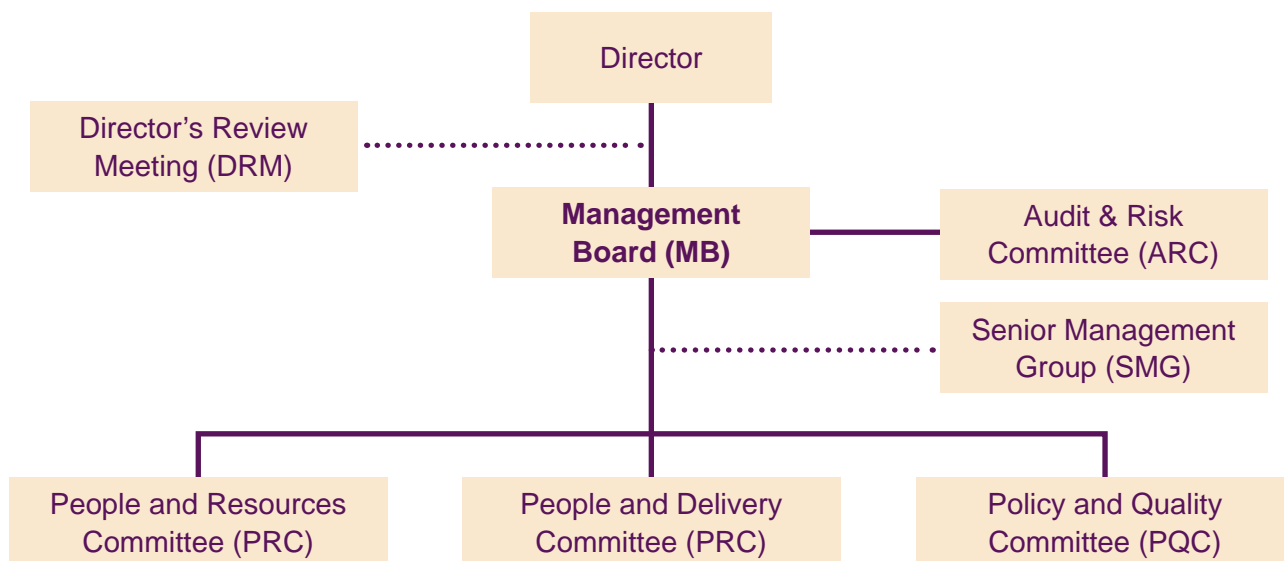
At present a number of prosecutorial matters are reserved to Parliament at Westminster. Duties in respect of these matters are performed by the Advocate General for Northern Ireland, The Rt. Hon. Jeremy Wright QC, who is the Attorney General for England and Wales.

Management Structures

The PPS Management Board comprises the PPS senior management team (Director, Deputy Director and two Senior Assistant Directors) and two independent members. The Board is assisted by the Audit and Risk Committee (ARC), the remit of which is to provide assurances to the Director that governance arrangements within the Service are operating effectively.

There are also a number of committees, which play key roles in the overall governance of the PPS (see organisation chart below). All committees are chaired by a Management Board member and have clear terms of reference, covering the scope of any decision-making and the reporting requirements for the Board.

PPS Board / Committee Structure 2017-18 (as at March 2018)



Details of the Management Board's membership and key activities during 2017-18 are set out later in this report (see 'Governance Statement', page 44). Information regarding the remit of the ARC and the Board's committees is also provided.

Corporate Governance

The PPS is committed to high standards in corporate governance. The policy of the PPS is to ensure that effective risk management processes are maintained which serve to improve the quality of decision making and the ability to deliver on strategic and operational objectives. The PPS risk management framework complements the current Corporate Plan, Annual Business Plans and financial management arrangements which together provide the systems to manage the Service's resources.

Register of Interests

All members of the Management Board are required to disclose significant interests or anything which may conflict with their responsibilities as Board members. A register of interests is maintained by the Service and conflicts of interest are declared at each Management Board meeting. Access to the register can be arranged by email request to info@ppsni.gov.uk or can be viewed on the PPS website at www.ppsni.gov.uk/publications/corporategovernance.

Personal Data Related Incidents

Full details of the personal data related incidents during the year are set out at Annex C. One incident was reported to the Information Commissioner's Office but no further action was taken.

Statement of Accounting Officer's Responsibilities

For the Year Ended 31 March 2018

The Department of Finance has appointed the Director of Public Prosecutions as Accounting Officer of the PPS. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding PPS assets, are set out in Managing Public Money NI issued by the Department of Finance.

Under the Government Resources and Accounts (Northern Ireland) Act 2001 the Department of Finance has directed the Public Prosecution Service for Northern Ireland (PPS) to prepare for each financial year resource accounts detailing the resources acquired, held or disposed of during the year and the use of resources by the Service during the year.

The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the PPS, and of the net resource outturn, the application of resources, changes in taxpayers' equity and cash flows for the financial year.

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

- Observe the Accounts Direction issued by the Department of Finance, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- Make judgements and estimates on a reasonable basis;
- State whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the accounts;
- Prepare the accounts on a going concern basis;
- Confirm that the annual report and accounts as a whole is fair, balanced and understandable; and
- Confirm that he takes personal responsibility for the annual report and accounts and the judgment required for determining that it is fair, balanced and understandable.

As Accounting Officer, the Director has taken appropriate steps to make himself aware of relevant audit information and to establish that the C&AG is aware of that information. To his knowledge there is no relevant audit information of which the C&AG is unaware.

Governance Statement

1. Introduction

As the Accounting Officer for the PPS, I am responsible for maintaining a sound system of internal control that supports the achievement of the Service's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which he is personally responsible.

This Governance Statement is a key feature of the PPS's annual report and resource accounts. It provides details of how I, as the Accounting Officer, have ensured the effective management and control of resources during 2017-18 and the action taken to ensure effective risk management and a high standard of corporate governance.

2. The PPS Governance Framework

The PPS governance framework aligns with the key principles set out in DoF guidance, 'Corporate Governance in Central Government Departments: Code of Good Practice NI' (2013). The Management Board has approved a corporate governance framework document which provides detailed information on the system of direction and control within the PPS. A copy of this document is available on the PPS website at www.ppsni.gov.uk.

The PPS's corporate governance arrangements comply fully with DoF's guidance, except in one regard. The guidance states that in non-ministerial departments, there should be an agreement as to which Minister(s) should answer for the department's affairs in the Assembly (paragraph 1.4). However, prior to the dissolution of the NI Executive in January 2017, there has been no agreement as to which Minister from within the NI Executive should answer for the PPS in the Assembly. Assembly Questions, which cannot be answered by any other Department, are therefore dealt with via correspondence with the MLA concerned.

3. The Management Board

The Management Board's objectives are to: set the strategic direction of the Service through the corporate strategic priorities and objectives; ensure accountability for the Service's performance; provide assurance that the organisation is managed effectively and that it provides Value for Money (VfM).

During 2017-18, the Management Board met 8 occasions. Members of the Board and individual attendance at Board meetings during the year were as follows:

Attendance at Management Board Meetings 2017-18

Board Member	Number of Meetings Attended*
Stephen Herron** Director (Chair of Management Board)	8
Barra McGrory QC*** Former Director	5
Michael Agnew**** Acting Deputy Director	8
Ian Hearst Senior Assistant Director (SAD) Resources and Change	7
Ciaran McQuillan***** Acting SAD Serious Crime and Regional Prosecutions	2
Christopher Welford Independent Board Member	8
David Hughes Hallett Independent Board Member	8

* Excludes an additional planning event held on 25 January 2018.

** 7 meetings attended as Acting Deputy Director from April to December 2017, until appointment as Director on 2 January 2018.

*** Stepped down as Director on 1 January 2018.

**** 7 meetings attended as Acting Senior Assistant Director from April to December 2017, until appointment as Acting Deputy Director on 2 January 2018.

***** Appointed as Acting Senior Assistant Director from 2 January 2018.

The Management Board carries out its business according to an agreed operating framework which sets out the Board's objectives and remit, membership, responsibilities and procedures. This operating framework was last reviewed by the Board in January 2018.

All members of the Management Board are required to disclose significant interests or anything which may conflict with their responsibilities as Board members. A register of interests is maintained by the Board Secretariat.

Priority Issues for the Board during 2017-18*Funding*

The members of the Management Board were provided with a regular and detailed briefing on all financial and budgetary matters during the course of the year.

In June 2015 a Savings Delivery Plan was submitted to DoF setting out a radical Transformation Programme for the Service designed to deliver savings of £3.5-4 million per annum by 2017-18. PPS completed implementation of the Transformation Programme during 2017-18 and has delivered £3.4 million of full year costs to date. DoF recognised that, through the Transformation Programme, PPS have undertaken all reasonable cost savings measures and described the Service as an exemplar in budget management. PPS is seeking to deliver additional savings from the ongoing lease costs of buildings, which are now vacant. However these further savings are contingent on the Service sub-letting the premises or otherwise being released from these commitments.

The Assembly received a four year budgetary settlement for the NI Block in November 2015, but in light of the elections in May 2016, determined that a one year budget should be set for 2016-17 and a three year budget negotiated thereafter with newly elected representatives. With effect from 9 January 2017 the then Deputy First Minister, Martin McGuinness, resigned from office which resulted in the dissolution of the power sharing Executive of the Northern Ireland Assembly; the Finance Minister had not brought forward a budget for 2017-18 at that date.

The Permanent Secretary of DoF was therefore required to rely on contingency arrangements within Section 59 of the Northern Ireland Act 1998 and Section 7 of Government Resources and Accounts Act (NI) 2001 to ensure that public services continued to be funded in the event that a Budget Act was not passed at least 3 days before the end of a financial year. This legislation permits the Permanent Secretary to allocate both cash and resource to departments to allow them to operate in the period of time between 1 April 2017 and the commencement of an Executive.

Assembly elections were called on 2 March 2017 but the parties returned were unsuccessful in negotiating a new power-sharing arrangement. On this basis the then Secretary of State for Northern Ireland, the Rt Hon James Brokenshire MP, announced budget allocations on 19 July 2017 as an interim measure. Due to the continuing absence of an Executive, the Northern Ireland Budget Act 2017 was approved via Westminster, and given Royal Assent on 16 November 2017.

A final Monitoring Round was held in December 2017 to allow Departments to allocate their budgets appropriately for the year and it was this final position that was reflected in the 2017-18 Supplementary Estimate.

In the continued absence of an Executive and Assembly in Northern Ireland, the Central Expenditure Directorate within DoF undertook financial modelling for 2018-19 and subsequent years.

On 8 March 2018 the newly appointed Secretary of State for Northern Ireland, the Rt Hon Karen Bradley MP, laid a Written Ministerial Statement on Northern Ireland Finances in the Houses of Parliament. Within it she explained that a new Executive would not be in place to set a budget in time for 2018-19 and the UK Government needed to provide clarity and certainty around Northern Ireland finances for 2018-19.

The Secretary of State set out 2018-19 budget allocations for resource and capital that she considered to be the most balanced and appropriate settlement for Northern Ireland departments. She based this allocation on extensive engagement with the political parties and the NICS to understand the needs of departments as they continue to work to deliver the draft Programme for

Government. This does of course leave it open to a restored Executive to consider and revise the position and indeed to make decisions on the budget position beyond 2018-19.

The outcome for the PPS was a non ring-fenced resource DEL allocation of £31.8 million which represents a reduction of 2.2% against the opening baseline for 2017-18. The consequent prioritisation of resources within PPS will be undertaken by the Accounting Officer with the advice and support of the Management Board.

Transformation Programme

The Transformation Programme was originally established by the PPS Management Board to take forward a fundamental review of the delivery of the Service's functions, in the light of the proposed budget settlements for 2015-16 and the next Spending Review period. The TWG commenced in October 2014 in order to support the Board in the consideration of future operational structures and plans. Following the completion of a post-project evaluation in January 2017, the Management Board determined that this phase of the TWG's work was complete.

A new phase of the Transformation Programme was agreed by the Board in September 2016. The remit of the TWG was amended to provide oversight for the delivery of a number of key projects. These included high profile criminal justice initiatives, such as the implementation of Committal Reform, as specified in the Justice Act (Northern Ireland) 2015. Other strands included oversight of the PPS's participation in the ICP and the joint PPS / PSNI Working Together Project.

In approving the Programme, the Board recognised that the PPS was operating in a very dynamic environment and that there was a need to ensure that the interfaces between all of the various initiatives were fully understood so that effective end-to-end processes could be designed and implemented.

In January 2018, the Management Board agreed that the Transformation Programme should be concluded, the original aims of the Transformation Working Group having been met. Oversight of key TWG projects was transferred to a new CMB. In addition, the CMB will monitor other identified projects with strategic implications for the organisation. Over the coming year, such work will include the implementation of the General Data Protection Regulation, and redevelopment of the PPS intranet and online presence.

Quality of the Data Used by the Board

At present the Board receives standing information for each meeting on key areas such as finance, human resources and performance. Briefing papers on other material issues are provided as they arise. All papers are issued a week in advance of any Board meeting to allow members to review and, where appropriate, to raise questions in advance. Representatives from the relevant business area can then be requested to attend to support discussions or be required to produce more detailed information in advance of the meeting.

All statistical and financial information is provided by professionally qualified teams within Corporate Services. Accordingly the Board considers that it can take assurance as to the quality of the data it uses to inform decision making.

Board Evaluation

The Management Board operated effectively during 2017-18, fulfilling its role as set out above.

The Board undertakes an annual evaluation of its performance. The most recent evaluation was conducted in January 2018 and was structured around six key themes, including: Board size and structure; leadership; decision-making; performance monitoring and financial management; risk management and governance; and delegation and communication. All members were satisfied with the overall compliance of the Board in each of these areas.

The main issues raised by members were as follows:

- The need to consider succession planning across all levels of the organisation, and in particular in preparing senior managers should they become a member of the Management Board.
- The need to ensure that an independent appraisal of the Board's performance is completed at least every five years.
- There should be more structured and timely engagement with the Independent Members by the Chair outside of the fixed Board Meetings to ensure their view is taken on all strategic matters decided by the Board.
- The Board should consider how Assistant Directors and Heads of Branch engage with Management Board, perhaps rotating attendance for specific agenda items.
- The Board should review how it communicates the rationale behind major decisions to staff when appropriate to do so, building on the positive feedback from a previous Management Board event held in Foyle Chambers.

4. Committees of the Board

Audit and Risk Committee

The ARC functions in accordance with best practice contained in the Audit and Risk Assurance Committee Handbook (NI) (March 2014). It operates under agreed terms of reference which are reviewed annually. Meetings are attended by representatives of the Northern Ireland Audit Office and by the Head of Internal Audit. The remit of the ARC is to provide assurances to the Director that governance arrangements within the Service, including the management of risk, are operating effectively.

During the financial year, the ARC met on four occasions and dealt with a wide range of issues relating to internal control, risk management, governance and accountability. These included the consideration of:

- Risks reported by way of the corporate risk register;
- Corporate reputational risk;
- The quarterly statements of assurance;

- Internal audit work plans and reports;
- Information assurance;
- The annual report and resource accounts for 2016-17; and
- The NIAO's External Audit Strategy and Report to Those Charged with Governance.

During the year the ARC received regular updates from the Head of Internal Audit. The Committee also examined progress against previous audit reports and were satisfied that recommendations were being adequately addressed.

A report on key issues discussed at Audit and Risk Committee meetings was provided for each Management Board meeting by the ARC Chair. The ARC also completed its annual report for 2017-18, summarising the work of the committee and providing its opinion on the comprehensiveness and reliability of the assurances available to support the Board and, particularly, to support the Director in his accountability obligations.

The ARC provided the Accounting Officer with the following assurances:

- On the Annual Report and Resource Accounts it has reviewed;
- From the information provided it appeared that all significant risks were being proactively managed by the PPS's senior management team and that appropriate management controls were in operation;
- Issues pertinent to the 2017-18 Governance Statement, such as the budget settlement, were being managed appropriately; and
- On the quality of both internal and external audit, with their approach to the discharge of their respective responsibilities and the assurances that could be placed on their work.

Board Committees

The Board's committees play a key role in the governance of the PPS. During 2017-18 the Board operated four committees, as follows:

- Senior Management Group.
- People and Resources Committee.
- Performance and Delivery Committee.
- Policy and Quality Committee

The Performance and Delivery Committee (PDC) and the Policy and Quality Committee (PQC) were newly established in 2017-18, and resulted from an evaluation of the Service's board structures, which was carried out during Quarter 4 of 2016-17. The main drivers were as follows:

- PDC was introduced in order to provide for a greater focus on performance at operational level. Whilst the former Service Delivery Committee was responsible for the review of operational performance, the range of responsibilities covered by the committee meant that often there was insufficient time to discuss the key issues in the necessary detail.
- PQC addressed a gap in terms of the consideration of key legal policy issues. Previously it was felt that there was insufficient focus on policy development and quality assurance and in particular on the prioritisation of the legal and administrative resources available in this area.

The Senior Management Group (SMG)

SMG comprises the Deputy Director (as Chair), the Senior Assistant Directors, the Head of Policy and Information and the Head of Resource Management, and meets on a monthly basis. SMG's purpose is to ensure there is effective co-ordination and decision-making in respect of a range of PPS strategic performance, governance and policy issues, as well as effective communication between the Management Board, the PPS senior management team and the Board's Committees.

The SMG, which met on 8 occasions during 2017-18, considered a range of matters including the corporate risk register, strategic financial, performance and resource issues, the briefing of Counsel and procurement / business cases.

People and Resources Committee

People and Resources (PRC) is chaired by the SAD for Resources and Change, and considers the key financial and resource issues impacting on the Service. The Committee met on 9 occasions during 2017-18. The Committee examined a range of human resource issues, and provided oversight in terms of budgetary monitoring, procurement, health and safety and equality and diversity matters. Members maintained a particular focus on the Service's capacity and resource planning in the light of the Transformation Programme, the NICS Review of Legal Grading and ongoing budgetary constraints.

Membership of the PRC includes the Service's NICS HR Strategic Business Partner who provided the Committee with regular updates on key human resource issues.

Performance and Delivery Committee

The PDC, chaired by the Deputy Director, is responsible for supporting the SMG in meeting key organisational performance standards and targets, through its role in driving continuous improvement in operational performance and working practices and the Identification of strategic and operational issues impacting on delivery. The PDC was implemented in October 2017 and met on 5 occasions during 2017-18. The SDC, which the PDC replaced, also met on 2 occasions during the early part of the year.

Members were regularly briefed on work carried out in support of CJSNI initiatives such as the Indictable Cases Process and the Working Together Project, and their impact on operational effectiveness.

Policy and Quality Committee

The PQC, chaired by the Deputy Director, is responsible for monitoring and considering the key legal policy issues impacting on the organisation and for the setting of priorities for future legal policy development and quality assurance activity. The PQC came into effect in December 2017

and met on 2 occasions during the year. Key issues for the PQC have included the approval of internal legal guidance and the review of draft policy statements.

All committees had clear terms of reference, covering the scope of any decision-making and the reporting requirements for the Board. At each meeting of the Management Board the respective committee chairs provided members with an overview of the main issues discussed. Full minutes of all committee meetings were also circulated to Board members.

5. Risk Management

The PPS risk management policy, which was updated during the year, sets out the framework for the management of risk and promotes a consistent approach across the Service. The Director, supported by the PPS Management Board, has overall responsibility for ensuring that an effective risk management process is established, for agreeing the Service's Risk Management Framework and for defining its risk appetite.

The Senior Management Group undertakes regular and detailed oversight of the key corporate risks and the Service's risk management capability. Assistant Directors (SCS Grade 5) and Corporate Heads of Business are responsible for maintaining effective risk management arrangements within their own areas. The quarterly assurance statements include an assessment of local risk management practice against the PPS risk management policy.

All risks set out at corporate level are owned by members of the Management Board.

Corporate Risk Profile

The Corporate Risk Register is aligned with the four strategic priorities of the PPS. During 2017-18 the Board identified 10 corporate risks that could, if not managed properly, have reduced the Service's ability to deliver against its strategic priorities. These were as follows:

Strategic Priority	Risk Area
Efficiency and Effectiveness	<ul style="list-style-type: none"> • Case management in serious / high profile cases. • Resources to manage legacy cases. • Use of counsel in complex / sensitive cases.
Building Confidence and trust	<ul style="list-style-type: none"> • Provision of services to victims and witnesses. • Engagement with CJSNI stakeholders.
Capability to deliver	<ul style="list-style-type: none"> • Implementation of the Transformation Programme. • Uncertainty regarding future funding. • Gaps in the Information Assurance Framework.
People	<ul style="list-style-type: none"> • Succession planning. • Compliance with performance management arrangements.

In reviewing the Service's risk profile at the beginning of 2017-18, one new risk was identified. This reflected a concern that the Service would not comply with corporate targets in respect of NICS performance management arrangements. One risk was amended for 2017-18. The previous risk in respect of victims and witnesses was expanded to reflect potential weaknesses not only the Service's approach to communicating with victims and witnesses, but also in the delivery of relevant services.

During the course of the year, a further new risk was added, reflecting concerns that the Service did not have access to sufficient independent counsel with the necessary breadth of experience to deal effectively with the full range of sensitive and complex cases, particularly in the conduct of any future proceedings in legacy cases.

At the January 2018 Management Board Planning Event, members reviewed the corporate risk framework and carried out an assessment of the risks facing the organisation, ensuring that all key risks were identified for the incoming financial year. These discussions have informed the development of the 2018-19 corporate risk register.

During 2017-18 the risk management framework has been complemented by a range of other control measures:

- An Incident Management Plan and a Business Continuity Plan.
- An Anti-Fraud Policy and Fraud Response Plan (updated February 2018).
- The PPS Fraud Working Group (FWG), which provides a forum for the exchange of information and experience on fraud issues, met on two occasions. Matters considered by the FWG included the updated PPS Anti-Fraud Policy and Fraud Response Plan, and completion of the Northern Ireland Audit Office Fraud Self-Assessment. FWG members also reviewed the PPS contribution to the National Fraud Initiative, as well the PPS Gifts and Hospitality Register. Membership was refreshed during the year. No incidents of fraud were reported.
- The Service has reviewed all new financial guidance issued by the DoF and provided briefing to the Audit and Risk Committee, setting out the relevance of any changes to the PPS and the action taken as a result – for example, with regard to updating financial policy and raising staff awareness.
- The PPS procurement and purchasing procedures have been revised and updated to reflect changes in procurement policy, Central Procurement Directorate guidance and the purchasing and payment process required through Account NI. The procurement guidance is published on the PPS Intranet.
- The PPS Procurement Officer holds the CIPFA Certificate in Public Sector Procurement. The Procurement Team provide help and support to PPS staff who are involved in procuring goods and services.
- The Procurement Team, in conjunction with delegated purchasing branches, complete quarterly expenditure analyses to monitor spend against contract and identify any emerging contract requirements. The Procurement Officer maintains the PPS contract database and prepares the contract procurement plan ensuring contracts are procured on a timely basis. The contract database is published on the PPS intranet.
- Contract management returns are collated by the Procurement Team and any issues identified are taken forward with the supplier in conjunction with the Contract Manager and the delegated purchasing branch.

- The Service maintains its Anti-Bribery and Corruption Policy.
- A register of interests has been maintained covering all senior staff. A register of gifts and hospitality has also been maintained covering all staff.

6. Information Security

Governance arrangements in the PPS conform to the requirements set out in the Cabinet Office Security Policy Framework. The SAD for Resources and Change is the Senior Information Risk Owner. All senior managers have been designated as Information Asset Owners to provide further assurance that information assets are properly managed. Information assurance is a standing item on the agendas of the Audit and Risk Committee, with escalation to the Management Board where necessary. All Information Asset Owners are required to review information security compliance and to highlight any new assets or risks within their business areas in their quarterly assurance statements.

The PPS Business Assurance Team co-ordinates the development of the information assurance framework and data handling and security arrangements across the Service. The team also has responsibility for all aspects of security within the PPS, including physical and personnel, IT security policy and the accreditation of ICT systems in line with government requirements. The team also provides advice and guidance to key stakeholders, such as members of Panel Counsel, on the protection of PPS assets.

The General Data Protection Regulation 2016/679 (GDPR) is a regulation in EU law on data protection and privacy for all individuals within the European Union. Relevant provisions of GDPR have been introduced into UK law under the Data Protection Act 2018 and received Royal Assent on 23 May 2018. In December 2017, the PPS appointed a Data Protection Officer (DPO), who reports to the People and Resources Committee. The DPO is leading the implementation of the GDPR and the Act in PPS and working closely with colleagues in the wider NICS to develop corporate approaches where appropriate. Work completed to date includes an information audit, a review of the security incident management policy and the introduction of privacy impact assessments, as well as work to improve the long term retention and disposal of both case files and non-case material. Work is ongoing to develop Privacy Notices and a Compliance Report.

The PPS has introduced tablet PCs to replace hard copy files in the Magistrates' Courts. The Business Assurance Team worked closely with the PPS ICT Team to develop appropriate standards to protect the data held on these devices. Training was also provided to users on information assurance issues. These controls will be reviewed on an ongoing basis as the implementation progresses.

The PPS is required to ensure that PPS information systems are formally assessed in accordance with HMG Information Assurance Standard Numbers 1 and 2 (Information Risk Management). The revised document set was completed in March 2015, with the reaccreditation process completed in June 2015. A review of this document set was not taken forward as planned in 2016-17 due to major infrastructure changes in the PPS network. The assessment of the new infrastructure has proceeded in stages. In November 2017, a health check on the tablet PCs and the remote connection process was completed. PPS also completed tests on the Disaster Recovery Suite in December 2017. As a result of those tests PPS are procuring new disaster recovery hardware which will be installed and tested later in 2018.

DOJ Internal Audit carried out an audit of cyber security in PPS which was completed in October 2017. PPS was awarded a satisfactory assessment.

During the reporting period a total of 13 data incidents were reported to the Business Assurance Team (see Annex C for details). In one case, the investigation revealed that no incident had in fact occurred. In the remaining 12 cases, appropriate remedial action was taken following each incident after investigations were carried out. One of these incidents was reported to the Information Commissioner's Office, but no further action was required.

7. Effectiveness of the PPS Governance Framework

As Accounting Officer, the Director reviewed the effectiveness of governance and control systems within the PPS. This review has been informed by the work of the internal auditors and the executive managers within the PPS, who have responsibility for the development and maintenance of the internal control framework, as well as the views of the Independent Board Members and comments made by external auditors in their management letter and other reports.

The Director has also been advised by the Management Board and the ARC and is assured that there are plans to address any weaknesses and to ensure continuous improvement of the controls currently in place.

Assurances as to the adequacy of the governance, management and controls have been provided by:

Independent Parties

- The ARC, through feedback by its Chair at Management Board meetings and by review of the Committee's Annual Report.
- Criminal Justice Inspection Northern Ireland who provide an independent assessment of business efficiency and effectiveness through a programme of thematic reviews (see Section 9).
- The Head of Internal Audit who has provided an independent opinion on the adequacy and effectiveness of the Service's system of internal control, and an opinion on significant control issues. Details of the audits completed during the financial year are set out below (see Section 10).
- The Northern Ireland Audit Office (NIAO) who provide reasonable assurance that the financial statements audited by the Office give a true and fair view; identify, assess and examine risks to regularity, propriety and financial control and report on significant weaknesses; and provide constructive advice to help improve the PPS corporate governance, financial risk management control and reporting. During the year the NIAO also conducted a major review of delay in the criminal justice system, which included an examination of PPS performance (see section 11).
- DoF, covering the shared services available to PPS. At present this includes NICS HR (which provides human resource services and support), HR Connect (which provides transactional HR work and a payroll service for the PPS), Account NI and the Centre for Applied Learning. In addition, the Central Procurement Directorate has conducted all procurement over £30,000 on behalf of the PPS under a service level agreement.

- The IAC, Mr Alan Henry OBE, produced the latest IAC annual report in June 2017. Mr Henry's overview for 2016-17 noted a continuing improvement in complaints handling by the PPS, which was noteworthy given the major restructuring exercise undertaken by the Service, and the concentration of activity into a smaller number of regional offices. The percentage of complaints acknowledged and concluded were within the target timescales and it was noted that both figures were at an all-time high. More generally, Mr Henry commented on the quality and thoroughness of investigations carried out by the PPS.

Management

- The SAD for Resources and Change who is a member of the Management Board and acts as the Principal Establishment and Finance Officer (PEFO) for the Service. In this role the SAD is responsible for ensuring that proper controls are in place to safeguard public funds and departmental assets.
- The detailed assurance statements which have been provided on a quarterly basis to the Management Board and the ARC by senior managers who have responsibility for the development and maintenance of the internal control framework in their respective areas. Significant internal control issues highlighted during the year have been recorded at Section 12.
- The regular financial and performance reports provided to the Board and senior management.

Policy and Process

- The Policy and Information Unit which aims to provide an independent assessment of the quality of decision-making, case preparation and presentation within the Service. This work has been complemented by dip sampling by Assistant Directors, based on a sample drawn by NISRA statisticians. All cases found to be below the acceptable standard have been followed up by the senior team.
- The maintenance of casework risk registers by Assistant Directors. The registers were implemented in January 2016 and are intended to ensure that identified risks in the most serious cases are managed and mitigated. These are complemented by Prosecution Strategy Documents (PSDs) which assist the prosecutor and AD in identifying and recording any strategic issues that arise in individual cases, and to create a comprehensive record of how such issues have been approached and resolved. A refresher workshop, led by the Deputy Director, was conducted with the Assistant Directors in February 2018.

8. Whistleblowing

No whistleblowing reports were made during 2017-18.

9. External Review

Criminal Justice Inspection Northern Ireland

During the year, CJI published the results of a number of inspections and follow-up reports, including:

- Availability and Use of Performance Management Information (September 2017).
- Hate Crime (December 2017).
- Follow-up of Strategic Inspection Recommendations 2013 - 2015 (including corporate governance).

In October 2016, the Director invited CJI to assess the effectiveness of the PPS's response to the findings of Sir Keir Starmer's independent review, published in May 2015, into the conduct of three interlinked cases involving sex abuse and terror-related charges. CJI identified a number of recommendations / areas for improvement. In October 2017, CJI, supported by HM Crown Prosecution Service Inspectorate, reported on a follow-up review of the Service's response to the Starmer Report. Of the nine recommendations, four were assessed as having been achieved and the remaining five showed evidence of substantial progress.

CJI has also commenced a number of other inspections, including a review of the criminal justice system's approach domestic and sexual violence and abuse and compliance with equality commitments.

PPS has engaged with inspectors during the course of all reviews and responded to recommendations as appropriate.

10. Internal Audit

PPS has established a robust assurance framework that includes primary assurance through line management structures on the achievement of objectives. This primary assurance is supplemented by secondary assurances provided through oversight of management activity, and by the DOJ Internal Audit team operating to Public Sector Internal Audit Standards. They deliver an agreed prioritised programme of systems based audits covering PPS systems over time. The Head of Internal Audit provides an Annual Report and her professional opinion on the level of assurance that she can provide based on the work done. The Head of Internal Audit forms her professional opinion on the basis of the internal audit work completed over a three year period.

All priority issues have been addressed as part of the rolling programme and the Head of Internal Audit has provided overall satisfactory assurance.

Internal Audit Activity during 2017-18

During the financial year Internal Audit conducted a number of audit assignments, in accordance with the annual audit plan for 2017-18. Five audit reports were produced, focusing on the following areas:

- Valuation of Work In Progress for Counsel Fees (April 2017);
- Cyber Security (October 2017);
- PPS Financial Management (October 2017);
- Line of Business IT (November 2017); and
- Corporate Governance (April 2018).

The overall level of assurance arising from all reviews was 'satisfactory'.

11. External Audit

The PPS Senior Management has reviewed The Northern Ireland Audit Office 2017-18 Report to those Charged with Governance wherein a number of significant issues were raised:

- Misstatement of the Statement of Assembly Supply – a technical issue had not been appropriately treated in the Statement of Assembly Supply. This has now been resolved and will be addressed at regular points in future and specifically at interim.
- Business case procedures should be reviewed – business cases in respect of contract extensions over 10% of the original value had not received the appropriate approvals from the Department of Finance. Retrospective approval has been obtained by PPS and procedures now amended accordingly. These will be reissued in year and controls strengthened around them.

Beyond the matters outlined above, no significant internal control problems were highlighted by the NIAO.

The Comptroller and Auditor General's report was unqualified.

12. Significant Control Issues

The work of the PPS is demand-led and can be subject to in year fluctuation, depending on the number of cases received and the number subsequently processed through the courts. In an ever tightening financial climate this presents challenges in managing workloads. Whilst the Service has a statutory obligation to take prosecutorial decisions in all cases initiated or investigated by police, it may be necessary to profile work internally in order to manage resources effectively. Hence delay in casework can arise where resources have to be allocated or reallocated to meet the most immediate demands.

Decisions relating to prioritisation and the allocation of resources can be difficult and will not always be understood or agreed with by victims or sections of the public. An inability to progress, or delay in progressing, cases can result in the PPS being challenged, including by means of judicial review. These proceedings can be costly and time-consuming and can further distract from and delay the conduct of the PPS's core prosecutorial functions. Successful challenge can result in the re-prioritisation of competing demands. This environment of competing demands and the potential for such challenge presents a risk for the PPS in future years.

13. Conclusion

The governance framework as outlined has been in place in the PPS throughout the year ended 31 March 2018 and up to the date of approval of the Annual Report and Resource Accounts, and accords with DoF guidance.

It is my assessment that the PPS operates a system of governance and accountability which he can rely on as Accounting Officer to provide assurances that the public funds and other resources for which I am accountable are deployed effectively and appropriately.

During the financial year, with the exception of those matters highlighted at Section 12 above, no significant internal control weaknesses or issues have been identified, and no significant failures have arisen in the expected standards for good governance, risk management and control.

Remuneration and Staff Report

(audited information)

Remuneration Report

1. Scope of Responsibility

The salaries of the Director of Public Prosecutions and the Deputy Director are set in line with the Judicial Appointments Scale as determined by the Department of Finance.

The non-executive Directors are remunerated on the basis of a per diem rate. This was uplifted by 1% from 1 August 2017 to £525 per day in line with the recommendations of the Senior Salary Review body; who have also recommended a further 1% uplift per annum on 1 August each year up to 2020-21. In addition they are entitled to travel and subsistence expenses at NICS rates incurred while on departmental business.

The non-executive Director's remuneration is paid through the PPS's payroll and Employers' National Insurance and PAYE accounted for at source.

2. Remuneration Policy

The PPS became a non-ministerial Department at the point of devolution on 12 April 2010. The majority of PPS staff underwent assimilation to NICS terms and conditions with a small minority choosing to remain under the same conditions applicable to the Northern Ireland Office.

The Senior Civil Service (SCS) remuneration arrangements are based on a system of pay scales for each SCS grade containing a number of pay points from minima to maxima, allowing progression towards the maxima based on performance. In 2012, upon creation, there were 11 points on each scale. The minimum point has been removed in each year from 2014 to 2016 (the scales now have 8 pay points) to allow progression through the pay scales within a reasonable period of time.

The pay remit (for the NI public sector and SCS) is normally approved by the Minister of Finance but in the absence of an Executive the DoF Permanent Secretary has set the 2017-18 NI public sector pay policy in line with the overarching HMT parameters and in a manner consistent with the approach taken by the previous Finance Minister in 2016-17. The pay award for SCS staff for 2017-18 has not yet been finalised.

3. Service Contracts

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

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

Further information about the work of the Civil Service Commissioners can be found at www.nicscommissioners.org.

The Senior Assistant Director of Regional Prosecutions, Stephen Herron, was appointed as acting Deputy Director on 3 May 2017. Mr Herron was appointed Director of Public Prosecutions from 2 January 2018, after Mr Barra McGrory QC resigned on 1 January 2018.

The Assistant Director Central Casework, Michael Agnew, was appointed as acting Senior Assistant Director on 3 April 2017. From 2 January 2018 Mr Agnew was appointed acting Deputy Director of Public Prosecution. Mr Agnew was subsequently appointed as the permanent Deputy Director of Public Prosecutions on 9 April 2018. There is no disclosure required for his remuneration in 2016-17.

The Assistant Director Fraud and Departmental, Ciaran McQuillan was temporarily promoted to Senior Assistant Director of Regional Prosecutions on 2 January 2018. There was no disclosure required for his remuneration in 2016-17.

Mr McQuillan held this post until 31 March 2018 at which point the Assistant Director Serious Crime Unit, Marianne O’Kane, took up the temporary post for a period of 3 months until 30 June 2018. Thereafter Roger Davidson, Assistant Director Belfast and Eastern Region will hold the post for 3 months. It is anticipated that a competition will be run in the autumn and a permanent appointment then made.

4. Salary and Pension Entitlements

The following sections provide details of the remuneration and pension interests of the senior management of the Department.

2017-18 Remuneration (including salary) and pension entitlements

	2017-18				2016-17			
	Salary (£'000)	Benefits in Kind (to nearest £100)	Pension Benefits* (to nearest £1,000)	Total (£'000)	Salary (£'000)	Benefits in Kind (to nearest £100)	Pension Benefits* (to nearest £1,000)	Total (£'000)
Statutory Appointments								
Mr Barra McGrory <i>Director of Public Prosecutions (Resigned 1 January 2018)</i>	135-140	-	53,000	185-190	175 - 180	-	69,000	245-250
Mr Stephen Herron <i>Director of Public Prosecutions (appointed 2 January 2018)</i>	145-150	-	58,000	205-210	85-90	-	34,000	120-125
Ms Pamela Atchinson <i>Deputy Director of Public Prosecutions (retired 31 March 2017)</i>	-	-	-	-	140-145	-	-	140-145
Mr Michael Agnew <i>Deputy Director of Public Prosecutions (appointed acting Deputy Director from 2 January 2018)</i>	100-105	-	40,000	140-145	65-70	-	-	65-70
Officials								
Ian Hearst <i>Senior Assistant Director of Resources and Change</i>	90-95	-	36,000	125-130	90-95	-	36,000	125-130
Ciaran McQuillan <i>Senior Assistant Director of Regional Prosecutions (appointed as Senior Assistant of Regional Prosecutions on 2 January 2018)</i>	70-75	-	9,000	80-85	65-70	-	-	65-70
Non-Executive Directors								
Christopher Welford	10-15	-	-	10-15	5-10	-	-	5-10
David Hughes Hallett	5-10	-	-	5-10	5-10	-	-	5-10
Band of Highest Paid Director's Total Remuneration (£'000)	180-185				175-180			
Median Total	24,975				24,975			
Ratio	7.3				7.2			

Note: Pamela Atchinson chose not to be covered by the Northern Ireland Civil Service Pensions Schemes during 2016-17.

* The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation and any increase or decrease due to a transfer of pension rights.

* Value of pension benefits accrued have been restated due to the availability of more up-to-date information.

Salary

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

Benefits in Kind

The monetary value of benefits in kind covers any benefits provided by the employer and treated by HM Revenue and Customs as a taxable emolument. The PPS does not provide any benefits in kind to staff.

Pay Multiples

The Public Prosecution Service, in line with all government bodies, is 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 annualised remuneration of the highest-paid director in PPS in the financial year 2017-18 was £180-185k (2016-17, £175-180k). This was 7.3 times (2016-17, 7.2) the median remuneration of the workforce, which was £24,975 (2016-17, £24,975). The median salary has remained steady from last year and represents the top point of the Executive Officer II scale; hence the pay band multiple did not change materially.

The range of staff remuneration is from £7,244 to £181,566 (2016-17 £13,488 to £179,768).

Total remuneration for this purpose includes salary, non-consolidated performance-related pay and benefits-in-kind. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Pension Benefits

All of the senior management team are now members of the alpha pension scheme.

Pension Entitlements

	Accrued pension at pension age as at 31/3/18 and related lump sum £'000	Real increase in pension and related lump sum at pension age £'000	CETV at 31/3/18 £'000	CETV at 31/3/17 £'000	Real increase in CETV £'000	Employer contribution to partnership pension account Nearest £100
Statutory Appointments						
Mr Barra McGrory <i>Director of Public Prosecutions (resigned 1 January 2018)</i>	25-30 Lump sum nil	2.5-5 Lump sum nil	367	313	33	-
Mr Stephen Herron <i>Director of Public Prosecutions (appointed 2 January 2018)</i>	40-45 Lump sum 95-100	15-17.5 Lump sum 35-40	599	339	231	-
Mr Michael Agnew <i>Deputy Director of Public Prosecutions (appointed acting Deputy Director 2 January 2018)</i>	20-25 Lump sum nil	5-7.5 Lump sum nil	328	239	70	-
Officials						
Ian Hearst <i>Senior Assistant Director of Resources and Change</i>	20-25 Lump sum nil	0-2.5 Lump sum nil	286	251	19	-
Ciaran McQuillan <i>Assistant Director of Fraud and Departmental (appointed as acting Senior Assistant Director of Regional Prosecutions on 2 January 2018)</i>	15-20 Lump sum nil	0-2.5 Lump sum nil	264	246	15	-

Note: Pamela Atchinson chose not to be covered by the Northern Ireland Civil Service Pensions Schemes during 2016-17.

Northern Ireland Civil Service (NICS) Pension Arrangements

Pension benefits are provided through the Northern Ireland Civil Service pension schemes which are administered by Civil Service Pensions (CSP).

The alpha pension scheme was introduced for new entrants from 1 April 2015. The alpha scheme and all previous scheme arrangements are unfunded with the cost of benefits met by monies voted each year. The majority of existing members of the classic, premium, classic plus and nuvos pension arrangements also moved to alpha from that date. Members who on 1 April 2012 were within 10 years of their normal pension age did not move to alpha and those who were within 13.5 years and 10 years of their normal pension age were given a choice between moving to alpha on 1 April 2015 or at a later date determined by their age. Alpha is a 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The rate is 2.32%.

New entrants joining can choose between membership of alpha or joining a good quality 'money purchase' stakeholder arrangement with a significant employer contribution (partnership pension account).

New entrants joining on or after 30 July 2007 were eligible for membership of the nuvos arrangement or they could have opted for a partnership pension account. Nuvos is also a CARE arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%.

Staff in post prior to 30 July 2007 may be in one of three statutory based ‘final salary’ defined benefit arrangements (classic, premium and classic plus). From April 2011, pensions payable under classic, premium, and classic plus are reviewed annually in line with changes in the cost of living. New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining the partnership pension account.

All pension benefits are reviewed annually in line with changes in the cost of living. Any applicable increases are applied from April and are determined by the Consumer Prices Index (CPI) figure for the preceding September. The CPI in September 2017 was 3% and HM Treasury has announced that public service pensions will be increased accordingly from April 2018.

Employee contribution rates for all members for the period covering 1 April 2018 – 31 March 2019 are as follows:

Scheme Year 1 April 2018 to 31 March 2019

Annualised Rate of Pensionable Earnings (Salary Bands)		Contribution rates – Classic members or classic members who have moved to alpha	Contribution rates – All other members
From	To	From 01 April 2018 to 31 March 2019	From 01 April 2018 to 31 March 2019
£0	£15,000.99	4.6%	4.6%
£15,001.00	£21,636.99	4.6%	4.6%
£21,637.00	£51,515.99	5.45%	5.45%
£51,516.00	£150,000.99	7.35%	7.35%
£150,001.00 and above		8.05%	8.05%

Benefits in classic accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to three years’ pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per classic.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee. 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 0.5% 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 their scheme pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Scheme Pension age is 60 for members of classic, premium, and classic

plus and 65 for members of nuvos. The normal scheme pension age in alpha is linked to the member's State Pension Age but cannot be before age 65. Further details about the NICS pension schemes can be found at the website www.finance-ni.gov.uk/topics/working-northern-ireland-civil-service/civil-service-pensions-ni.

Cash Equivalent Transfer Values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NICS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2015 and do not take account of any actual or potential 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 effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period. However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

Staff Report

Staff Numbers and Related Costs

Following the restructuring of the Service during 2015-16, the agreed full time equivalent (FTE) capacity of the Public Prosecution Service is 486. The full time equivalent staffing of the Public Prosecution Service at 31 March 2018 was 459.

There were 481 staff employed and 11 temporary staff in post. The staff complement of 481 included 165 males and 316 females.

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

Average FTE staff	Permanent Staff	Others	2017-18	2016-17
			Total	Total
RfR A	459	11	470	481
Objective A				
Total	459	11	470	481

The 10 senior management positions within PPS are the Director, Deputy Director, 2 Grade 3 Senior Assistant Directors and 6 Grade 5 Assistant Directors. At 31 March, of these staff 8 were male and 2 female, both at Grade 5.

The staff costs reported in the Statement of Comprehensive Net Expenditure for the year ended 2017-18 are set out below in greater detail. Agency staff have been classified as 'other' and inward secondments refer to staff based with PPS but employed by the Northern Ireland Statistics and Research Agency. Of total staff costs nil (2016-17 £nil) has been charged to capital.

Staff Costs

			2017-18 £'000	2016-17 £'000
	Permanently Employed Staff	Others	Total	Total
Wages and Salaries	15,032	433	15,465	15,482
Social Security Costs	1,490	-	1,490	1,549
Other Pension Costs	3,406	-	3,406	3,469
Sub-Total	19,929	433	20,362	20,500
Plus Inward Secondments	115	-	115	135
Less Outward Secondments	-	-	-	(24)
Total Net Costs	20,044	433	20,477	20,611

Of which:	Charged to Administration	Charged to Programme	Total
Total Net Costs	1,577	18,900	20,477
Total Net Costs	1,577	18,900	20,477

The Northern Ireland Civil Service main pension schemes are unfunded multi-employer defined benefit schemes but the Public Prosecution Service is unable to identify its share of the underlying assets and liabilities. The most up to date actuarial valuation was carried out as at 31 March 2012. This valuation is then reviewed by the Scheme Actuary and updated to reflect current conditions and rolled forward to the reporting date of the DoF Superannuation and Other Allowances Annual Report and Accounts as at 31 March 2018.

For 2017-18, employers' contributions of £3,417,194.78 (2016-17, £3,456,381.46) were payable to the PCSPS(NI) at one of three rates in the range 20.8% to 26.3%. The difference between this amount and the amount disclosed above relates to pension costs recouped on seconded staff, a reduction in the employee benefit accrual and pension contributions to the Broadly By Analogy scheme detailed below.

The scheme's actuary reviews employer contributions every four years following a full scheme valuation. A new scheme funding valuation based on data as at 31 March 2012 was completed by the actuary during 2014-15. This valuation was used to determine employer contribution rates for the introduction of alpha from April 2015. For 2018-19, the rates will also range from 20.8% to 26.3%, however the salary bands differ. The contribution rates are set to meet the cost of the benefits accruing during 2017-18 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contribution of £4,408 (2016-17, £4,554) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2016-17: 8% to 14.75%) of pensionable pay. Employers also match contributions up to 3% of pensionable pay. In addition, employer contributions of £nil, nil% (2016-17: £nil, nil%) of pensionable pay, were payable to the NICS Pension Arrangements to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees.

Contributions due to the partnership pension providers at the reporting period date were nil. Contributions prepaid at that date were nil.

No one retired early on ill-health grounds during 2017-18 (2016-17: one person) hence the total additional pension liabilities in the year amounted to £nil (2016-17: nil).

Under IAS19 *Employee Benefits*, all staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the costs of any untaken leave at the year-end which has been determined using data from staff leave records.

The PPS did not have any off payroll engagements during the year 2017-18 nor were there any such arrangements during 2016-17.

Expenditure on consultancy during 2017-18 was £28,656 (2016-17, £nil), which was allocated to capital as it was in respect of system development.

2. Civil Service and Other Compensation Schemes - Exit Package

There was one exit package during 2017-18 at cost of £17k.

3. Disabled Persons

The PPS follows the NICS Code of Practice on the Employment of Disabled People and aims to ensure that disability is not a bar to recruitment or advancement.

The PPS is also committed to pursuing the NICS Equal Opportunities Policy whereby all staff have equality of opportunity for employment and advancement on the basis of their ability, qualifications and aptitude for the work.

PPS publishes an annual Disability Action Plan and monitors in year performance. Some of the key actions for 2017-18 included:

- To encourage NICS work experience placements within PPS for people with disabilities.
- To use staff roadshows, the staff brief and other staff forums to maintain awareness of disability equality legislation and the PPS Disability Action Plan.
- To issue a yearly invitation to staff to invite them to provide confidential disability declarations.

- To conduct meetings with staff in relation to any reasonable adjustments in the workplace which may be required to enable a member of staff with a disability to be a fully effective employee, including Personal Emergency Evacuation Plans.
- To arrange disability equality legislation and disability awareness training for all key staff through existing communication mechanisms, training sources and e-learning.
- To engage fully in the NICS Diversity Champions Network.
- To review responses to consultations, feedback and complaints from disabled service users or representative groups in order to identify potential improvements.

4. Managing Attendance

The PPS manage sickness absence in line with NICS Sickness Absence Policies.

Sickness Absence in the Northern Ireland Civil Service is measured and reported on annually by the Northern Ireland Statistics and Research Agency. The Minister for Finance sets targets for all NICS Departments. The PPS target for sickness absence was 7.5 working days lost per full time equivalent member of staff (2016-17, 7.5 days). PPS actual performance for 2017-18 (based on estimated NICS data) was 11.7 days (2016-17, 12.0 days).

The PPS target for long-term absence was a frequency rate of 7.6% (2016-17, 7.6%) but the actual performance for 2017-18 (based on estimated NICS data) was 12.3% (2016-17, 13.6%).

PPS sickness remains high in 2017-18 but has decreased from 2016-17.

Assembly Accountability and Audit Report

Statement of Assembly Supply (audited information)

In addition to the primary statements prepared under IFRS, the Government Financial Reporting Manual (FRM) requires the Public Prosecution Service to prepare a Statement of Assembly Supply (SOAS) and supporting notes to show resource outturn against the Supply Estimate presented to the Assembly.

Summary of resource outturn 2017-18

Request for Resources	Note	Estimate	Estimate	Estimate	Outturn	Outturn	Outturn	2017-18 £'000	2016-17 £'000
		Gross Expenditure	Accruing Resources	Net Total	Gross Expenditure	Accruing Resources	Net Total	Net total Outturn compared with Estimate: saving/ (excess)	Net Total Outturn
A	SOAS1	37,315	(806)	36,509	35,680	(489)	35,191	1,318	35,488
Total Resources		37,315	(806)	36,509	35,680	(489)	35,191	1,318	35,488
Non-operating cost Accruing Resources		-	-	-	-	-	-	-	-

Net cash requirement 2017-18

Net cash requirement	Note	Estimate	Outturn	2017-18 £'000	2016-17 £'000
				Net Total Outturn compared with Estimate: saving/ (excess)	Outturn
	SOAS 3	36,731	31,649	5,082	35,273

The notes on pages 85 to 102 form part of these accounts.

Summary of income payable to the Consolidated Fund

In addition to accruing resources, the following income relates to the Department and is payable to the Consolidated Fund (cash receipts being shown in italics):

	Note	Income	2017-18 Forecast £'000 <i>Receipts</i>	Income	2016-17 Outturn £'000 <i>Receipts</i>
Total	SOAS5	-	-	-	-

Explanation of variances between Estimate and Outturn are given in SOAS 1 'Analysis of net resource outturn by function' and in the Performance Report.

SOAS 1 Analysis of net resource outturn by function

	2017-18 £'000 Outturn						2017-18 £'000 Estimate			2016-17 £'000 Outturn
	Admin	Other Current	Grants	Gross resource expenditure	Accruing Resources	Net Total	Estimate Net Total	Net Total compared with Estimate	Net Total outturn compared with Estimate, adjusted for virements	Prior year outturn
RfR A: Increasing public confidence in the criminal justice system through independent, fair and effective prosecutions:										
	1,703	33,977	-	35,680	(489)	35,191	36,509	1,318	1,318	35,488
Departmental Expenditure in (DEL):										
A-1: Public Prosecution and Legal Services										
	1,703	32,480	-	34,183	(489)	33,694	34,433	739	739	34,473
Annually Managed Expenditure (AME):										
A-2: Public Prosecution and Legal Services										
	-	1,441	-	1,441	-	1,441	2,016	575	575	960
Non-Budget:										
A-3: Notional charges										
	-	56	-	56	-	56	60	4	4	55
Resource Outturn	1,703	33,977	-	35,680	(489)	35,191	36,509	1,318	1,318	35,488

The Public Prosecution Service Net Resource Outturn was £35.1m against an estimated provision of £36.5m. The underspend of £1.3m was largely as a result of a £0.6m AME Counsel fee provision not required along with savings of £0.8m in Counsel fee costs and staff costs in DEL resource expenditure. Detailed explanations of the variances are given in the Performance Summary.

The notes on pages 85 to 102 form part of these accounts.

SOAS 2 Reconciliation of outturn to net operating cost

	Note	Outturn	Supply Estimate	2017-18 £'000 Outturn compared with Estimate: saving/ (excess)	2016-17 £'000 Outturn
Net Resource Outturn	SOAS1	35,191	36,509	1,318	35,488
Prior Period Adjustments		-	-	-	-
Non-supply Income		-	-	-	(397)
Net Operating Cost in Statement of Comprehensive Net Expenditure		35,191	36,509	1,318	35,091

The notes on pages 85 to 102 form part of these accounts.

SOAS 3 Reconciliation of net resource outturn to net cash requirement

	Note	Estimate £'000	Outturn £'000	Net total outturn Compared with Estimate: saving/ (excess) £'000
Resource Outturn	SOAS 2	36,509	35,191	1,318
Capital				
Acquisition of property, plant and equipment	5,6	900	891	9
Investments		-	-	-
Non-operating Accruing Resources				
Proceeds of asset disposals		-	-	-
Accruals to cash adjustment:				
<i>Adjustments to remove non-cash items:</i>				
Depreciation	3	(1,438)	(1,643)	205
New provisions, and adjustments to previous provisions	12	(2,016)	(1,441)	(575)
Other non-cash items	3	(60)	(60)	-
Changes in working capital other than cash		2,656	(1,454)	4,110
Changes in payables falling due after more than one year		-	-	-
Use of Provision	12	180	165	15
Excess cash receipts surrenderable to the Consolidated Fund	SOAS 4	-	-	-
Net Cash Requirement		36,731	31,649	5,082

The notes on pages 85 to 102 form part of these accounts.

SOAS 4 Income payable to the Consolidated Fund

In addition to Accruing Resources, the following income relates to the departments and is payable to the Consolidated Fund (cash receipts being shown in italics)

	Note	Forecast 2017-18		Outturn 2017-18	
		£'000	£'000	£'000	£'000
		Income	Receipts	Income	Receipts
Operating income and receipts – excess Accruing Resources	SOAS 5	-	-	-	-
Non-operating income and receipts – excess Accruing Resources	SOAS 6	-	-	-	-
Excess cash surrenderable to the Consolidated Fund	SOAS 3	-	-	-	-
Total income payable to the Consolidated Fund		-	-	-	-

SOAS 5 Reconciliation of income recorded within the Statement of Comprehensive Net Expenditure to operating income payable to the Consolidated Fund

	Note	2017-18 £'000	2016-17 £'000
Operating income	5	489	478
Gross income		489	478
Income authorised to be Accruing Resources		(489)	(81)
Operating income payable to the Consolidated Fund	SOAS 4	-	397

SOAS 6 Non-operating income - Excess Accruing Resources

	Note	2017-18 £'000	2016-17 £'000
Principle repayments of voted loans		-	-
Proceeds on disposal of property, plant and equipment		-	-
Other		-	-
Non-operating income – excess Accruing Resources		-	-

The notes on pages 85 to 102 form part of these accounts.

Other Assembly Accountability Disclosures (audited information)

i. Losses and special payments

There were no losses or special payments in excess of £250,000 in either 2017-18 or 2016-17.

ii. Fees and Charges

Where relevant the PPS complies with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information Guidance and adheres to the guidelines on fees and charges contained within Managing Public Money NI.

PPS charges a range of other NICS Departments for the provision of prosecution services. Charges are based on the estimated average marginal cost of the conduct of any additional cases above the baseline allocated to each Department. The income generated in 2017-18 was £42k (2016-17, £86k).

iii. Remote Contingent Liabilities

Note 13 details contingent liabilities disclosed.

The Department has no further remote contingent liabilities required to be disclosed under Assembly Reporting Requirements.

The notes on pages 85 to 102 form part of these accounts.

Declaration

I confirm that this Accountability Report reflects the position of the Public Prosecution Service for the year ended 31 March 2018.



Stephen Herron
Accounting Officer
Public Prosecution Service for Northern Ireland
21 June 2018

PUBLIC PROSECUTION SERVICE FOR NORTHERN IRELAND

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE NORTHERN IRELAND ASSEMBLY

Opinion on financial statements

I certify that I have audited the financial statements of the Public Prosecution Service for Northern Ireland for the year ended 31 March 2018 under the Government Resources and Accounts Act (Northern Ireland) 2001. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the Statement of Assembly Supply, and the related notes, and the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the Public Prosecution Service for Northern Ireland affairs as at 31 March 2018 and of its net operating expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects:

- the Statement of Assembly Supply properly presents the outturn against voted Assembly control totals for the year ended 31 March 2018 and shows that those totals have not been exceeded; and
- the expenditure and income recorded in the financial statements have been applied to the purposes intended by the Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of the Public Prosecution Service for Northern Ireland in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2016, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Other Information

The Accounting Officer is responsible for the other information included in the annual report. The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in the report as having been audited, and my audit certificate and report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department of Finance directions made under the Government Resources and Accounts Act (Northern Ireland) 2001; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer Responsibilities, the Accounting Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001.

I am required to obtain 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. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the Statement of Assembly Supply properly presents the outturn against voted Assembly control totals and that those totals have not been exceeded. I am also 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 Assembly and the financial transactions recorded in the financial statements conform to the authorities which govern them.

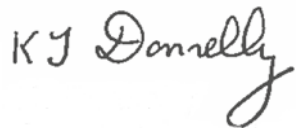
Matters on which I report by exception

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 parts of the Accountability Report to be audited are not in agreement with the accounting records; 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 the Department of Finance's guidance.

Report

I have no observations to make on these financial statements.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

22 June 2018

Part 3: Financial Statements



Financial Statements

Statement of Comprehensive Net Expenditure for the year ended 31 March 2018

This account summarises the expenditure and income generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which include changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

	Note	2017-18 £'000	2016-17 £'000
Income from the sale of goods and services		-	-
Other operating Income	4	(489)	(478)
Total Operating Income		(489)	(478)
Staff costs	2,3	20,477	20,611
Purchase of goods & services	3	10,381	9,826
Depreciation and impairment charges	3	1,643	1,535
Provision expense	3	1,521	960
Other operating expenditure	2,3	1,658	2,637
Total Operating Expenditure		35,680	35,569
Net Operating Expenditure		35,191	35,091
Finance income		-	-
Finance expense		-	-
Net Expenditure for the Year		35,191	35,091



Other Comprehensive Net Expenditure

	Note	2017-18 £'000	2016-17 £'000
Items that will not be classified to net operating costs:			
Net (gain) / loss on revaluation of property, plant & equipment	5	(717)	(303)
Net (gain) / loss on revaluation of intangibles	6	(79)	(46)
Actuarial (gain)/loss on pension scheme	12	(197)	493
Other Comprehensive Net Expenditure		(993)	144
Total Comprehensive Net Expenditure for the year ended 31 March 2018		34,198	35,235

All income and expenditure is derived from continuing operations.
The notes on pages 85 to 102 form part of these accounts.

Statement of Financial Position

as at 31 March 2018

This statement presents the financial position of the Public Prosecution Service. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

	Note	2017-18 £'000	2016-17 £'000
Non-current assets			
Property, plant and equipment	5	8,080	8,223
Intangible assets	6	989	806
Total non-current assets		9,069	9,029
Current assets			
Trade and other receivables	10	1,219	848
Cash and cash equivalents	9	-	40
Total current assets		1,219	888
Total assets		10,288	9,917
Current Liabilities			
Trade and other payables	11	(5,715)	(4,205)
Cash and cash equivalents	9	(275)	-
Provisions	12	(1,340)	(1,007)
Total current liabilities		(7,330)	(5,212)
Non-current assets plus/less net current assets/liabilities		2,958	4,705
Non-current liabilities			
Provisions	12	(4,368)	(3,622)
Other payables		-	-
Total non-current liabilities		(4,368)	(3,622)
Total assets less liabilities		(1,410)	1,083
Taxpayers' equity and other reserves:			
General fund		(3,915)	(1,155)
Revaluation reserve		2,505	2,238
Total equity		(1,410)	1,083



Accounting Officer
21 June 2018

The notes on pages 85 to 102 form part of these accounts.

Statement of Cash Flows

for the year ended 31 March 2018

The Statement of Cash Flows shows the changes in cash and cash equivalents of the Public Prosecution Service during the reporting period. The statement shows how the Public Prosecution Service generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by the Department. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to the Department's future public service delivery. Cash flows arising from financing activities include Assembly Supply and other cash flows, including borrowing.

	Note	2017-18 £'000	2016-17 £'000
Cash flows from operating activities			
Net operating cost		(35,191)	(35,091)
Adjustment for non-cash transactions	3	1,807	2,538
(Increase)/Decrease in trade and other receivables	10	(371)	26
Increase/(Decrease) in trade payables	11	1,510	(236)
<i>Less movements in receivables relating to items not passing through the SCNE</i>	10	315	-
<i>Less movements in payables relating to items not passing through the SCNE</i>	11	(65)	(1,493)
New provision provided in year	12	1,937	843
Use of provisions	12	(766)	(163)
Net cash outflow from operating activities		(30,824)	(33,576)
Cash from investing activities			
Purchase of property, plant and equipment	5	(423)	(1,296)
Purchase of intangible assets	6	(403)	(401)
Proceeds of disposal of property, plant and equipment		-	-
Proceeds of disposal of intangible assets		-	-
Net cash outflow from investing activities		(826)	(1,697)
Cash flows from financing activities			
From the Consolidated Fund (Supply) - current year		31,335	33,846
From the Consolidated Fund (Supply) - prior year		-	-
From the Consolidated Fund (Non-Supply)		-	1,426
Net financing		31,335	35,272
Net increase in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund		(315)	(1)
Receipts due to the Consolidated Fund which are outside the scope of the Department's activities		-	-
Payments of amounts due to the Consolidated Fund		-	-
Net increase in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund		(315)	(1)
Cash and cash equivalents at the beginning of the period	9	40	41
Cash and cash equivalents at the end of the period	9	(275)	40

The notes on pages 85 to 102 form part of these accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2018

This statement shows the movement in the year on the different reserves held by the Public Prosecution Service, analysed into 'general fund reserves' (i.e. those reserves that reflect a contribution from the Consolidated Fund) and the Revaluation Reserve, reflecting the changes in asset values that have not been recognised as income or expenditure. The General Fund represents the total assets less liabilities of the Department, to the extent that the total is not represented by other reserves and financing items.

	Note	General Fund £'000	Revaluation Reserve £'000	Total Reserves £'000
Balance at 31 March 2016		148	2,625	2,773
Net Assembly Funding		33,887	-	33,887
Income payable to the Consolidated Fund (Non Supply)	SOAS4	(397)	-	(397)
Advances from the Consolidated Fund (Non Supply)		1,426	-	1,426
Advances payable to the Consolidated Fund (Non Supply)		(1,426)	-	(1,426)
Comprehensive expenditure for the year		(35,584)	349	(35,235)
Notional charge		19	-	19
Auditors Remuneration	3	36	-	36
Transfers between reserves		736	(736)	-
Balance at 31 March 2017		(1,155)	2,238	1,083
Net Assembly funding		31,335	-	31,335
Supply Receivable		275	-	275
Additional Supply Receivable	SOAS4	40	-	40
Comprehensive net expenditure for the year		(35,191)	796	(34,395)
Actuarial Gain		197	-	197
Notional charge		19	-	19
Auditors remuneration		36	-	36
Transfers between reserves		529	(529)	-
Balance at 31 March 2018	3	(3,915)	2,505	(1,410)

The notes on pages 85 to 102 form part of these accounts.

Notes to the Financial Statements

Notes to the Departmental Resource Accounts

1. Statement of accounting policies

The financial statements have been prepared in accordance with the 2017-18 Government Financial Reporting Manual (FReM) issued by the Department of Finance. 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 is judged to be most appropriate to the particular circumstances of the Public Prosecution Service, for the purpose of giving a true and fair view, has been selected. The particular policies adopted by the Public Prosecution Service are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

In addition to the primary statements prepared under IFRS, the FReM also requires the Department to prepare one additional primary statement. The *Statement of Assembly Supply* and supporting notes show outturn against Estimate in respect of the net resource requirement and the net cash requirement.

1.1 Accounting convention

These accounts have been prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment and intangible assets.

The accounts are stated in sterling, which is the Department's functional and presentational currency. Unless otherwise noted, the amounts shown in these financial statements are in thousands of pounds sterling (£'000).

1.2 Property, plant and equipment

Property, plant and equipment comprise building fit out costs, plant and machinery and computer equipment.

Consolidation of asset categories

The property, plant and equipment note requires the amalgamation of asset categories under the Plant and Machinery heading. The asset categories represented by this heading include:

- Furniture and fittings;
- Office equipment; and
- Security equipment.

1.3 Valuation of property, plant and equipment

Property, plant and equipment are stated at the lower of replacement cost and recoverable amount. All property, plant and equipment are restated to current value each year by reference to indices compiled by the Office for National Statistics (ONS).

Land and buildings are required to be restated to current value using independent professional valuations, in accordance with IAS 16 *Property, Plant and Equipment*, every 5 years and in the intervening years by the use of indices provided by Land and Property Services (LPS), specific to the Northern Ireland property sector. The valuations are carried out by members of the Royal Institute of Chartered Surveyors (RICS) in accordance with procedures laid out in the RICS Appraisal and Valuation Manual. Costs classified as Buildings within the Public Prosecution Service relate to fit out costs of leased premises. These are depreciated over the term of the lease and there is no requirement for quinquennial revaluation in respect of these costs.

Expenditure on property, plant and equipment of over £1,000 is capitalised. Within the Department the grouping of a range of property, plant and equipment has also been undertaken in respect of some personal computers, printers, office furniture and equipment.

In compliance with IAS 16, subsequent expenditure on an asset which does not meet the criteria of enhancement or improvement is treated as revenue.

Upward revaluations are credited to the Revaluation Reserve and permanent reductions in the value of property, plant and equipment are charged to the Statement of Comprehensive Net Expenditure. Any subsequent revaluation of assets is credited to the Statement of Comprehensive Net Expenditure to the extent that it reverses previous revaluation decreases recognised as an expense in the Statement of Comprehensive Net Expenditure.

Where a building has been vacated by the Public Prosecution Service and is no longer in use the residual valuation of fit out costs and furniture and fittings has been judged as nil and written off as an impairment cost.

1.4 Depreciation

All property, plant and equipment and intangible assets are depreciated at rates calculated to write them down to their estimated residual value on a straight-line basis over their estimated useful lives.

Estimated useful lives, which are reviewed regularly, are:

Asset category	Useful Life
Buildings : Fit out costs	Lease term – generally 15 - 25 years
Plant and Machinery	10 - 15 years
Information Technology	5 – 6 years
Assets under construction	No depreciation
Intangible assets	3 - 5 years

1.5 Realised element of depreciation from revaluation reserve

Depreciation is charged to expenditure on the revalued amount of property, plant and equipment. An element of depreciation therefore arises due to the increase in valuation and is in excess of the depreciation that would be charged on the historical cost of assets. The amount relating to this excess is a realised gain on disposal and is transferred from the Revaluation Reserve to the General Fund.

1.6 Intangible assets

Intangible assets comprise development expenditure, software licenses and general information technology lasting more than one year and costing more than £1,000. Software licences are amortised over three to five years. Intangibles are revalued annually using indices provided by the ONS.

1.7 Pension costs

Past and present employees of the Public Prosecution Service are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) and the PCSPS (NI). Each of these defined benefit schemes is unfunded. The Department 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 and the PCSPS (NI) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS and the PCSPS (NI). In respect of defined contribution schemes, the Public Prosecution Service recognises the contributions payable for the year.

The Public Prosecution Service has responsibility for the Broadly By Analogy (BBA) pension schemes of public appointments in respect of some retired Directors and Deputy Directors of Public Prosecution. A BBA pension arrangement entitles the recipient to benefits similar to the classic schemes in both the PCSPS and PCSPS (NI). The Public Prosecution Service and members were obliged to make contributions in line with the PCSPS and the Department is responsible for paying accrued benefits. Provision has been made for the future cost of benefits under this scheme. The scheme is no longer available to new entrants.

Further details regarding the above schemes are contained in the Staff Report within the Accountability Report and in Notes 2, 3 and 12 of the Accounts.

1.8 Financing and operating income

Financing

The Department is primarily resourced by funds approved by the NI Assembly through the annual Supply process. Resources are drawn down to meet expenditure requirements and are credited to the General Fund.

Operating Income

Operating income is income which relates directly to the operating activities of the Department. It principally comprises receipts from the Asset Recovery Incentive Scheme, recovery of court costs and fees and charges to other departments and public bodies. It includes both income classified as Accruing Resources and income due to the Consolidated Fund, which in accordance with FRoM, is treated as operating income. Operating income is stated net of VAT.

1.9 Leases

Finance leases

Leases of property, plant and equipment where the Department holds substantially all the risks and rewards of ownership are classified as finance leases. The Public Prosecution Service has no obligations under finance leases.

Operating leases

Leases where substantially all of the risks and rewards are held by the lessor are classified as operating leases. Rentals are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the period of the lease.

1.10 Provisions

The Public Prosecution Service provides for legal or constructive obligations which are of uncertain timing or amount at the reporting date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the real rate set by HM Treasury (currently 3.5 %).

1.11 Contingent liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37, *Provisions, Contingent Liabilities and Contingent Assets*, the Department discloses for Assembly reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to the Assembly in accordance with the requirements of Managing Public Money Northern Ireland.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to the Assembly separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to the Assembly.

1.12 Foreign exchange

Transactions which are denominated in a foreign currency are translated into sterling at the exchange rate ruling on the date of each transaction.

1.13 Value Added Tax

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

1.14 Insurance

Departments do not generally insure. No insurance is affected against the following: fire, explosion, common law, third party and similar risks. Notional insurance premiums are not charged to the Statement of Comprehensive Net Expenditure. Instead, expenditure in connection with uninsured risks is charged as incurred.

1.15 Critical accounting estimates and key judgements

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires the Public Prosecution Service to exercise its judgement in the process of applying the Department's accounting policies. We continually evaluate our estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts are discussed below.

(i) Depreciation of property, plant and equipment

Depreciation is provided in the accounts so as to write-down the respective assets to their residual values over their expected useful lives and as such the selection of the estimated useful lives and the expected residual values of the assets requires the use of estimates and judgements. Details of the estimated useful lives are as shown in Note 1.4.

(ii) Impairment of property, plant and equipment

Where there is an indication that the carrying value of items of property, plant and equipment may have been impaired through events or changes in circumstances, a review will be undertaken of the recoverable amount of that asset.

(iii) Pension and other post-retirement benefits

The Department accounts for pension and other post-retirement benefits in accordance with IAS 19, *Employee Benefits*. In determining the pension cost and the defined benefit obligation of the pension schemes a number of assumptions are used which include the discount rate, salary growth, price inflation, the expected return on the schemes' investments and mortality rates. Further details are contained in the Staff Report within the Accountability Report and in Notes 2, 3 and 12.

(iv) Accruals/Provisions for counsel fees

Programme costs reflect non-administration costs, being the direct cost and associated overheads of front line activities and include the employment of counsel to prosecute cases through the courts on behalf of the PPS.

Counsel fees are paid under the Prosecution Fee Scheme ruling at the point of briefing. The scheme provides a formulaic approach to calculating fees taking into account a range of set cost factors including the number of defendants, type of counsel, volume of evidence, number of witnesses and length of trial. Payment is made on completion of a case on the basis of a detailed record of the work undertaken. There is estimation involved in ascertaining the full value of fees for work in progress on cases at year-end; actual counsel fees in more complex cases are accrued for on a case by case basis but in all other circumstances the PPS estimates such fees based on the number of active cases and stage of progress as at the 31 March 2018 as a provision. The total carrying amount of the counsel fees accrual £1,301,176 and provision £584,270 (2016-17, counsel fee accrual £788,603 and provision £763,787).

(v) Onerous Lease costs

Where buildings under operational lease are no longer in use by the PPS these lease commitments have been considered to meet the requirements of IAS 37 and the value of the net PPS obligations to lease end been recognised as a provision.

1.16 Accounting standards, interpretations and amendments to published standards adopted in the year ended 31 March 2018

The Public Prosecution Service has reviewed the standards, interpretations and amendments to published standards that became effective during 2017-18 and which are relevant to its operations. The adoption of these standards has not had a significant impact on the financial position or results of the Department.

1.17 Accounting standards, interpretations and amendments to published standards not yet effective

In addition, certain new standards, interpretations and amendments to existing standards have been published that are mandatory for the Department's accounting periods beginning on or after 1 April 2018, but which the Department has not adopted early. The Department considers that these standards are not relevant to its operations.

2. Other administration costs

	Note	2017-18 £'000	2016-17 £'000
Staff costs*			
Wages and salaries		1,192	1,211
Social security costs		121	122
Other pension costs		264	270
		1,577	1,603
Rentals under operating leases			
Hire of plant and machinery		-	-
Other operating leases		67	77
		67	77
Property running costs		10	13
Rates		28	18
Other expenditure		21	39
Total		1,703	1,750

*Further analysis of staff costs is provided in the Staff Report on page 65 in the Accountability Section.

3. Programme costs

		2017-18	2016-17
	Note	£'000	£'000
Staff Costs*			
Wages and salaries		14,361	14,356
Social security costs		1,378	1,435
Other pension costs		3,161	3,217
		18,900	19,008
Goods and Services:			
Fees to independent counsel		5,450	4,929
Court related costs		1,327	896
Property running costs		1,090	1,093
Rates		469	601
IT and telephone maintenance and consumables		715	747
Postage, stationery, printing and publications		386	316
Training and professional subscriptions		227	271
Other expenditure		717	973
		10,381	9,826
Non-cash items:			
Depreciation charges	5,6	1,643	1,538
Increase/decrease in provision		1,417	843
Interest cost on BBA pension scheme liability	12	104	117
Net impairment charge		-	(3)
		3,164	2,495
Other Operating Expenses			
Hire of plant and machines		103	23
Other operating leases		1,368	1,581
Profit/Loss on disposal of non-current assets		4	831
Auditor's remuneration and expenses		36	36
Notional charge		19	19
		1,530	2,490
Total		33,975	33,819

*Further analysis of staff costs is provided in the Staff Report on page 65 in the Accountability Section.

4. Income

	2017-18	2016-17
	£'000	£'000
Programme income:		
Other Income	-	-
Receipts from the Asset Recovery Incentive scheme	425	376
Recovery of court costs	22	16
Fees and charges to other departments	42	86
Total Programme Income	489	478
Total Income	489	478

5. Property, Plant and Equipment

2017-18	Buildings	Plant & Machinery	Information Technology	Total
	£'000	£'000	£'000	£'000
Cost or valuation 1 April 2017	14,892	546	2,600	18,038
Additions	177	-	311	488
Disposals	(31)	(65)	(60)	(156)
Transfers	-	-	-	-
Permanent diminution	-	-	-	-
Indexation (<i>Note a</i>)	1,129	1	82	1,212
Revaluation (<i>Note b</i>)	-	-	-	-
At 31 March 2018	16,167	482	2,933	19,582
Depreciation				
1 April 2017	(7,829)	(418)	(1,568)	(9,815)
Charged in year	(870)	(60)	(415)	(1,345)
Disposals	30	63	60	153
Transfers	-	-	-	-
Permanent diminution	-	-	-	-
Indexation depreciation (<i>Note a</i>)	(662)	(1)	(54)	(717)
Revaluation (<i>Note b</i>)	-	103	119	222
At 31 March 2018	(9,331)	(313)	(1,858)	(11,502)
Carrying amount at 31 March 2018	6,836	169	1,075	8,080
Carrying amount at 31 March 2017	7,063	128	1,032	8,223
Asset Financing:				
Owned	6,836	169	1,075	8,080
Carrying Amount at 31 March 2018	6,836	169	1,075	8,080

Note a Indexation relates to the changes in cost and the associated depreciation as a result of the application of indexation. Indices were applied in January 2018.

Note b Revaluation arose due to the re-life of assets during the financial year.

5. Property, Plant and Equipment

2016-17	Buildings £'000	Plant & Machinery £'000	Information Technology £'000	Total £'000
Cost or valuation 1 April 2016	15,908	992	1,951	18,851
Additions	479	-	528	1,007
Disposals	(1,851)	(421)	(34)	(2,306)
Transfers	-	(31)	-	(31)
Permanent diminution	-	-	7	7
Indexation (<i>Note a</i>)	356	6	148	510
Revaluation (<i>Note b</i>)	-	-	-	-
At 31 March 2017	14,892	546	2,600	18,038
Depreciation				
1 April 2016	(7,891)	(683)	(1,201)	(9,775)
Charged in year	(888)	(88)	(359)	(1,335)
Disposals	1,135	310	33	1,478
Transfers	-	28	-	28
Permanent diminution	-	-	(4)	(4)
Indexation depreciation (<i>Note a</i>)	(190)	(5)	(88)	(283)
Revaluation (<i>Note b</i>)	5	20	51	76
At 31 March 2017	(7,829)	(418)	(1,568)	(9,815)
Carrying amount at 31 March 2017	7,063	128	1,032	8,223
Carrying amount at 31 March 2016	8,017	309	750	9,076
Asset Financing:				
Owned	7,063	128	1,032	8,223
Carrying Amount at 31 March 2017	7,063	128	1,032	8,223

Note a Indexation relates to the changes in cost and the associated depreciation as a result of the application of indexation. Indices were applied in January 2017.

Note b Revaluation arose due to the re-life of assets during the financial year.

6. Intangible assets

2017-18	Development expenditure	Information technology	Software licences	Total
	£'000	£'000	£'000	£'000
Cost or valuation At 1 April 2017	830	764	216	1,810
Additions	48	297	57	402
Disposals	-	-	-	-
Indexation (<i>Note a</i>)	34	43	11	88
Revaluation (<i>Note b</i>)	-	-	-	-
At 31 March 2018	912	1,104	284	2,300
Amortisation At 1 April 2017	(605)	(304)	(95)	(1,004)
Charged in year	(106)	(142)	(50)	(298)
Disposals	-	-	-	-
Indexation depreciation (<i>Note a</i>)	(28)	(18)	(5)	(51)
Revaluation (<i>Note b</i>)	20	19	3	42
At 31 March 2018	(719)	(445)	(147)	(1,311)
Carrying amount at 31 March 2018	193	659	137	989
Carrying amount at 31 March 2017	225	460	121	806
Asset Financing:				
Owned	193	659	137	989
Carrying amount at 31 March 2018	193	659	137	989

Note a Indexation relates to the changes in cost and the associated depreciation as a result of the application of indexation. Indices were applied in January 2018.

Note b Revaluation arose due to the re-life of assets during the financial year.

6. Intangible assets

2016-17	Development expenditure £'000	Information technology £'000	Software licences £'000	Total £'000
Cost or valuation				
At 1 April 2016	810	404	147	1,361
Additions	-	340	61	401
Disposals	-	-	-	-
Indexation (<i>Note a</i>)	20	20	8	48
Revaluation (<i>Note b</i>)	-	-	-	-
At 31 March 2017	830	764	216	1,810
Amortisation				
At 1 April 2016	(512)	(232)	(55)	(799)
Charged in year	(93)	(73)	(37)	(203)
Disposals	-	-	-	-
Indexation depreciation (<i>Note a</i>)	(15)	(6)	(3)	(24)
Revaluation (<i>Note b</i>)	15	7	-	22
At 31 March 2017	(605)	(304)	(95)	(1,004)
Carrying amount at 31 March 2017	225	460	121	806
Carrying amount at 31 March 2016	298	172	92	562
Asset Financing:				
Owned	225	460	121	806
Carrying amount at 31 March 2017	225	460	121	806

Note a Indexation relates to the changes in cost and the associated depreciation as a result of the application of indexation. Indices were applied in January 2017.

Note b Revaluation arose due to the re-life of assets during the financial year.

7. Capital and other commitments

7.1 Capital commitments

	2017-18	2016-17
	£'000	£'000
Contracted capital commitments at 31 March not otherwise included in these financial statements:		
Property, plant and equipment	-	190
Intangible assets	-	-
Total	-	190

7.2 Commitments under leases

7.2.1 Operating leases

	2017-18	2016-17
	£'000	£'000
Total future minimum lease payments under operating leases are given in the table below for each of the following periods.		
Buildings:		
Not later than one year	1,421	1,421
Later than one year and not later than five years	4,908	5,363
Later than five years	4,746	4,683
	11,075	11,467
Other:		
Not later than one year	16	14
Later than one year and not later than five years	60	58
Later than five years	-	-
	76	72
Total	11,151	11,539

Note

The PPS continues to hold leases in respect of premises in Ballymena and Lisburn which it has vacated but which are both partially sublet. An onerous lease provision has been made in respect the future costs of the portions of the lease for Lisburn that are not sublet at 31 March 2018; further information is provided under Note 12.

7.2.2 Finance leases

The Public Prosecution Service has no obligations under finance leases.

8. Financial instruments

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

9. Cash and cash equivalents

	2017-18 £'000	2016-17 £'000
Balance at 1 April	40	41
Net change in cash and cash equivalents balance	(315)	(1)
Balance at 31 March	(275)	40
The following balances at 31 March are held at:		
Commercial banks and cash in hand	(275)	40
Balance at 31 March	(275)	40

10. Trade receivables, financial and other current assets

	2017-18 £'000	2016-17 £'000
Amounts falling due within one year:		
Trade receivables	125	54
Amounts due from the Consolidated Fund in respect of supply	275	-
Additional Supply receivable	40	-
Other receivables	328	374
Prepayments and accrued income	451	420
	1,219	848
Amounts falling due after more than one year:		
Other receivables, prepayments and accrued income	-	-
Total	1,219	848

11. Trade payables and other current liabilities

	2017-18	2016-17
	£'000	£'000
Amounts falling due within one year:		
Trade payables	-	-
Other payables	38	19
Accruals and deferred income	3,432	2,007
Property, plant and equipment accruals	422	356
Consolidated Fund Extra Receipts to be paid to the Consolidated Fund:		
Received	397	397
Excess Accruing Resources	-	-
Contingency Fund Payable	1,426	1,426
Amounts issued from consolidated fund but not spent at year end	-	-
	5,715	4,205
Amounts falling due after more than one year:		
Other payables, accruals and deferred income	-	-
Total	5,715	4,205

Within payables, amounts in respect of the Consolidated Extra Fund Receipts (£397k) and Contingency Fund (£1,426k) have arisen due to the absence of a Spring Supplementary Estimate in 2016-17. These are not ultimately repayable but will be regularised via a Statement of Excess and in the 2018-19 Estimate process, respectively.

12. Provisions for liabilities and charges

	2017-18	2017-18	2017-18	2017-18	2017-18	2016-17
	£'000	£'000	£'000	£'000	£'000	£'000
	Pension	Counsel Fee	Onerous Lease	Other	Total	Total
Balance at 1 April	3,786	764	-	80	4,630	3,339
Provided in year	-	311	1,431	195	1,937	843
Actuarial loss / (gain)	(197)	-	-	-	(197)	493
Provisions not required written back	-	(491)	-	(110)	(601)	-
Provisions utilised in year	(165)	-	-	-	(165)	(163)
Interest cost on BBA pension scheme liability	104	-	-	-	104	117
Balance at 31 March	3,528	584	1,431	165	5,708	4,629

12.1 Analysis of expected timing of discounted flows

	2017-18 £'000 Pension	2017-18 £'000 Counsel Fee	2017-18 £'000 Onerous Lease	2017-18 £'000 Other	2017-18 £'000 Total	2016-17 £'000 Total
Not later than 1 year	165	584	426	165	1,340	1,007
Later than 1 year and not later than 5 years	3,363	-	1,005	-	4,368	3,622
Later than 5 years	-	-	-	-	-	-
Balance at 31 March 2018	3,528	584	1,431	165	5,708	4,629

Pension Provision

The Public Prosecution Service has responsibility for the Broadly By Analogy (BBA) pension scheme of public appointments in respect of three retired Directors and Deputy Directors of Public Prosecution or their dependents. The scheme is no longer available to new entrants.

The BBA pension arrangement falls under rules which are broadly by-analogy with the Principal Civil Service Pension Scheme (PCSPS) and is a collection of three separate defined benefit one-person schemes. All benefits accrued up to 31 March 2018 have been included in the assessment. The scheme liabilities were calculated by the Government Actuary's Department in April 2018 and amount to £3.528m at 31 March 2018 (2016-17, £3.786m). The actuary has calculated the disclosures at the balance sheet date in respect of the inflation-linked pension payments that are expected to be made over the lifetimes of the schemes members and their partners.

The BBA pension provision is unfunded, with benefits for service provided being paid as they fall due and guaranteed by the Department. There is no fund therefore there is a net liability.

Maturity Profile

Payment Profile	2017-18 £'000	2016-17 £'000
Payments due within 1 year	165	164
Payments due after 1 year	3,363	3,622
Total present value of scheme liabilities at 31 March	3,528	3,786

Present value of scheme liabilities

	2017-18 £'000	2016-17 £'000
Liability in respect of Active members	-	-
Current pensioners	3,528	3,786
Total present value of scheme liabilities at 31 March	3,528	3,786

Liabilities are valued on an actuarial basis using the Projected Unit Method.

Analysis of movement in scheme liability

	2017-18 £'000	2016-17 £'000
Scheme liability at 1 April	3,786	3,339
Movement in the year:		
Current service cost (net of employee contributions)	-	-
Interest cost	104	117
Employee contributions	-	-
Actuarial (gain)/loss	(197)	493
Provisions not required written back	-	-
Benefits paid	(165)	(163)
Scheme liability at 31 March	3,528	3,786

Expense to be recognised in the Statement of Comprehensive Net Expenditure

	2017-18 £'000	2016-17 £'000
Current service cost (net of employee contributions)	-	-
Interest cost	104	117
Provisions not required written back	-	-
Total expense/(income)	104	117

Actuarial (gain)/loss to be recognised in the Statement of Changes in Taxpayers' Equity

	2017-18 £'000	2016-17 £'000
Experience (gain)/loss arising on the scheme liabilities	(12)	(18)
Changes in assumptions underlying the present value of the scheme liabilities	(185)	511
Total actuarial (gain)/loss	(197)	493

History of experience (gains)/losses

	2017-18	2016-17	2015-16	2014-15	2013-14
Experience (gain)/loss arising on the scheme liabilities:					
Amount (£'000)	(12)	(18)	(58)	(26)	45
Percentage of scheme liabilities at the end of year	(0.34%)	(0.01%)	(1.7%)	(0.7%)	1.3%

Assumptions - Life expectancy at retirement

Current Pensioners	2017-18 Years	2016-17 Years
Exact Age		
Female officers currently aged 60	29.20	30.8
Female officers currently aged 65	24.20	25.8
Male officers currently aged 60	27.50	29.0
Male officers currently aged 65	22.60	24.0

Sensitivity Analysis

The sensitivity analysis of the main actuarial assumptions indicates the following:

- Increasing the discount rate by 0.5% would result in a corresponding decrease in liabilities of approximately £217,000 or 6%;
- Increasing the CPI inflation assumption by 0.5% would result in a corresponding increase in liabilities of approximately £220,000 or 6%;
- Increasing assumed life expectancies in retirement by around 1 year would result in a corresponding increase of approximately £118,000 or 4%.

The opposite changes in assumptions to those set out above would produce approximately equal and opposite changes in the liability. Similarly, doubling the changes in the assumptions would produce approximately double the changes in the liability.

The sensitivities show the change in each assumption in isolation. In practice the financial assumptions rarely change in isolation and given the interdependencies between them, the impacts of such changes may offset each other to some extent.

Estimate of contributions expected to be paid into the scheme over the year 1 April 2018 to 31 March 2019.

The Public Prosecution Service will not have any future entrants to the Broadly By Analogy pension scheme and on this basis during the financial year 2018-19 it is estimated that total contributions to the scheme will be nil.

Counsel Fee Provision

At the 31 March 2018 there is an element of work in progress (WIP) that has been completed on prosecution cases by counsel but for which no fee request will have been submitted to the finance department. An estimation has been calculated of £584k and is included as a provision based on the number of active cases and the stage of progress at 31 March 2018.

The WIP provision is estimated by:

- Determining the number of indictable cases that have had counsel fee work completed that have not been accrued or paid;
- Estimating the stage of progress of the case by reference to the date and progress through the courts;

- Grouping cases into subsets to which a standard fee for that type of work is applied;
- Calculating the average fee for each work type;
- Calculating the proportion of counsel type historically used in cases (from 1 April 2014 until the 31 March 2018) to be applied to the WIP cases;
- The WIP provision is calculated as the WIP cases x proportion of counsel type x average fee plus the arraignment cost.
- Due to the level on estimation used in determining the liability this is classified as a provision rather than an accrual.

Onerous Leases

As at 31 March 2018 a proportion of the PPS premises in Lisburn and Ballymena had not been sublet. While these are still being actively marketed, the PPS has provided for the net financial obligations to the end of the lease, estimated at £1,431k (2016-17, nil).

Other Provision

The £165k (2016-17; £80k) in other provisions is for costs awarded against the PPS primarily in respect of proceedings in the High Court of Appeal. Due to the uncertainty on both the timing and the amount of the liability, a provision has been made.

13. Contingent liabilities

The Department has one ongoing personnel case at 31 March 2018 which the Department will be defending. This has not been recognised as a provision because its existence will only be confirmed by the occurrence of one or more uncertain future events, not wholly within the Department's control. The settlement date and value are currently unknown.

14. Related-party transactions

The Public Prosecution Service has had a number of material transactions with other government bodies. Most of these transactions have been with the Department of Finance.

During the year no board member, key manager or other party has undertaken any material transactions with PPS.

15. Events after the reporting date

There are no other events occurring after the reporting date that require disclosure.

Date Authorised for Issue

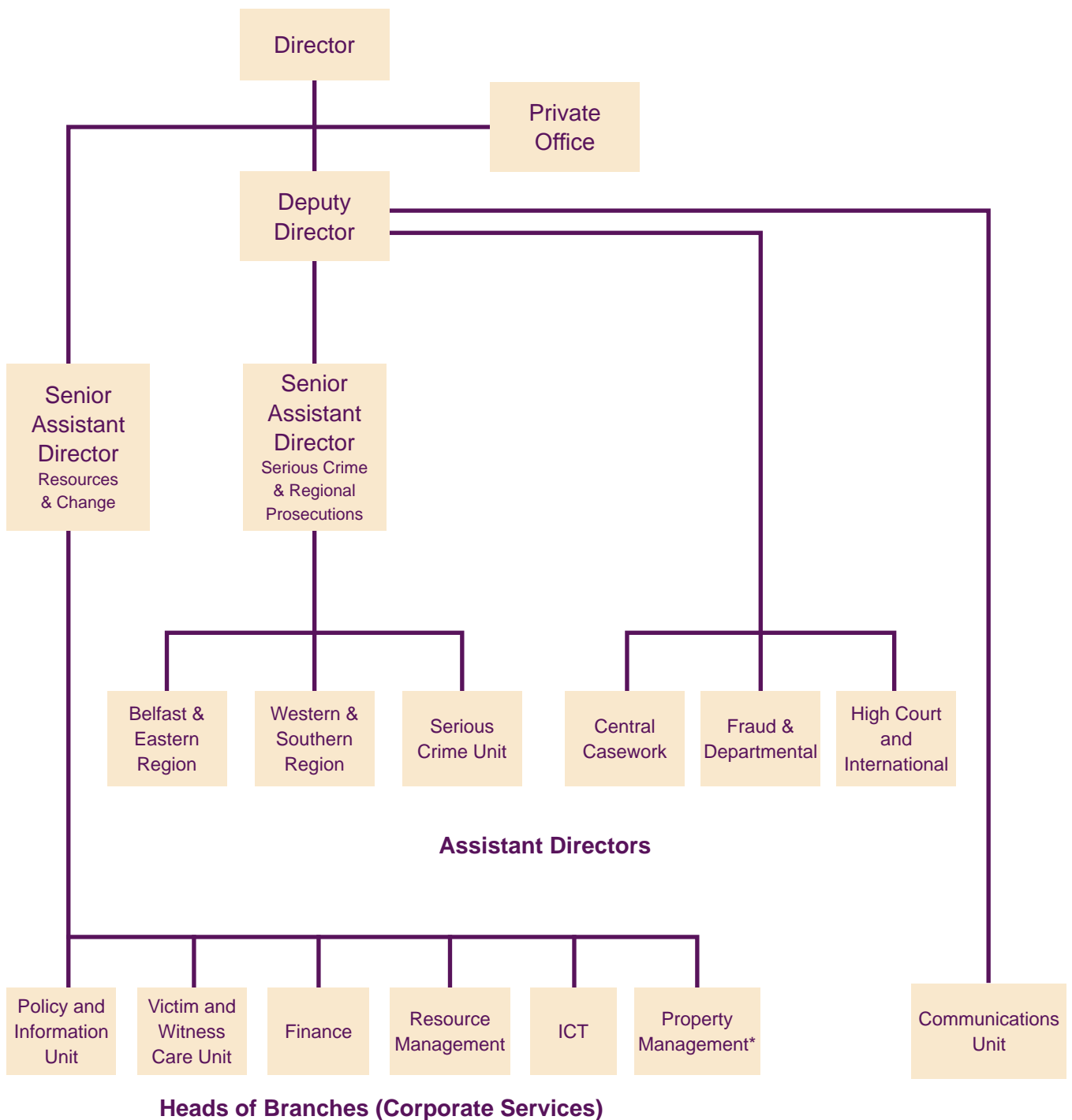
The Accounting Officer authorised these financial statements for issue on 21 June 2018.

Part 4: Annexes



Annex A:

PPS Organisation Chart



* Includes Business Assurance.

Annex B:

Performance against Key Delivery Targets 2017-18

Figures in brackets indicate performance during 2016-17 where available.

Strategic Priority	Key Performance Indicators	Target / Outcome
1	Quality Assurance Percentage of decisions as to prosecution taken in accordance with the Code for Prosecutors	Target: 98% Outturn: 98.1% (97.9%)
	No Bills / Acquittals by Direction Number of 'No Bills' (All charges) granted in the Crown Court	Target: Not to exceed 14 Outturn: 17 (8)
	Number of Acquittals by Direction (All charges) in the Crown Court	Target: Not to exceed 27 Outturn: 18 (12)
	Review of Charges Percentage of 28 day charge cases where charge sheets are reviewed within 3 working days of first appearance at court	Target: 90% Outturn: 88.8% (88.9%)

Performance against Key Delivery Targets 2017-18 (continued)

Strategic Priority	Key Performance Indicators	Target / Outcome
1	Prosecutorial Decisions - Timeliness	
	Percentage of:	
	Indictable prosecution decisions issued within	
	(i) 100 days	Target: 50.0% Outturn: 57.0% (55.6%)
	(ii) 180 days	Target: 80% Outturn: 76.4% (75.8%)
	Summary prosecution decisions issued within	
	(i) 15 days	Target: 65% Outturn: 73.1% (73.8%)
	(ii) 40 days	Target: 80% Outturn: 83.9% (85.1%)
	Diversory decisions issued within	
	(i) 15 days	Target: 65% Outturn: 72.0% (78.0%)
	(ii) 30 days	Target: 80% Outturn: 81.2% (85.8%)
	No prosecution (indictable) decisions issued within	
	(i) 50 days	Target: 65% Outturn: 73.5% (73.4%)
	(ii) 150 days	Target: 80% Outturn: 92.7% (91.0%)
	No prosecution (summary / hybrid) decisions issued within	
(i) 30 days	Target: 65% Outturn: 69.3% (67.8%)	
(ii) 75 days	Target: 80% Outturn: 85.0% (86.7%)	



Performance against Key Delivery Targets 2017-18 (continued)

Strategic Priority	Key Performance Indicators	Target / Outcome
2	Public Confidence (NI Omnibus Survey 2017) Percentage confidence in:	
	PPS provision of a fair and impartial prosecution service	Target: Improve on 2016 Outturn: 76% (71%)
	PPS effectiveness in prosecuting people accused of committing a crime	Target: Improve on 2016 Outturn: 71% (65%)
	Better Payments Percentage of invoices paid within 10 working days	Target: 95% Outturn: 95.9% (95.1%)
3	Percentage of Purchase Orders compliant with Account NI procurement guidance	Target: 80% Outturn: 99.3% (95.1)
	Freedom of Information Percentage of requests answered within agreed time limits	Target: 100% Outturn: 100% (100%)
	Complaints Percentage of complaints acknowledged within 5 working days	Target: 95% Outturn: 95% (99%)
	Percentage of initial complaints dealt with within 20 working days	Target: 95% Outturn: 95% (93%)
4	Performance Management Percentage of staff with an agreed Personal Performance Agreement for 2017-18 by 30 April 2017	Target: 90% Outturn: 65%
	Percentage of end of year Performance Management Reports (for 2016-17) completed by 30 April 2017	Target: 90% Outturn: 49%

Annex C:

Personal Data Related Incidents 2017-18

Date Reported to PPS (most recent first)	Background to incident	Results of investigation / Action Taken
27/03/18	<p>A 'No Prosecution' letter was issued to a suspect to an address provided by PSNI.</p> <p>The resident of the address subsequently contacted PPS to advise that the name used on the correspondence was unknown at that address and that the current occupants have lived there for over 20 years. The resident confirmed that the correspondence was destroyed. The resident also confirmed that no-one of that name lived nearby.</p>	<p>The PSNI appear to have provided an incorrect address. There was nothing in the case papers that would have highlighted this to PPS staff.</p> <p>There were no details of the incident in the letter and therefore little risk to the data subject. For that reason, the incident was not reported to the ICO. The data subject's whereabouts were unknown and it was not possible to contact them.</p>
26/02/18	<p>A PSNI officer received prosecution correspondence relating to a civilian employee of the same name.</p>	<p>The breach was caused by an administrative error within PSNI. PSNI were informed of the incident. Any consideration of reporting to the ICO would rest with PSNI.</p>

Date Reported to PPS (most recent first)	Background to incident	Results of investigation / Action Taken
21/02/18	<p>The PSNI Investigating Officer in a road traffic incident contacted PPS to advise that the address of a passenger in one of the vehicles was included in the disclosure schedule. The schedule was subsequently disclosed to the defence (as is normal practice), however the address details were not redacted.</p>	<p>The addresses of both passengers and their vehicle details were included in the disclosure schedule. This information should have been redacted.</p> <p>This was not reported to the ICO. Whilst the data had been compromised, the other party would be entitled to request it in any case under Road Traffic legislation. This risk to the data subject was therefore considered to be low.</p>
19/02/18	<p>A number of routine internal management information reports are provided to Senior Public Prosecutors (SPPs) with information on their own performance (number of decisions taken), as well as that of their staff.</p> <p>A technical issue meant 31 SPPs received performance data related to all senior public prosecutors and all public prosecutors. This affected 125 staff in total.</p>	<p>The investigation identified issues with the ICT change control procedure and its impact on user acceptance testing.</p> <p>All future changes to the technical infrastructure are to be documented with the scope of user acceptance testing to be informed by technical knowledge of any change.</p> <p>The incident was not reported to the ICO as it was deemed not likely to have a high risk of impact on the data subjects' rights and freedoms.</p>

Date Reported to PPS (most recent first)	Background to incident	Results of investigation / Action Taken
15/02/18	<p>A summons was issued to an individual who was reported to PPS as being the parent / guardian of a suspect who was resident in sheltered accommodation. The individual reported to the PPS on 15/2/18 that although she worked at the home where the suspect is resident she was not his parent/guardian.</p>	<p>The investigation revealed that PSNI had provided the wrong details for the parent/guardian. PPS staff could not have known that this information was incorrect.</p> <p>The incident was not reported to the ICO as there is not a high risk to the freedom of the individual. The recipient of the data already knew the defendant and was aware of the incident.</p>
01/02/18	<p>PPS erroneously issued a summons to an individual on 11/1/18. The individual rang PPS to say that he had no idea why he had received it as he had not been spoken to by police.</p>	<p>The issue was reported to PSNI as it occurred as it was as a result of mistaken identity by the Investigating Officer. PSNI were asked to issue correspondence to the individual to provide an explanation of the incident.</p> <p>This case was not reported to the ICO as the impact was deemed to be minimal and the error was caused by incorrect data entry by PSNI.</p>
10/01/18	<p>A total of 8 Achieving Best Evidence interview DVDs (encrypted) were misplaced. These discs are received in bulk from PSNI and are then required to be married up with the printed file upon allocation to a prosecutor.</p>	<p>A detailed investigation was undertaken to locate the discs, as well as formal notification to PSNI of the incident.</p> <p>The investigation demonstrated that there is an agreed procedure in place for the handling of this material from receipt from PSNI through to allocation to a prosecutor. It would appear that this was an isolated incident potentially involving individual error rather than an indication of a lack of procedures to cover the handling of such material.</p> <p>As there was no evidence that the material had been lost outside of PPS, and the material was encrypted, a decision was taken not to report the incident of the ICO.</p> <p>A review of the handling procedures for such material is planned to identify any potential improvements.</p>

Date Reported to PPS (most recent first)	Background to incident	Results of investigation / Action Taken
28/12/17	<p>The defendant in a case received summons papers for another defendant in addition to their own papers. Their solicitor wrote to the PPS with details of the loss, enclosing the papers.</p>	<p>It appears that a PPS staff member placed both sets of papers in the same envelope.</p> <p>The first defendant was concerned that there might be other copies of their details. An investigation of the CMS log confirms that no further copies of these papers were printed. PPS subsequently confirmed this to the defendant's solicitor on 18 January 2018. No further contact has been made by the solicitor.</p> <p>As the papers were quickly recovered there was not considered to be any risk to the other data subject and so the case was not reported to them or the ICO.</p>
11/12/17	<p>A PPS prosecutor erroneously emailed an unredacted copy of a medical report relating to a witness to the defence solicitor. The report contained the address and mobile telephone number of the witness.</p>	<p>After noticing the error, the prosecutor contacted the solicitor immediately by telephone, who confirmed that the defendant had not seen it. He confirmed that defence counsel had had sight of it. The solicitor confirmed that the data had been destroyed and a redacted copy was provided by PPS.</p> <p>As the loss was contained quickly there was not considered to be any risk to the data subject and the incident was not reported to the ICO or the data subject.</p> <p>PPS has issued revised guidance on redaction (see incident dated 7/12/17).</p>

Date Reported to PPS (most recent first)	Background to incident	Results of investigation / Action Taken
07/12/17	<p>The address of a victim was left unredacted on a crime scene investigation statement which was provided to the defendant as part of the PPS committal papers.</p>	<p>The error was discovered by the PPS on 6/12/17. The papers had been sent to the defence and then passed to the defendant. PSNI subsequently confirmed that the address should not have appeared in the statement, and having done so should have been redacted by the IO. Nevertheless the PPS prosecutor should also have ensured that the information was redacted.</p> <p>The data could not be recovered. PSNI informed the subject of the data loss and carried out a risk assessment. As the defendant was in prison the risk was considered to be low.</p> <p>The incident was reported to the ICO on 11/11/17. The ICO requested further information on 3/2/18. PPS responded on 16/2/18. The ICO replied on 28/2/18 indicating that no further action would be taken, but recommending that the PPS review its procedures.</p> <p>Both PPS and PSNI have reviewed their guidance to staff. PPS issued a new staff instruction on 20/3/18.</p>
09/11/17	<p>A copy of a victim information letter went undelivered and was returned by Whistl to NI Prison Service instead of PPS.</p>	<p>The Whistl investigation determined that this was a machine operator issue and the letter was wrongly marked. The letter was returned to PPS by Prison Service. It had been opened to facilitate return. As this was received by a criminal justice partner, this was not considered to meet the criteria for reporting to the ICO.</p>

Date Reported to PPS (most recent first)	Background to incident	Results of investigation / Action Taken
18/09/17	A person emailed PPS stating they had received a summons for someone with a similar name.	<p>The error occurred because the complainant's address was added by PSNI to the defendant's record on 20/2/17. The reasons for this are unclear.</p> <p>The papers were returned to the PPS shortly afterwards and the address was corrected on 19/9/17.</p> <p>This was not reported to the ICO as the papers were returned promptly to PPS and not disseminated further. There would be little reputational damage to the defendant in any case as he has a significant number of convictions. The Information Asset Owner for the business area also decided not to report the loss to the data subject for the same reasons.</p>
02/08/17	A complaint was received from a person regarding a summons received as a named guardian of a defendant. The complainant stated that she was not the guardian and that she no longer lived at that address.	<p>This appears to be a case of PSNI adding the wrong individual to the case as the complainant had acted as the suspect's 'appropriate adult'. The suspect has had a number of different guardians listed so a check by PPS staff would not have given any indication that this was incorrect.</p> <p>The name was subsequently corrected by PSNI, and PPS wrote to the complainant to apologise, noting that the data was supplied by PSNI. The subject has subsequently taken up the complaint with the Police Ombudsman.</p> <p>The incident was not reported to the ICO as PPS were not the cause of the loss, and also because the defendant's data was received by someone who already knew about the defendant's circumstances. They returned the mail and did not circulate further.</p>

Date Reported to PPS (most recent first)	Background to incident	Results of investigation / Action Taken
01/08/17	PPS received a complaint in which a defendant alleged that PPS staff members had "...abused their position by looking at my criminal records".	<p>The ADSO and ITSO checked the CMS and CRV records for access to relevant entries and all access appears to be legitimate. The last time anyone had accessed the defendant's CRV was on 24/5/17 where a search for a number of persons in connection with a case in which the subject was a witness was carried out. PPS wrote to the defendant on this basis. No further communication has been received from the defendant.</p> <p>The incident was not reported to the ICO as there was no data loss.</p>



INTERNATIONAL
ASSOCIATION OF
PROSECUTORS



INVESTORS
IN PEOPLE

Contact Details

For further information about the PPS, please contact:

Policy and Information Unit
Belfast Chambers
93 Chichester Street
Belfast BT1 3JR
Tel: 02890 897100
Deaf/Hard of hearing (SMS): 07795 675528
Fax: 02890 897030
Email: info@ppsni.gov.uk
Website: www.ppsni.gov.uk

This document can be made available in a range of alternative formats (contact details as above).

ISBN – 978-1-5286-0432-1
CCS0518684594

Published: 28 June 2018



INTERNATIONAL
ASSOCIATION OF
PROSECUTORS



INVESTORS
IN PEOPLE

