

# ANNUAL REPORT 2008/09

SELECTING THE BEST FOR  
THE DELIVERY OF JUSTICE





# ANNUAL REPORT AND ACCOUNTS 2008/09

## SELECTING THE BEST FOR THE DELIVERY OF JUSTICE

Presented to Parliament by the Lord Chancellor and Secretary of State for Justice pursuant to paragraph 32(4), and in respect of the financial statements on behalf of the Comptroller and Auditor General under paragraph 31(7) of Schedule 12 of the Constitutional Reform Act 2005.

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# FOREWORD

**In its third year the Judicial Appointments Commission (JAC) has continued to implement the historic changes of the Constitutional Reform Act 2005 by selecting the best candidates, from a wide range of backgrounds, for appointment to the judiciary. Our selection processes are now well established and the merits of the new appointments system have been acknowledged.**

This annual report describes the progress we have made in further developing our organisation, in refining the selection process and in working towards our key statutory duties to select on merit and to 'have regard to the need to encourage diversity in the range of persons available for selection for appointments'.

2008/09 has been a busy year for the JAC. We have dealt this year with over 3,500 applications, managed 37 selection exercises and made 449 recommendations for appointment. The Lord Chancellor has accepted all of our recommendations, except one which he asked us to reconsider. We have seen an increase of almost 40 per cent in applications; particularly evident with over 800 candidates for just 26 Deputy District Judge (Magistrates' Courts) vacancies and almost 1,000 candidates for 128 Recorder posts on the South-Eastern Circuit. We have used qualifying tests as a method of shortlisting on an increasingly large scale. Qualifying tests are a fairer and more objective method of sifting large numbers of applications than paper sifts, and we are constantly looking to improve them. We receive relatively few complaints and not one has been fully upheld by the Judicial Appointments and Conduct Ombudsman.

We continue to ensure that our selection processes are robust and free of bias by undertaking rigorous checks at key stages in each selection exercise. Our approach to outreach is now sharply focused. We make every effort within available resources to reach out to all under-represented groups in order to raise awareness of the opportunities available and offer practical advice on our selection processes. We have engaged with a wide range of organisations through over 40 outreach events this year, and have redesigned our website to make it more accessible.

Our efforts to widen the pool have yielded some notable successes this year. For example, we have selected five women for the High Court Bench, which will raise the total to 17 – the highest number ever. It remains, however, that throughout the judiciary the numbers of women, ethnic minorities, those with a disability and solicitors do not reflect the pool of available candidates.

The JAC Diversity Forum, which we established a year ago to work in partnership with key organisations – the Government, the judiciary and the legal profession – has proved to be extremely effective. Together we have been able not only to identify barriers that restrict greater diversity, but each member has taken responsibility for taking action in their respective area.

The work of the Diversity Forum is supported by relevant research. In 2008 the JAC commissioned research from the British Market Research Bureau to find out what attracts people to, or deters them from, applying to become a judge. Professor Hazel Genn's report for the Judicial Executive Board on the attractiveness of senior judicial appointment, published in January 2009, has also been helpful to identify why some very capable lawyers are deterred from applying for high judicial office.

Our experience to date and these research findings show that some of the barriers that restrict speedy progress on diversity lie outside JAC control. These include minimum entry requirements such as the Lord Chancellor's expectation that candidates will normally have gained fee paid (part-time) experience as a

judge before taking a salaried post; a lack of availability of salaried part-time working; a lack of diversity among lawyers and working conditions within the judiciary. We are urging the Lord Chancellor to consider removing or reducing requirements and increase the availability of part-time working. We are pleased that the judiciary, the Bar Council, the Law Society and the Institute of Legal Executives are making efforts to improve the diversity of our pool. The JAC is committed to selecting judges of the highest quality and creating a judiciary that is in tune with the modern world. With the support of our partners, I am confident that we will continue to achieve this.

The open and independent system of appointments that came into force in April 2006 is key to maintaining judicial independence and providing confidence in the effective

**The JAC is committed to selecting judges of the highest quality and creating a judiciary that is in tune with the modern world.**

Baroness Prashar, Chairman JAC

administration of justice. The JAC welcomed the conclusion of the Joint Committee on the draft Constitutional Renewal Bill that it is too soon for any further substantial changes to the appointments system. We hope that any future Bill will reflect this view. The unprecedented changes to our constitutional arrangements continue to attract considerable interest both here and abroad. For example, over the last three years delegations from countries such as Australia, India and Vietnam have visited the JAC to learn from our experience.

The JAC is proud of what it has achieved since being established in 2006. We have created a confident organisation that is secure in the strength of its processes and its ability to tackle the challenge of creating a more diverse judiciary. We now see an increasing acceptance of our role and of our constitutional significance.

This solid progress would not have been possible without the continued support of the JAC Commissioners and staff. I would therefore like to take this opportunity to thank Heather Hallett, Vice-Chairman of the JAC, and all the Commissioners for their dedication, often beyond the call of duty. I am grateful to the Chief Executive and staff for their hard work. My thanks also to John Goldring, who left the Commission in September 2008 following his appointment to the Court of Appeal, for his outstanding contribution to the work of the JAC. We have since welcomed Jill Black to the Commission and look forward to working with her. I would also like to thank the Lord Chancellor, the Lord Chief Justice, the Bar Council, the Law Society and the Institute of Legal Executives for their continued co-operation.



**Baroness Prashar**

Chairman  
Judicial Appointments Commission

# PART 1: INTRODUCTION



# WHO WE ARE

**The Judicial Appointments Commission (JAC) was set up in April 2006. We are an independent commission that selects candidates for judicial office in courts and tribunals in England and Wales, and for some tribunals whose jurisdiction extends to Scotland or Northern Ireland.**

The JAC is an executive non-departmental public body, sponsored by the Ministry of Justice (MoJ). Our aims and objectives are agreed with the Lord Chancellor and set out in our *Corporate and Business Plan*. The plan also identifies the central services, such as IT support, that the MoJ provides to us.

By statute, the Commission must consist of a lay Chairman and 14 Commissioners. It has corporate responsibility for ensuring that the JAC fulfils its role under the Constitutional Reform Act 2005 (CRA), for achieving its aims and objectives and for promoting the efficient and effective use of staff and other resources. The Commissioners work closely with JAC staff, who are led by the Chief

Executive and five Directors. The JAC is the organisation, and the Commission, comprising the 15 Commissioners, its board. Each has specific responsibilities under the CRA. The committees and groups of the Commission are set out in Appendix 1.

The Commission is made up of a lay Chairman, five judicial members, one barrister, one solicitor, five lay members, one tribunal member and one lay justice member. Each Commissioner is appointed in his or her own right, not as a delegate or representative of their profession. Twelve, including the Chairman, were selected through open competition and three by the Judges' Council.

## The Commissioners



### **Baroness Prashar CBE, Chairman**

Usha Prashar was born in Kenya and educated at Wakefield Girls' High School and the Universities of Leeds and Glasgow. She was the First Civil Service Commissioner between 2000 and 2005 and Executive Chairman of the Parole Board for England and Wales from 1997 to 2000. Formerly she was Director of the Runnymede Trust, and served as a member of the Royal Commission on Criminal Justice. Since 1999 she has sat in the House of Lords as a cross-bencher and is a member of the Joint Committee on Human Rights.



### **Lady Justice Hallett DBE (judicial), Vice-Chairman**

Heather Hallett has been a Commissioner since the JAC started and was appointed Vice-Chairman in October 2007. She was called to the Bar at Inner Temple in 1972 and began sitting as a part-time judge in 1985. She was Chairman of the General Council of the Bar in 1998, and has been a High Court Judge and Presiding Judge on the Western Circuit. In 2005 she was appointed to the Court of Appeal.



### **Mrs Justice Black DBE (judicial)**

Jill Black became a Commissioner in October 2008. She was called to the Bar at Inner Temple in 1976 and appointed a QC in 1994. In 1999 she was appointed a Recorder, and later that year a Justice of the High Court assigned to the Family Division. Jill Black was Chairman of the Family Committee of the Judicial Studies Board from 2004 until she joined the JAC in 2008.



### **Dame Lorna Boreland-Kelly DBE JP FRSA (lay justice)**

Lorna Boreland-Kelly is a presiding magistrate at the City of Westminster Magistrates' Court, where she has been a magistrate since 1991. She is employed by the London Borough of Croydon as Manager of Mayday and Permanency Planning Services (Children, Young People and Learners) and is based at Mayday Healthcare NHS Trust. She is also the Chair of Governors at Lambeth College.



### **Professor Dame Hazel Genn DBE (lay)**

Hazel Genn is a Dean of the Faculty of Laws at University College London. She is a former member of the Committee on Standards in Public Life.



### **Sir Geoffrey Inkin OBE (lay)**

Geoffrey Inkin was Chairman of the Cardiff Bay Development Corporation from 1987 until 2000 and Chairman of the Land Authority for Wales from 1986 until 1998. He is a former member of Gwent County Council and Gwent Police Authority, and commanded The Royal Welsh Fusiliers from 1972 to 1974.



### **Judge Frances Kirkham (judicial)**

Frances Kirkham started her career as a solicitor. She became a Senior Circuit Judge in October 2000 and is the designated Technology and Construction Court Judge in Birmingham. She founded the West Midlands Association of Women Solicitors and is a founder member of the United Kingdom Association of Women Judges.



### **Mr Edward Nally (professional)**

Edward Nally is a partner in Fieldings Porter Solicitors of Bolton and was President of the Law Society of England and Wales between 2004 and 2005. He is Governor of the College of Law and was Chair of Governors at Pendleton Sixth Form College, Salford between 2000 and 2007.



### **Ms Sara Nathan OBE (lay)**

Sara Nathan is a journalist. She has held several public appointments and is currently Chair of the Animal Procedures Committee and an editorial adviser to the BBC Trust. Previously she was editor of the morning programme on BBC's Radio 5 Live and is a former editor of Channel 4 News.



### **District Judge Charles Newman (judicial)**

Charles Newman was admitted as a solicitor in 1972 and appointed Registrar of the County Court in 1987. He has served as Chair of the District Judges IT Working Group. He is currently a member of the Judicial Advisory Group for IT and Chairman of the Northern Circuit Association of District Judges.



### **Judge David Pearl (tribunal)**

David Pearl was called to the Bar in 1968 and lectured in law at Cambridge University and the University of East Anglia. He has been the Chief Adjudicator of Immigration Appeals, the President of the Immigration Appeal Tribunal and the President of the Care Standards Tribunal. He is now Principal Judge, Care Standards and sits both in the Upper Tribunal and as a Deputy High Court Judge.



### **Mr Francis Plowden (lay)**

Francis Plowden is Chairman of the Greenwich Foundation for the Old Royal Naval College and also works as an independent adviser on public policy and management. He was Chairman of the National Council for Palliative Care until 2008, and formerly a partner at PriceWaterhouseCoopers, where he was responsible for work for governments worldwide.



### **Ms Harriet Spicer (lay)**

Harriet Spicer co-runs Working Edge coaching and mentoring groups, is a governor of the London School of Economics, was a member and Chair of the National Lottery Commission and Chair of the Friendly Almshouses, Brixton. She was a founder member and Chief Executive of Virago Press.



### **Mr Jonathan Sumption OBE QC (professional)**

Jonathan Sumption is a barrister and joint head of Brick Court Chambers. He is a Judge of the Courts of Appeal of Jersey and Guernsey and a Deputy High Court Judge. He is also a governor of the Royal Academy of Music.



### **Lord Justice Toulson (judicial)**

Roger Toulson has been a Commissioner since October 2007. In January 2007 he was appointed a Lord Justice of Appeal. He was Chairman of the Law Commission from 2002 to 2006.

### **Lord Justice Goldring**

John Goldring left the JAC in September 2008 following his appointment as a Lord Justice of Appeal.

# WHAT WE DO

**The JAC's purpose is to select the best for the delivery of justice. The JAC is responsible for recommending candidates for appointment to all judicial offices listed in Schedule 14 of the Constitutional Reform Act 2005 (CRA), as well as to the offices of the Lord Chief Justice, Master of the Rolls, President of the Queen's Bench Division, President of the Family Division, Chancellor of the High Court, Lords Justices of Appeal and High Court Judges.**

The Commission may be required to select a candidate for immediate appointment under section 87 of the CRA, or to identify candidates for vacancies which will arise in the future, from lists created under section 94.

The JAC's business customers are Her Majesty's Courts Service (HMCS) and the Tribunals Service (TS). We also run a small number of selection exercises for tribunals that do not come within the Tribunals Service but are instead sponsored by a Government Department other than the MoJ.

Although magistrates are included in the judicial offices listed under Schedule 14, the Lord Chancellor has recently agreed with the JAC, the Lord Chief Justice, the Magistrates' Association and the National Bench Chairmen's Forum that there are reasons to keep the current system, where magistrates are recruited and selected by local advisory committees. As a result, we will not be taking responsibility for recruiting and selecting magistrates in the future. We understand the Government intends to legislate to remove magistrates from Schedule 14 of the CRA when a suitable opportunity arises.

The JAC selects one candidate for each appointment and recommends that candidate to the Lord Chancellor. Under the CRA, the Lord Chancellor can accept or reject this recommendation, or ask the Commission to reconsider it. The Lord Chancellor may not select an alternative candidate. The reasons why the Lord Chancellor can reject a recommendation or ask for reconsideration

are limited and he must provide an explanation if he takes this course.

In selecting candidates we have three key statutory duties: to select candidates solely on merit; to select only people of good character; and to have regard to the need to encourage diversity in the range of persons available for selection for appointments.

Our strategic objectives for 2008/09 – and since the JAC started in 2006 – were:

- to select high quality candidates based on the selection exercise programme agreed with our business partners – Her Majesty's Courts Service, the Tribunals Service and the MoJ
- to develop further fair, open and effective selection processes and to keep them under continuous review
- to encourage a wider range of eligible people to apply
- to ensure that the JAC is fully equipped to carry out its statutory objectives and achieve continuous improvement.

Appendix 2 reports on our performance against these objectives.

In addition to its responsibility for making selections for judicial appointments, the JAC's agreement is also required for appointments made by the Lord Chief Justice to the role of Deputy High Court Judge under section 9(1) and 9(4) of the Supreme Court Act 1981. In 2008/09 13 such requests were made.

# JAC VALUES

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The following values underpin all of our work:

1	<b>Fairness</b>	We are objective in promoting equality of opportunity and we treat people with respect.
2	<b>Professionalism</b>	We are committed to achieving excellence by working in accordance with the highest possible standards.
3	<b>Clarity and openness</b>	We communicate in a clear and direct way.
4	<b>Learning</b>	We strive for continuous improvement and welcome and encourage feedback.
5	<b>Sensitivity</b>	We are considerate and responsive in dealing with people.

# OVERVIEW OF THE SELECTION PROCESS

**The JAC has developed a selection process that has fairness and merit at its core. All selection exercises launched since 31 October 2006, up to and including High Court level, have been based on this process.**

We are working continually to ensure our processes are streamlined, efficient, fair and easy to understand. Only by doing that can we ensure we attract the best candidates and make the right selections. The following sections give our generic definition of merit and a broad overview of the different stages of selection, but it should be noted that the processes and criteria may vary, depending on the nature of the post and the minimum entry requirements set by HMCS, the TS or non-Ministry of Justice tribunals.

## Our definition of merit

We define merit using five qualities and related abilities.

### Intellectual capacity:

- high level of expertise in your chosen area or profession
- ability to absorb and analyse information quickly
- appropriate knowledge of the law and its underlying principles, or the ability to acquire this knowledge where necessary.

### Personal qualities:

- integrity and independence of mind
- sound judgement
- decisiveness
- objectivity
- ability and willingness to learn and develop professionally.

### An ability to understand and deal fairly:

- ability to treat everyone with respect and sensitivity, whatever their background
- willingness to listen with patience and courtesy.

### Authority and communication skills:

- ability to explain the procedure and any decisions reached clearly and succinctly to everyone involved
- ability to inspire respect and confidence
- ability to maintain your authority when challenged.

### Efficiency:

- ability to work at speed and under pressure
- ability to organise your time effectively and produce clear, reasoned judgements quickly and efficiently
- ability to work constructively with others (including leadership and managerial skills where appropriate).

A recent request from another organisation in the public sector, the Competition Commission, to use the JAC's qualities and abilities in its own selection work was a welcome validation of our approach.

## What is the process for selecting candidates?

### Vacancy request

The selection process typically starts when we receive a vacancy request from HMCS, the TS or the MoJ. The request includes details of the post and the number of vacancies to be filled, plus a job description and the minimum entry requirements. Some of these requirements are prescribed by statute; others (non-statutory criteria) are applied by the Lord Chancellor and Lord Chief Justice.

We tailor the generic application form for each selection exercise and put together an information pack. The selection exercise vacancies are then advertised in print and online. Prospective candidates can get a copy of the application form and information pack, which includes guidance on the selection process, from the JAC or can download them from our website ([www.judicialappointments.gov.uk](http://www.judicialappointments.gov.uk)).

We check each application to see whether the candidate meets the minimum entry requirements. In accordance with our statutory duty we also assess the good character of all eligible candidates.

### Shortlisting

We typically create a shortlist of candidates who will go forward to the next stage. This can be either done by a qualifying test or by a paper-based sift:

- Qualifying test – this consists of a written paper which tests a number of the qualities and abilities required for judicial office, such as the ability to absorb and analyse information quickly, sound judgement, and the ability to explain procedure and decisions succinctly and clearly. Shortlisting is a competitive process, so the tests are designed to be challenging, including an element of time pressure. If a qualifying test is used, the selection of candidates for the next stage is based on the results of the test.
- Paper-based sift – a panel assesses written evidence supplied by the candidate, and their references. The information is assessed against the qualities and abilities framework, and the candidates who best demonstrate these will progress to the next stage. For the appointments that we make above Circuit Bench level shortlisting is normally carried out by a paper-based sift.



Can I compliment you on how effectively the selection exercise has been run and your willingness to address the queries of individual candidates so promptly.

Anon, Recorder Midland exercise

Qualifying tests are usually developed and marked by experienced judges and are moderated to make sure they are marked consistently. Tests are often piloted both with people recently appointed to the role and people representative of likely suitable applicants. Every test is also equality proofed by experts, before it is used, to ensure that it is fair for all applicants.

We use qualifying tests for most selection exercises below the level of Senior Circuit Judge as they provide objective evidence of candidates' abilities, whatever their specialism. However, we do tailor our processes to each post, so we may use a paper-based sift if the number of vacancies or applicants is small, or in other limited circumstances.

### References

References are a view of the suitability of a candidate provided by a third party. We use two types of reference, candidate-nominated and Commission-nominated. Candidates are asked on their application form to nominate up to three referees normally, or in some cases up to six.

The Commission may also seek references from a list of Commission-nominated referees, which is published for each selection exercise. For example, if someone applies who is a serving member of a tribunal, we may ask the chair or president of the tribunal for a reference.

If a paper-based sift is used to shortlist candidates, references are normally taken up before the sift and are used in deciding on the shortlist. If qualifying tests are used, references are normally taken up after the test but before the selection day.

### Selection day

Shortlisted candidates are invited to a selection day, which may consist of an interview only (possibly including a presentation), or an interview and role-play. If there is only an interview, it is conducted by a panel typically consisting of a panel chair, a judicial member and an independent member. When role-play is part of the selection day, a panel chair and a judicial member carry out the interview, and the role-play is normally assessed by a different judicial member and an independent member.

The role-play, which is usually devised by judges, typically simulates a court or tribunal environment. The candidate is asked to take on the role of the judicial office-holder. This role-play assesses how candidates would deal with situations they might face and how they would take the kind of decisions that might be required if they were appointed. The role-play gives candidates the opportunity to demonstrate that they have the required qualities and abilities, and tests whether they can perform under pressure.

### Panel assessment

The panel members consider all the information about each candidate (their performance in the interview and role-play, the candidate's self-assessment and references) and assess them against the qualities and abilities. The panel chair then completes a summary report, providing an overall panel assessment. This forms part of the information presented to the Commission when they make their selection.

Now that the process is over, I simply wanted to thank you and your team for providing a first class and professional service, making a challenging experience as enjoyable as possible.

Sue Carr QC, Recorder Midland exercise

### **Statutory consultation**

For all candidates likely to be considered for selection, the panel summary reports are sent to the Lord Chief Justice and to one other person who has held the post or has relevant experience. (This is required under sections 88(3) and 94(3) of the CRA.) These 'statutory consultees' are asked to give a view on the suitability of each candidate. The consultee sometimes asks another judge to contribute to the response.

When it makes the final selections, the Commission considers the responses from the statutory consultees alongside other information about a candidate. It may decide not to follow the views expressed by the consultees. When reporting its final selections to the Lord Chancellor, the Commission must give reasons if it has not followed the consultees' comments.

### **Selection**

The Commission makes the final decision on which candidate(s) to recommend to the Lord Chancellor for appointment. In doing so, Commissioners consider those candidates that the panel has assessed as best meeting the requirements of the role, and information gathered on those individuals during the whole of the process.

### **Checks**

If the recommended candidate is an existing judicial office holder the JAC checks with the Office for Judicial Complaints that there are no complaints outstanding against them. For other recommended candidates the JAC

requests financial, criminal and professional background checks. A medical check is also sometimes required by the Lord Chancellor. In 2008/09, responsibility for carrying out medical checks moved from the JAC to the MoJ.

### **Quality assurance**

The JAC has implemented quality assurance measures throughout the process to ensure that the proper procedures are applied and the highest standards are maintained. Our quality checks include:

- assigning a Commissioner for each exercise, who works closely with the JAC selection exercise team to ensure standards are met. The assigned Commissioner will, for example:
  - oversee development of tests and role-play
  - review results to check for anomalies or signs of bias
  - help brief panel members to ensure they are fully prepared
- reviewing the progression of candidates through each stage of the process for any possible unfairness
- JAC staff observing interviews and sharing best practice across panels
- moderating the marking of tests and the results of panel assessments to ensure consistency (as many exercises will use a number of test markers and more than one panel because of the number of candidates).

## Developments in the selection process

The JAC has developed its selection process in consultation with others. We have consulted widely with representatives of the legal profession, our business partners (mainly HMCS and the TS), the judiciary and the MoJ.

In late 2008 the JAC, the MoJ, HMCS, the TS, the Directorate of Judicial Offices for England and Wales (DJO) and representatives of the judiciary came together to carry out a LEAN review of the appointments process. LEAN is a process designed to identify and remove organisational waste, prevent mistakes and simplify processes. This review aimed to maximise efficiency in the end to end judicial appointments process from confirmation of a vacancy to the swearing in of a judge.

A number of improvements emerged from that review. For the JAC part of the process:

- The Commission has agreed that the assessment of good character will be considered later in the process, rather than at the very beginning of a selection exercise.
- Instead of medical information being requested after the Lord Chancellor has accepted a recommendation, candidates will be asked, by the JAC, to complete a medical self-declaration during the selection process. The information required by the MoJ to carry out the medical check once the recommendation has been accepted will therefore already be to hand.

- For each exercise, a 'delivery team' will be brought together, consisting of members of the JAC, MoJ, DJO, the relevant business partner (HMCS or the TS) and, on occasion, a representative of the judiciary. This team will monitor the progress of the exercise and address any problems that cross organisational boundaries.

All these changes are intended to make the overall process more streamlined, while safeguarding the independence and quality of selections.

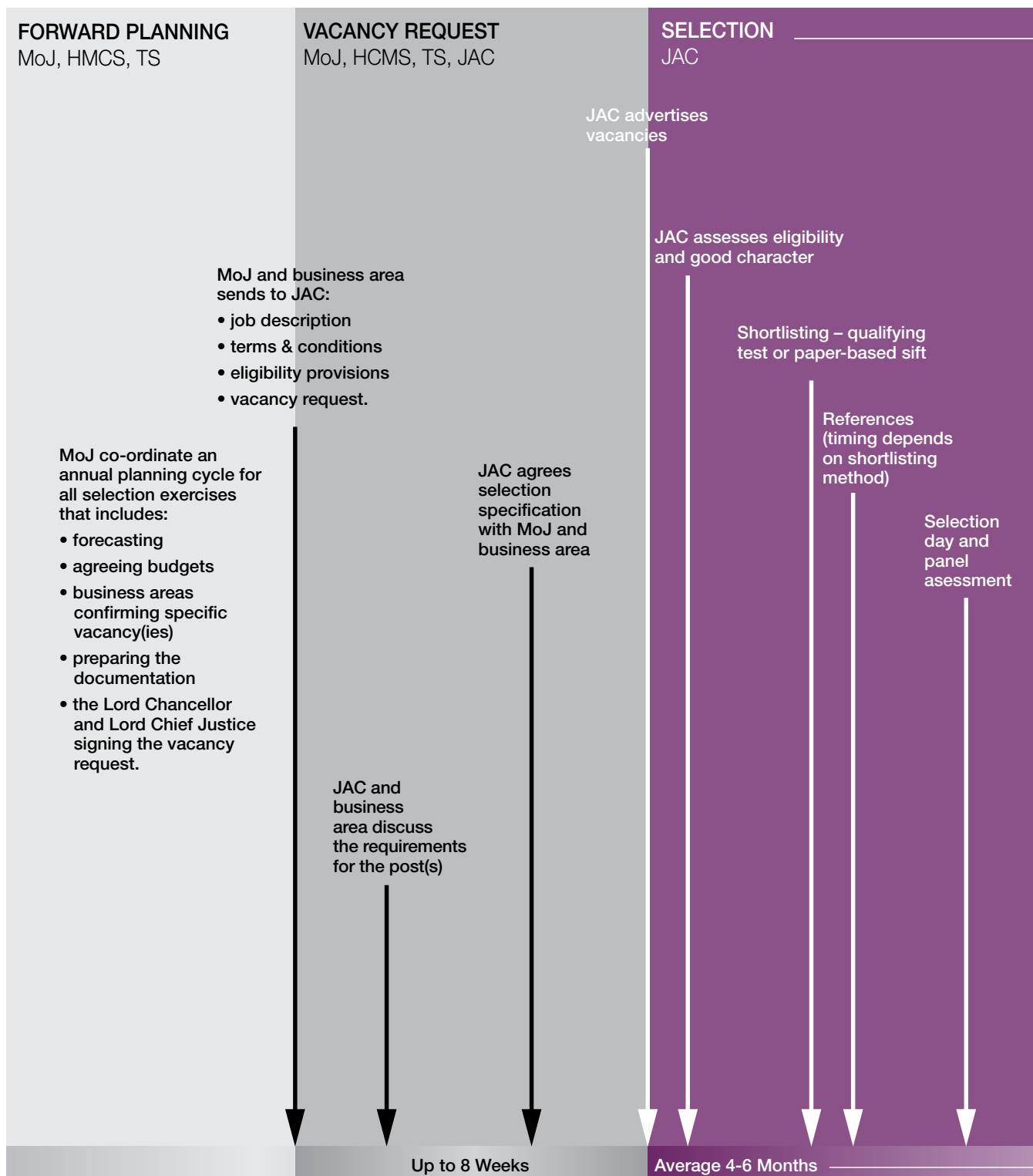
## Communicating the process to candidates

It is important that candidates know what the selection process is, and the timescales involved, both before deciding whether to apply and as they go through the process. There is a wealth of material on the selection process on our website, and we communicate with candidates throughout their engagement with the JAC. A 'timeline', illustrating the various parts of the judicial appointments process, the organisations involved, and the typical timescales, is shown overleaf.



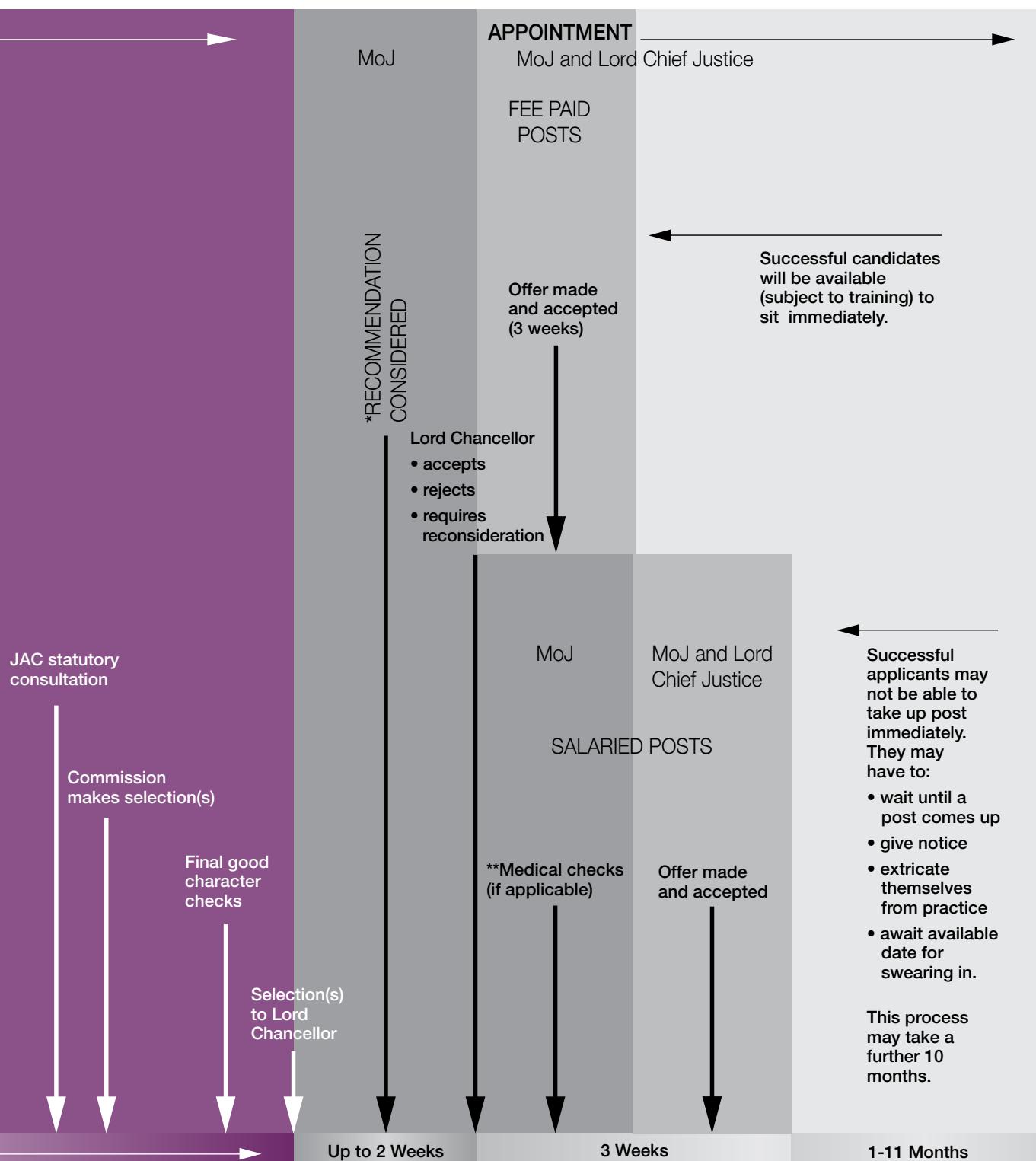
# TIMELINE OF THE JUDICIAL APPOINTMENTS PROCESS

General guide to processes used in 2008/09 with indicative timeframes



\* For some jurisdictions consultation with other Ministers will be required

\*\* Responsibility for carrying out medical checks moved from the JAC to MoJ in December 2008





# PART 2: PROGRESS AND IMPROVEMENTS IN 2008/09



## MEETING THE CHALLENGES

**In our third year of operation, as a result of our successful work to attract more candidates, and the changing economic conditions, we have dealt with more candidates than ever before. The financial constraints of 2008/09 and the increasing volume of work have required us to be more efficient, for example by finding new ways of working and using IT more.**

We have responded to the change in legislation, implementing the Tribunals, Courts and Enforcement Act 2007, amending our processes and forms as necessary and responding to queries about new eligibility rules from candidates.

We have continued to work with others to attract a wider range of applicants with the goal of helping create a more diverse judiciary.

The low number of complaints we receive demonstrates that we continue to deliver a professional service to our candidates, treating them all as individuals.

As an organisation we now employ many of our own staff directly, recruited through open and fair competition. Employing staff we have selected helps demonstrate the JAC's independence.



# THE SELECTION EXERCISE PROGRAMME

**The selection exercise programme is agreed with the Ministry of Justice (MoJ) at the start of every year. It is made up of selection exercises needed to fill judicial vacancies forecast by Her Majesty's Courts Service (HMCS), the Tribunals Service (TS) and a small number of other tribunals which are not overseen by the MoJ.**

The initial MoJ requirement in 2008/09 was for a total of 41 selection exercises; 13 were already under way at the start of 2008, and 28 were planned to launch during the year.

By the end of 2008/09, five of the 28 new exercises had not been required, two exercises had been rescheduled (and will now launch later in 2009), and three new exercises had been added to the programme. Therefore, in total, 24 exercises were launched. Several of the exercises had increased in size. We worked closely with MoJ, HMCS and the TS to respond to their emerging requirements, recognising that some changes during the year are inevitable.

The Tribunals, Courts and Enforcement Act 2007 (TCE Act) has had a significant impact on our work. We welcome the way it widens the pool of people who are eligible to apply for judicial posts. Many positions have been opened up to new branches of the legal profession, for example Fellows of the Institute of Legal Executives (ILEX), and the number of years' experience required for others has been reduced.

The TCE Act also had an effect on the selection exercise programme during the year. The Act restructured the TS, and during the year this gave rise to some additional vacancy requests.

At the end of 2008/09, we had completed 24 selection exercises and a further 13 were in progress. We received a total of 3,518 valid applications for the exercises completed and 449 selections were sent to the Lord Chancellor. During the year, the Lord Chancellor asked us to reconsider one recommendation and a new recommendation was subsequently accepted. The need for a reconsideration arose from a lack of clarity about what were essential criteria for a candidate to meet and what were desirable.

We have recently made good progress, working with MoJ, HMCS and the TS, to create a rolling programme of future selection exercises. The rolling programme provides an outline of the main exercises that will run over a three-year period. This will help the JAC, MoJ, HMCS and the TS greatly in planning. Knowing the cycle of major recruitment exercises will also benefit candidates, who can plan their application for a judicial career with more certainty.

- Selection exercises in 2008/09

# SELECTION EXERCISES IN 2008/09

**This table lists all the selection exercises that were completed during 2008/09 or were in progress at the end of the year.**

In progress on 1 April 2008 <sup>1</sup>	Completed in 2008/09	In progress on 31 March 2009
High Court 2008	High Court 2008	
Recorder (Northern, North-Eastern and Wales Circuits) 2008	Recorder (Northern, North-Eastern and Wales Circuits) 2008	
District Judge Rhyl	District Judge Rhyl	
Senior Circuit Judges Birmingham	Senior Circuit Judges Birmingham	
Regional Chairman, Social Security and Child Support Appeals Tribunals	Regional Chairman, Social Security and Child Support Appeals Tribunals	
Senior Immigration Judge, Asylum and Immigration Tribunal	Senior Immigration Judge, Asylum and Immigration Tribunal	
Designated Immigration Judge, Asylum and Immigration Tribunal	Designated Immigration Judge, Asylum and Immigration Tribunal	
Salaried Legal Member of the Mental Health Review Tribunal	Salaried Legal Member of the Mental Health Review Tribunal	
Legally Qualified Chairman, Pensions Appeal Tribunals for England and Wales	Legally Qualified Chairman, Pensions Appeal Tribunals for England and Wales	
Social Security and Child Support Commissioners	Social Security and Child Support Commissioners	
President of the Social Entitlement Chamber and President of the Health, Education and Social Care Chamber	President of the Social Entitlement Chamber and President of the Health, Education and Social Care Chamber	
Fee Paid Ordinary Panel Members of the Charity Tribunal	Fee Paid Ordinary Panel Members of the Charity Tribunal	
Legally Qualified Panel Members of the Charity Tribunal	Legally Qualified Panel Members of the Charity Tribunal	
	Deputy District Judge, Magistrates' Court	
	Circuit Judge 2008	
	Queen's Bench Masters Admiralty Registrar and Bankruptcy Registrar	
	Recorder (Midland Circuit) 2008	
	Fee Paid Non-legal Members of the First-tier Tax Chamber	

<sup>1</sup> The JAC's 2007/08 Annual Report indicated that the selection exercise for the Chairman of the Residential Property Tribunal (Wales) was still in progress on 31 March 2008. In fact this exercise was completed in 2007/08.

In progress on 1 April 2008	Completed in 2008/09	In progress on 31 March 2009
	Fee Paid Judge of the First-tier Tax Chamber	
	Salaried Judge of the First-tier Tax Chamber	
	Part-time Salaried President of the Valuation Tribunal for England	
	Salaried President of the Employment Tribunals (England and Wales)	
	Fee Paid Appointed Person, Trade Marks Registry	
	Assistant Judge Advocate General	
		Copyright Tribunal Deputy Chairman
		District Judge 2008/2009
		Recorder (South-Eastern Circuit) 2009
		Senior Circuit Judge (Resident Judge) Western Circuit
		Senior Circuit Judge (Resident Judge) Birmingham
		First-tier Tribunal Social Entitlement Chamber Salaried Judge
		First-tier Tribunal Social Entitlement Chamber Tribunal Member (Disability)
		First-tier Tribunal War Pensions and Armed Forces Compensation Chamber and Upper Tribunal Lands Chamber (Chamber President)
		Fee Paid Employment Judge, Employment Tribunal
		Salaried Employment Judge, Employment Tribunal
		Salaried Regional Employment Judge, Employment Tribunal
		First-tier Tribunal Health, Education and Social Care Deputy Chamber President
		Fee Paid Vice-President of the Valuation Tribunal
<b>Total: 13</b>	<b>Total: 24</b>	<b>Total: 13</b>

# DELIVERING THE SELECTION EXERCISES IN 2008/09

**This year has seen a step change in the scale of our selection exercises. While the number of exercises has been slightly lower than the previous year (37 compared to 41) and the number of selections made has been slightly lower (449 compared to 458), we have received far more applications than before – up by almost 40 per cent, from around 2,500 to more than 3,500.**

This year included:

- the selection days of the Recorder (North, North-Eastern and Wales Circuits) selection exercise – for 76 posts with 436 initial applications
- a new Circuit Judge selection exercise – 337 applications for 80 posts
- the Recorder (Midland Circuit) selection exercise – 366 applications for 65 posts
- the Deputy District Judge (Magistrates' Courts) selection exercise – 817 applications for 26 posts
- processing applications for the Recorder (South-Eastern Circuit) selection exercise – 983 applications for 128 posts
- the newly consolidated First-tier Tax Chamber selection exercise – over 400 applications for 93 posts
- the Charity Tribunal selection exercise – 371 applications for 17 posts.

The number of applications we receive for an exercise is a major driver of activity and cost for the JAC. For every application received we enter the candidate's details into our database, check their eligibility for the post and consider whether they are of good character (though, as explained

earlier, this check will be moved to later in the selection process in 2009/10). Any gaps in information are filled by checking with the candidate. Every candidate then goes on to the shortlisting stage (unless checks carried out at that time show they are ineligible or not of good character) which is done either by qualifying test or a paper-based sift. In 2008/09 we ran qualifying tests for eight exercises, including for the first time the Circuit Judge exercise. This amounted to administering tests for approximately 2,600 candidates, more than double than for the previous year.

Despite the pressure due to the increased level of applications, we have maintained our focus on the quality of our selection process and the quality of our selections. We have done this by adopting new arrangements for the qualifying test and using resources more flexibly.

We have successfully tendered for providing testing facilities for selection exercises that involve a large number of candidates sitting the test. This enables us to provide tests in more locations, offering candidates more choice, and to run the tests on a single day, which helps ensure the security of the test material.

This approach also allows us to keep to a maximum of 25 candidates per test session, which helps maintain confidentiality for individual candidates. For example, for the District Judge selection exercise we gave candidates the choice of five locations (Birmingham, Manchester, Cardiff and two in London), and around 500 candidates took the test on a single day. As we also fully appreciate that taking a test in a setting with other candidates, however many, may worry some considering applying, we are working to further reduce the risk to confidentiality.

The increase in application numbers, and the impact that has on the JAC, has meant we have had to make some tough decisions about the extent to which we can provide a written explanation of performance to candidates. In common with other organisations we no longer provide feedback at the shortlisting stage. We do continue to provide candidates who reach selection day with a written explanation of the reasons they were not selected, if they request it.



- Delivering the selection exercises in 2008/09

## Other significant developments in the administration of selection exercises

### Implementing the Tribunals, Courts and Enforcement Act 2007 (TCE Act)

Earlier in this report we described the TCE Act and its effect on the programme of selection exercises and the increase in applicants. The provisions of the Act are also complex to administer at an individual exercise level. We have had to work closely with lawyers and officials in the MoJ in making the practical changes to our processes and forms. One inevitable consequence has been that our application form has become more complex. In turn, this has meant that it has taken more JAC resource to determine whether or not candidates are eligible.

### Selection panels

Selection panels are central to the process of finding the best candidates, and we have made good progress with developing them over the last 12 months. An important feature is that the panel chairs are independent members – that is, from careers and walks of life that are not judicial or legal. We recruited panel chairs in 2007/08 who now lead our selection panels, supported by our experienced lay members and members of

the judiciary. Panel chairs were trained shortly after they were recruited and receive additional training before each exercise so that they are fully familiar with the post for which they are selecting and with the process being used. This may include sitting in during a hearing of the jurisdiction for which they are selecting. Panel chairs attended the Commission's Annual Strategic Review to discuss the selection process and its application with Commissioners.

We have implemented a performance appraisal system for panel chairs, with JAC Directors formally appraising each chair and giving feedback. The panel chairs are kept informed of developments at the JAC, for example through regular newsletters, and they take part in discussions about strategy and processes.

### Complaints

Our information explains to candidates that if they are not satisfied with the way their application has been handled, they may lodge a complaint with the JAC. We also tell applicants who are invited to a selection day, but are then unsuccessful, that they may wish to request a written explanation of their performance before deciding whether to lodge a complaint.

Could I say that I have nothing but praise for the way the JAC dealt with the selection process. In particular, the written test part was very impressive in the way email and texts were used for arranging the sitting of the written tests.

Anon, Recorder Midland exercise

When we receive a written complaint, we write back to the complainant within two working days to confirm that we have received their letter. The Director of Tribunals Appointments or the Director of Courts Appointments arranges to have the complaint investigated by an officer who was not involved in the matter.

We aim to respond to a complaint within 20 working days of receipt. If this deadline cannot be met, we tell the complainant why and when they can expect a full reply. All responses include the nature, background and facts of the complaint, and the results of our investigation. They specifically set out our conclusions and reasoning.

Issues identified as a result of an investigation into a complaint are an opportunity for the JAC to learn and adapt our policies and practices. Having a clear and efficient complaints handling procedure is important from both the JAC's and the candidate's point of view.

In 2008/09 we received 37 complaints relating to selection exercises that started after 3 April 2006, using JAC selection processes. We responded to 84 per cent within 20 days – others required more detailed investigation. We issued apologies in five instances, for

example to a candidate whose application form had been delayed by problems with the post service. The candidate was subsequently allowed to take part in the selection exercise.

If a complainant is not satisfied with the JAC's response to their complaint, they can pursue the matter by asking the Judicial Appointments and Conduct Ombudsman, Sir John Brigstocke, to investigate further.

We take investigations by the Ombudsman very seriously. We have a commitment to review our procedures or policies in the light of any recommendations for improvement identified in the Ombudsman's report. In 2008/09 seven complaints were referred by applicants to the Ombudsman relating to exercises run by the JAC. One of these complaints was partially upheld, and the investigation concluded that we had not kept a proper record of an interview. The Ombudsman was pleased that we had already improved our policies to make sure this should not happen again.



## Senior appointments

The Constitutional Reform Act 2005 (CRA) sets out the processes that must be followed for appointments above High Court level. These are different from those used for the selection exercises run by the JAC. For the posts specified below, other than the Senior Lord of Appeal in Ordinary, the CRA requires the JAC to convene a selection panel, which is a committee of the JAC.

There were a number of senior appointments made in 2008/09.

### **Senior Lord of Appeal in Ordinary (President of the Supreme Court from October 2009)**

On 1 April 2008, it was announced that, on 1 October 2008, Lord Phillips of Worth Matravers, then Lord Chief Justice, would succeed Lord Bingham as Senior Lord of Appeal in Ordinary. He will become the first President of the Supreme Court when it is formed in October 2009.

### **Lord Chief Justice**

As a consequence of the above appointment, a panel was convened to select a new Lord Chief Justice. The membership of the panel is set out in section 71 of the CRA. For this appointment it comprised the most senior Law Lord as chairman, the then Master of the Rolls, Sir Anthony Clarke (as the then Lord Chief Justice's nominee), the JAC Chairman and a lay Commissioner of the JAC. The appointment of Lord Igor Judge, formerly President of the Queen's Bench Division, was announced on 7 July 2008.

### **President of the Queen's Bench**

#### **Division**

A selection panel, also constituted under section 71 of the CRA, was formed to fill the vacancy for the President of the Queen's Bench Division. Following the selection process, the appointment of Sir Anthony May was announced on 4 September 2008.

### **Court of Appeal**

The membership of the panel for appointments to the Court of Appeal is specified in section 80 of the CRA. For the seven appointments made in 2008/09, it comprised the Lord Chief Justice as chairman, a second senior judicial member designated by the Lord Chief Justice, the JAC Chairman and a lay Commissioner of the JAC.



I am proud of my appointment and can see that the new process does indeed reward merit and competence. Thank you for allowing me the opportunity of showing those skills I possess.

Anon, Deputy District Judge,  
Magistrates' Court exercise

# SUCCESSFUL CANDIDATE EXPERIENCES

## Michelle Corbett



**Post:**  
Circuit Judge 2008

**Vacancies:** 80

**Most Circuit Judges deal with serious criminal cases in the Crown Court, while some are authorised to hear civil or family cases in the County Court. Others may sit more or less on a full-time basis in specialised civil jurisdictions, such as Chancery or Mercantile cases, or as judges of the Technology and Construction Court. There are currently more than 600 Circuit Judges throughout England and Wales.**

I was called to the Bar in 1987 and have practised ever since in London, spending the last eight years in a specialist family law set. I was keen to sit part-time at an early stage, in order to see whether I might be suited to the judicial life.

In 2000 I applied unsuccessfully to be a Deputy District Judge but successfully to be a part-time chair of the Family Health Services Appeal Authority. I really enjoyed

this work; I had to learn about a new jurisdiction, and learn judicial skills such as preparing a written decision for approval by the medical member and the lay member of the panel.

In 2005 I was one of 10 family-only Recorder appointments to the South-Eastern Circuit. From the first week I really enjoyed the role and I gradually realised I would like to apply to sit full-time as a Circuit Judge sooner rather than later.

I am 44, with two daughters and I felt that this was the time for me to apply so that I could offer 20 years to a second career on the Bench.

A full-time Circuit Judge emailed me, encouraging me to apply. I believed that hardly anyone gets appointed on their first application so felt I should 'get on with it' for the experience.

Completing the application form is an onerous task so you do need to set aside sufficient time for it.

This was the first Circuit Judge exercise to shortlist by written qualifying test. I would definitely advise applicants who will be sitting a written test to practice (in exam conditions) by completing the papers on the JAC website.

I heard in December 2008 that the JAC had put my name forward. I would encourage others to apply, and to consider part-time positions in jurisdictions other than their primary area of law.

## Gary Hickinbottom



**Post:**

High Court Judge

**Vacancies:** 22

**The High Court in England and Wales deals with high profile and important cases and has a supervisory jurisdiction over all subordinate courts and tribunals. It is based at the Royal Courts of Justice in London. High Court Judges also sit on circuit throughout England and Wales. The Court is split into three main divisions: the Queen's Bench Division, the Chancery Division and the Family Division.**

I am the fourth solicitor to have been appointed to the High Court, and unusually I started my judicial career in the tribunal system. In 1994, at the age of 38, I was appointed a Parking Adjudicator.

I chose that route because, although I wished to become a judge, I am a firm believer in part-time sitting before any full-time appointment, to enable you to assess

your aptitude for and enjoyment of the job. Parking adjudication gave me plenty of "flying hours". I was later appointed a Recorder sitting part-time in the court system, as well as continuing as an Adjudicator.

By the time I was 45, I had been a serving solicitor for 20 years, and wanted a different role in the justice system – decision-making rather than advising. I didn't regard a judicial post as semi-retirement. It certainly isn't. I wanted to have this second career whilst I retained my full enthusiasm for the law.

In 2000, I was appointed a full-time Circuit Judge, ending up as Designated Civil Judge for Wales. I continued to sit in both the court and tribunal systems, and in 2008 I returned to London as Deputy Senior President of Tribunals to work on the tribunal reform programme. Since appointment as a High Court Judge, I have moved back into the court system full-time. I believe that I have benefited from sitting in a variety of forums.

Solicitors have much valuable experience to offer the Bench, and I would like to see more apply. You have to be a sound lawyer, but not necessarily a brilliant one. Just as important are qualities such as integrity and fairness, an understanding of people and the ability to make decisions. To solicitors with those qualities, it is a career I can only commend.

## Professor Graham Zellick



**Post:**

Part-time Salaried President of the Valuation Tribunal for England

**Vacancy:** 1

**The Valuation Tribunal for England will be launched in autumn 2009, bringing together the current 56 Valuation Tribunals. It will deal with appeals on non-domestic rates and council tax. Appeals arise when the Valuation Office Agency or the council do not agree with a ratepayer or council taxpayer's contention and the ratepayer or taxpayer is not satisfied. There are 56 valuation tribunals in England, each currently has a President and a number of Chairmen and members.**

At the end of my five-year term as Chairman of the Criminal Cases Review Commission – the body that alone can review a criminal conviction and refer it back to the appropriate appeal court – I decided not to seek reappointment but (if possible) open a new and final chapter in my career.

Chapter 1 had been as an academic lawyer; chapter 2 as the head of academic institutions as a principal and vice-chancellor; and chapter 3 as chairman of an independent commission – albeit one that was an integral part of the justice system. I now entertained the hope of moving to a judicial appointment.

Although a member of the Bar, a Bencher of my Inn and a door tenant, I had never actually practised law in the conventional sense; and it was five years since I had sat in any judicial capacity. I wanted a substantial, but not a full-time, post. Someone drew my attention to this job.

The selection process was straightforward, though protracted. There is a certain technique involved in completing the application form successfully and given my career background, I had some difficulty identifying appropriate referees who met the criteria. I believe the JAC helpfully interpreted the rules on this flexibly.

I thought the most valuable part of the interview was my presentation at the beginning and the questions that followed it.

By contrast, I found some of the remainder of the interview rather formulaic and confining. However, the interview was conducted with great courtesy and the whole process (but for the delays inherent in it) with efficiency. I have been struck by the overriding commitment to equity and fairness and by the fact that just as much care and effort go into junior appointments as into the more senior.

## Marion Rickman



**Post:**

Judge, Health, Education & Social Care Chamber of the First-tier Tribunal (previously Salaried Legal Member of the Mental Health Review Tribunal)

**Vacancies:** 22

**The Health, Education and Social Care Chamber was set up as part of the restructured Tribunals Service in November 2008, and covers three areas including the former jurisdiction of the Mental Health Review Tribunal. The main purpose is to review the cases of patients detained under the Mental Health Act and to direct their discharge if the statutory criteria for discharge have been met.**

I have experienced both the old and the new way of appointing judges, having become a Fee Paid Legal Member of the Mental Health Review Tribunal back in 1995, a time when you applied for appointment having been given 'the nod'.

More recently I became one of the first salaried judges of the new First-tier Tribunal of the Health, Education and Social Care Chamber, exercising the mental health jurisdiction within that chamber.

I qualified as a solicitor in 1989, and began my professional life as a family law specialist, but began moving into mental health work after one of my clients was sectioned.

With the creation of the First-tier Tribunal – which brings a host of different tribunals together under one roof – I applied for this post. A full-time appointment is something I've always wanted to do. It's a natural progression, although there is the downside of having to give up my involvement in other activities.

The application form took a long time to complete but was not scary. I've applied for quite a lot of things over the years, and so I wasn't fazed by it. When it came to demonstrating the required competencies, I drew on experiences beyond my work in mental health. You need to think creatively and bring in competencies from other areas.

I was then called for the assessment, which took place over two days. On the first day there was a written test – mainly covering substantive law – and, if you passed, on the second day there was an interview conducted by a senior tribunal judge, a JAC representative and a lay member. It was a tough, rigorous interview. You needed to have thought quite carefully beforehand about how you could show you met the competencies.

Being involved as a judge full-time, improving standards and promulgating best practice, has been very rewarding.

## Toby Simon



**Post:**

Fee Paid Non-legal Member of the First-tier Tax Chamber

**Vacancies:** 75

**These were new roles which came about through the abolition of the office of General Commissioner of Income Tax as part of the restructuring of the Tribunals Service in November 2008. The new Tax Chamber is designed to consolidate taxation tribunals, combining VAT with income tax disputes. Non-legal members are expected to have experience of tax; perhaps as a chartered accountant, business owner or farmer.**

As a former General Commissioner of Income Tax, which is a voluntary position, I was interested to apply for the new fee paid post of Member of the Tax Chamber of the First-Tier Tribunal, which will take over the work of hearing direct tax appeals. After

a hiccup in e-mailing the application in July, which was dealt with in a flexible way, I was invited to a selection event in December.

Unfortunately, a week beforehand, I slipped and broke my pelvis. I found myself in hospital on bed rest for a week. Despairing of being able to attend, I cancelled the interview appointment. However I was then discharged without an operation but on crutches. This led to me asking if another appointment could be made, which it was, again without fuss. I was somewhat surprised to have to pay for the taxi myself (most appointment procedures pay travel expenses), but my wife refused to try to push me around in a wheelchair on the tube!

The actual venue was easy to navigate on the crutches, and the selection procedure using role-play actors, as well as a conventional interview, gave a particularly good opportunity to demonstrate relevant skills.

I was delighted to receive a letter at the end of February telling me I had been successful, though this arrived only a week before the training event for the new tribunal.

In short, I feel that the JAC staff were very helpful and understanding. However the overall process while effective and fair, was longer than others (and I have experience of an awful lot of selection procedures!).

## Davinder Lacchar



**Post:**  
Recorder (Midland Circuit) 2008  
**Vacancies:** 65

**The position of Recorder is a fee paid post sitting for between 15 and 30 days a year. The post is broadly similar in jurisdiction to that of a Circuit Judge, but generally handling less complex or less serious matters coming before the court. Recorders may sit in both criminal cases in the Crown Court and civil cases in the County Courts, but most start in the Crown Court. Recordership has often been the first step on the judicial ladder to appointment to the Circuit Bench.**

I was the first woman Sikh judge, and I believe it is important that the judiciary reflects the society it serves.

When I was appointed in 1996 as a Stipendiary Magistrate, now called District Judge (Magistrates' Court), the procedure for judicial appointment was informal

compared to the present one. Since then I have sat in every jurisdiction I am able to, in order to have a varied workload, and I applied for this Recorder post to add another dimension to my working week and a new challenge.

As I had not observed proceedings in the Crown Court for a number of years I sat with a Crown Court judge for two days to refresh my memory and ensure that I was comfortable in that jurisdiction. Although the law and rules of evidence are the same in Crown Courts and Magistrates' Court, the practice and procedure vary so I needed to familiarise myself with that. The major difference is the role of the judge – in the Magistrates' Court there is no jury, and I sit as a fact-finding tribunal as well.

Not having sat an exam for about 30 years I found the prospect daunting, and almost enough to put me off. In fact the questions were similar to the decisions I am asked to make on a daily basis in court. It was about principles of law rather than obscure points of law to catch me out.

At the second stage, I had no idea of what was expected in the role-play. In fact most of the scenarios were again the ones I had come across in my work.

I have encouraged people to apply for judicial posts in the past and now having gone through the 'new' process I shall certainly carry on doing so.

# WORKING WITH OTHERS TO WIDEN THE POOL

We recognise that the JAC has a pivotal role in helping to create a more diverse judiciary. We have a statutory duty to 'have regard to the need to encourage diversity in the range of persons available for selection for appointments' (CRA 2005). We place diversity at the heart of all that we do. The JAC focuses its resources on attracting more candidates from under-represented groups (women, black and minority ethnic candidates, disabled candidates and solicitors) to apply for judicial office.

## The JAC's diversity strategy

There are three major strands to our strategy on diversity.

### 1. Fair and non-discriminatory selection processes

Firstly, we have put in place selection processes which enable the best candidates to be selected on merit, irrespective of their background.

**New qualities and abilities to determine merit** – Soon after the JAC was created, we consulted with key interested parties, and developed a new and more straightforward definition of merit, based on five clear qualities and abilities (as outlined earlier). During 2008/09 we looked again at the qualities and abilities to ensure they continue to fully reflect the range of competencies to be tested.

**Equality proofing** – Our selection material is checked by independent equality experts and equality and diversity experts of the Bar Council and the Law Society to make sure there is no discriminatory bias. In 2008/09, 22 formal equality proofing sessions were carried out, covering 11 exercises. Where issues emerged they were dealt with. For example, in one exercise we significantly amended the role-play material because it included colloquial terms, sporting references and stereotyping in the naming of the barristers and defendant.



- Working with others to widen the pool

**Diversity monitoring** – We make a formal analysis of the data at three points during each selection exercise: after applications are received, after shortlisting and after the selection. If there are any anomalies in the progression of candidates from any target group, we take action. The results of this analysis, including the eligible pool for each target group, are published for all selection exercises on the JAC website. Small exercises are aggregated if necessary to protect candidates' confidentiality.

**Qualifying tests** – We believe that qualifying tests are a more objective and therefore fairer way of shortlisting candidates than using paper-based sifts based on self-assessment and references.

**References** – Candidates are normally asked to nominate up to three referees. We do not require a referee to be a judge, only that they

are able to objectively assess a candidate's skills and abilities. In addition the Commission nominates referees which may include the candidate's manager. If a candidate indicates to us it would be awkward if we asked their manager for a reference, we would normally work with them to identify an alternative referee. This flexibility is particularly relevant to solicitors and the employed Bar.

**Reasonable Adjustments policy** – The JAC has a policy to make the selection process as accessible as possible to candidates with a disability and to meet our obligations under the Disability Discrimination Acts 1995 and 2005. In practice this typically means making adjustments to the physical environment for candidates or to a facet of the selection process itself. For example we can normally provide material, at all stages of the process, in Braille or large font. In 2008/09 we made reasonable adjustments on 111 occasions.



The event left me so much better informed generally about judicial appointments than I was before attending.

Attendee, seminar for the Employed Barristers' Committee

## 2. Outreach activity and advertising

The second strand of our strategy is about communication – to make sure our message is reaching the people who should hear it, and that vacancies are advertised appropriately.

**Targeted outreach** – In 2008/09 we focused our outreach activity on running more tailored candidate events for currently under-represented groups. Over the course of the year we have run seminars in Birmingham, Bristol, Leicester, Llandudno, Preston, Reading, Wolverhampton and York, with a total of 19 candidate seminars. These included events hosted jointly with specific organisations, which were exclusive to their members, such as the Employed Barristers' Committee, the Law Society, the Society of Asian Lawyers, the Association of Women Solicitors, the Association of Women Barristers and the Black Solicitors' Network. In September the JAC hosted a seminar for representatives of the Institute of Legal Executives (ILEX), the Institute of Trade Mark Attorneys and the Chartered Institute of Patent Attorneys. The members of these organisations were about to become eligible for the first time for judicial appointment under the Tribunals, Courts and Enforcement Act 2007.

Our candidate outreach events attracted over 1,500 delegates in 2008/09, and feedback has continued to be overwhelmingly positive. This is echoed by letters and emails of thanks from the organisations involved and requests for repeat events in the future.

The JAC attended three exhibitions and provided speakers at a range of conferences and events for groups including the UK Association of Women Judges, the Solicitors

Association of Higher Court Advocates, the Government Legal Service and the Association of District Judges. We also took part in the Lord Chief Justice's conference on a judiciary for the 21st century.

**Raising awareness** – The JAC e-newsletter, *Judging Your Future*, was redesigned in 2008/09 – it is sent electronically to more than 2,000 subscribers. The newsletter provides information on current and forthcoming selection exercises and highlights future outreach activity. Candidates can now register with us to receive an automatic notification when a new vacancy is advertised.

**Advertising** – Advertisements for selection exercises are targeted to encourage strong candidates from a wide range of backgrounds to apply. In 2008/09 we ran advertising campaigns in the national and specialist press and used a range of online media outlets. This year we supplemented our traditional print advertising by, for example, placing adverts in *Link* (published by the Association of Women Solicitors), *Legal Executive* (ILEX's in-house magazine) and on the Black Lawyers Directory website.

We give the Law Society, Bar Council, ILEX and other key groups early notice of forthcoming selection exercises and alert them when a campaign goes live. We also look for opportunities for free advertising and editorial coverage in appropriate print and online publications. This year we agreed with the Tribunals Service that every campaign would be highlighted on the front page of their intranet. We have also established web links with several candidate websites, including those of ILEX and the Law Society.

- Working with others to widen the pool

### **3. Working in partnership to dismantle barriers**

The third strand of our diversity strategy is working with others to break down the barriers that are outside the JAC's direct control. Working in partnership is the key to improving judicial diversity. Many organisations can play their part, but only by coming together can the greatest impact be achieved. The JAC's partnership working is underpinned by two formal structures.

We established the **JAC Diversity Forum** in April 2008 to bring together those organisations capable of effecting change, including the MoJ, the DJO, the Tribunals Judicial Office, the judiciary, the Bar Council, the Law Society, ILEX and the Attorney General's Office. The forum has proved extremely effective by deepening understanding of the issues and identifying barriers to greater progress. It has encouraged co-operation and co-ordination of members' efforts, and each one has taken responsibility for action in their respective areas. There have been a number of specific successes in 2008/09.

For example, the Bar Council's diversity mentors are involved in the design of our outreach events and we have amended our application form to collect useful information to support the judiciary's relaunched Judicial Work Shadowing Scheme.

The JAC works in partnership with the MoJ and the judiciary under the **Trilateral Judicial Diversity Strategy**. We are responsible for two of the strategy's four strands: to encourage a wider range of candidates, and to promote diversity through fair and open processes for selection to judicial office solely on merit.

We will always be dependent on the diversity of the legal profession, as we can only attract and select people who are eligible to apply. Currently, at the more senior levels, the legal profession is not diverse. For example, only around 20–25 per cent of partners in solicitors' firms are women, even though women make up the majority of those entering that branch of the profession. The picture is similar for barristers: women make up 49 per cent of pupils, but only 10 per cent of QCs; 21 per cent of pupils are from a black and minority ethnic background but they make up only four per cent of QCs.



So it is important to highlight structural barriers and work with others to remove them. We know that the Law Society, the Bar Council, ILEX and other representative groups take the issue of diversity in the legal profession very seriously and are implementing wide-ranging plans to address the issues that exist within their particular areas.

There are some other barriers to entering the judiciary that restrict our efforts to encourage diversity and that we continue to challenge. These include: the Lord Chancellor's expectation that candidates for salaried posts will normally have fee paid experience; the lack of opportunity for part-time working for a significant number of posts and restrictions on the eligibility of Government lawyers (those working as legal advisers in government departments, for the Crown Prosecution Service and elsewhere) for certain exercises. The availability of part-time working is particularly critical as our evidence shows many good candidates do not apply if this option is not available. The Lord Chancellor's policy is that all posts below the High Court will be considered for part-time working and we continue to press for this to be available. Importantly, any preference that candidates have to work part-time will not be disclosed until after the selection has taken place, so this choice cannot influence their chances of success.

## Using statistics and research

In 2008/09 we have consolidated our approach to evidence gathering to support sound policy decisions. We commissioned a research project entitled 'Barriers to Application', looking into the reasons why eligible lawyers do not apply for a judicial role. That work has now been completed, and some of the key findings are that:

- Solicitors are much less likely than barristers to see becoming a judge as part of their future career.

- The isolated nature of the role of a judge, the loss of flexibility, the reduction in earnings and the judicial culture are identified as unappealing factors.
- Increasing the availability of part-time working would significantly increase applications.
- It is still widely believed that to become a judge one needs to be a barrister, have the right kind of education, be part of the right social network and know the top judges.

We are taking action with our partners to address these and other issues. We have arranged a diversity seminar in early July 2009 to discuss the results in detail with a range of partners. While some of the findings are not surprising, the objective evidence underpins our actions and ensures that we address the most important issues.

During the year, we have also increased our capability in statistical analysis, and looked in more detail at the diversity statistics for our selection exercises. As well as carrying out statistical analysis at individual exercise level, as part of the quality assurance of the selection process, we are also looking at trends and patterns at aggregate level to understand what is going on. As we enter our fourth year, we have more data and better evidence in relation to diversity than ever before.

In 2008/09 the MoJ decided that the JAC's statistics would be designated as 'official statistics'. This means that from 2009/10 they will be produced and published in accordance with the Code of Practice of the UK Statistics Authority. This is intended to enhance public confidence. Results from 2008/09 will still be published under the old system; the annual statistical release for 2009/10 will be the first to be developed and issued in line with the new approach.

## Towards a more diverse judiciary

Progress is being made. We are continuing to attract a good level of applications from members of under-represented groups, and our research, 'Barriers to Application', will help to direct our efforts to areas where they will produce more benefit.

Five of the 22 candidates selected for appointment in the 2008 High Court selection exercise were women. When appointed this will bring the total to 17 women on the High Court Bench (out of 108) – the highest number ever and an increase of over 50 per cent since the JAC was created. It should be noted that of the pool of people currently eligible to apply from the higher levels of the legal profession only 21 per cent are women and just five per cent are from a black and minority ethnic background.

In the 2008 selection exercise to recruit 22 members of the Mental Health Review Tribunal, black and minority ethnic candidates were selected in proportion to the eligible pool, half of selections were women and three quarters were solicitors. This demonstrates how an exercise with few restrictions on eligibility and a diverse pool of candidates to draw from can result in a diverse set of selections.

## Attracting a wider range of applicants

Women and black and minority ethnic candidates are now applying in proportion to the numbers that are eligible. We are, it appears, becoming more successful in communicating to candidates that the JAC will assess them purely on merit. The task now is to ensure that they are applying at the right stage of their career, are well prepared for and have the networks to support them through the selection process. The JAC will continue to work with those bodies that can help ensure these things happen. For example, if a candidate undertakes a work-shadowing opportunity of the type now provided by the judiciary, they will be in a better position to assess whether the time is right to apply, having seen the work of a judge on a day-to-day basis at close quarters.

We receive fewer applications from solicitors than we would expect from the numbers who are eligible. Anecdotal evidence suggests that this is because some solicitors' firms do not support applications from their associates or partners. We are therefore working with the Law Society to convey the message that there can be benefits to a solicitors' firm if one of their solicitors takes up a fee paid judicial position.

It is difficult to assess accurately our progress in attracting disabled candidates. The numbers are naturally smaller and the Law Society and Bar Council do not, as a matter of course, hold data on members' disability. As a result we cannot define the eligible pool for disabled candidates for each exercise. We are working with the Law Society, the Bar Council and ILEX to attract talented disabled candidates.

In all these ways we aim to help ensure that we receive good numbers of applications from our target groups and that these are turned into good numbers of selections.

# OUR ORGANISATION

**Our Commissioners and staff are crucial to our performance. We ensure that they are trained and supported, that we identify and meet recruitment needs and that staff are engaged with the organisation.**

## Our staff

JAC staff work in partnership with the Chairman and other Commissioners, who are the board of the JAC. The Commission is committed to ensuring that our staff are supported and have the appropriate skills, knowledge and experience to deliver the administration of all selection exercises, corporate services, policy and communication activities.

The JAC's staffing strategy is to directly employ our own staff. Initially, nearly all our staff were seconded civil servants from the then Department of Constitutional Affairs (now MoJ), to facilitate our start-up and because our future location was not at that time certain. Further staff joined on secondment or loan until we could employ our own staff. Nearly all of the initial operational staff have now left the JAC, or have secured JAC jobs through competition. In total 29 staff left the JAC during 2008/09 when their secondments or loans ended. We worked actively with MoJ to ensure that these staff, many of whom had helped the organisation in its formative days, returned to suitable roles, and that the process for doing this was well managed.

We have been able to employ our own staff since the JAC terms and conditions were agreed by the Lord Chancellor in November 2007. Successful candidates have been identified from our own external recruitment,

which started in January 2008. During 2008/09 we managed 32 recruitment campaigns, and 40 staff took up jobs in the year.

During the year we developed the arrangements for Civil Service staff on secondment or loan, who had competed for their jobs, to move over and become JAC employees. As the JAC is a non-departmental public body, our employees are public servants.

At 31 March 2009 the JAC had 105 staff in total. 58 (55 per cent) were direct employees. The JAC had an average of 107 full-time equivalent staff during 2008/09 (excluding Commissioners and panel members).

## Staff engagement

The JAC clearly defines staff responsibilities and agrees challenging objectives. Feedback is provided to staff on how they are doing, as is recognition and reward for a job well done. In return, we expect all our staff to take responsibility for their actions, learn from things that don't go well, use feedback to improve their performance and to identify where improvements and efficiencies can be made.

Regular attendance by staff is important to achieve objectives. Our level of sickness absence is falling, but the JAC lost an average of 10.95 days per full-time equivalent member of staff in 2008/09. As a small organisation,

One thing I value most about the JAC is the collegiate feel... the way we all work to get the best possible outcome.

Sara Nathan, JAC Commissioner

the unfortunate long-term sickness (four weeks or more) of a small number of staff had a disproportionate effect. Short-term sickness accounted for 4.08 days per full-time equivalent member of staff. We monitor sickness absence trends, interview staff when they return to work, and keep in touch with staff who are away for longer, to identify what we need to do to help individuals back to work and prevent future absences.

We surveyed the opinions of our staff in the period December 2008 to January 2009. The 79 per cent response rate was well above the national average of 69 per cent. And, at around 50 per cent, the engagement index was pleasing. The engagement index is the comparison that will be made across public sector organisations as they undertake surveys in this form. The index uses scores on what staff say about the organisation, how much they strive for it and whether they want to stay. National comparison is not yet available – as a comparator the overall MoJ index is 37 per cent.

We take all staff feedback seriously, aim to build on the positive aspects from the survey and make continual improvements, including by working with our Staff Forum.



## Developing our staff

New staff are inducted into the JAC and trained in our selection processes. The *JAC Induction Manual* is a key resource in explaining to staff how we work. Staff and their managers use a checklist to make sure important points are explained in the early days and weeks. All new staff have clear objectives and an induction plan.

We provide a training programme for staff covering all aspects of the JAC's role in selecting judges. Staff use training materials and work through them with the support of a coach (an experienced member of staff), so that they can learn in their own time and at their own pace.

For new staff working in selection exercise teams, the training programme includes visits to courts and tribunals and shadowing judicial office-holders. This reflects the importance we place on staff understanding the impact and context of their work.

The JAC intranet, which was launched at the start of 2008, aids communication and provides information and links for all staff, enabling them to access the latest information on a wide range of issues, from the selection process to HR information.

## Organisation structure

Towards the end of 2008/09, the JAC organised into five directorates, separating out operational services from other directorates. This is a more effective structure, allowing the two 'appointment' directorates to focus on delivering the selection exercises, drawing on vital support functions from the new, separate Operational Services Directorate.

The Courts Appointments Directorate and Tribunals Appointments Directorate manage selection exercises. The Operational Services Directorate provides help to candidates and administrative support to the teams that run selection exercises, manages the overall selection exercise programme and implements changes in selection processes. The Strategy and Outreach Directorate develops selection process policy, promotes diversity and runs seminars for those thinking of applying. The Corporate Resources Directorate ensures the provision of business services, such as HR, finance and facilities.

The JAC is managed by its Leadership Team, comprising the Chief Executive and five Directors, which works closely with the Commissioners, their working groups and committees.

‘Your staff have well and truly met the standards you have set yourselves. The exercises have not been easy but they shouldn't be ... they have really drilled down to seek to unearth the necessary aptitudes.’

Leo Pyle, Recorder Midland exercise

## Leadership Team



### Chief Executive

Clare Pelham was appointed in February 2006. She previously worked in the public sector at the Home Office, Cabinet Office and HM Treasury and was on the board of HM Prison Service. She has also worked in the private sector at IBM and on the board of Coca-Cola GB and Ireland.



### Director of Courts Appointments

Jane Andrews joined the JAC from HM Revenue and Customs in September 2007. She has a background

as a tax specialist, and more recently in organisational change management. She has also worked for the NHS Ombudsman.



### Director of Tribunals Appointments

Sarah Gane joined the JAC in March 2009. She was previously head of the Tribunals

Services Administrative Support Centres in Leicestershire. Alongside managing the day-to-day running of the centres she also provided the jurisdictional lead on asylum and immigration and mental health for the Tribunals Service. This included experience in forecasting judicial requirements and assigning new judges into the Tribunals business.

*Our previous Director of Tribunals Appointments, David Truscott, returned to the Home Office in 2008, after his secondment to the JAC. During the year an interim director, Susan Bush, provided additional leadership to our Candidate Services Team, and managed the Tribunals Appointments Directorate until our new director started work.*



### Director of Operational Services

John Rodley joined the JAC in February 2009. His first career was in the Royal Navy, where he undertook a wide variety of appointments at sea, in the UK and overseas, before leaving to become the Justices' Chief Executive in Suffolk in 2001. When Her Majesty's Courts Service was created, he became the new Area Director of Suffolk. More recently, he has become involved with a number of charities and is a trustee of Concordia, a charity placing young people with volunteer projects.



### Director of Strategy and Outreach

Nigel Reeder joined the JAC in March 2008 from the MoJ, where he developed the Government's policy on legal services reform and led the subsequent Bill team. Previously he worked for the Ministry of Defence.



### Director of Corporate Resources

Sue Martin joined the JAC in August 2007 from the Government Office for the East of England, where she was Head of Corporate Development. She had previously worked in specialist accountancy and audit roles in the Home Office and the Department for Education and Skills.

## Governance

The JAC *Framework Document* sets out the relationship with our sponsor ministry (MoJ) and the framework within which the JAC operates.

The Commission and the Leadership Team provide strategic oversight and approve and monitor the implementation of JAC policies and procedures to ensure good governance.

The Leadership Team reports to the Commission every quarter on progress in delivering Business Plan objectives, on risks and how they are managed and on the financial position. The JAC then makes a quarterly report to the MoJ.

The JAC Audit and Risk Committee scrutinises the governance arrangements applied by management and advises the Chief Executive and the Commission.

The Internal Audit programme focuses on areas of risk and provides assurance to the Commission and the Chief Executive about the extent to which risks are controlled.

During the year, we have improved governance by:

- working further with each directorate on risk management, including training staff in identifying risks
- our directors reviewing compliance with guidance, and reporting exceptions and how they have been managed
- publishing the *JAC Financial Management Guide* for staff, which helps us achieve value for money.

We were pleased to receive a high assurance rating from Internal Audit for our governance, risk management and control arrangements.



## Information and data security

There has been a great deal of publicity about cases of lost or misplaced information and data from both the public and private sectors. In response, the Cabinet Office published the Government's Security Policy Framework (SPF) for all central government departments and 'arms-length' bodies such as the JAC. The SPF sets out the mandatory arrangements for protection of information and data. The JAC has built on a strong security culture and ensured that the core mandatory measures are in place, receiving a positive audit report towards the end of 2008/09.

## Shared services

The JAC uses some of the MoJ's services, in accordance with government good practice. Each service is agreed and managed through a memorandum of understanding between the JAC and the MoJ service delivery team. The services used in 2008/09 were:

- **finance:** payroll, payments, accounts and reporting packages and services
- **procurement:** expert advice on procurement and contracts

- **IT products and services:** providing and maintaining IT desktop and security services, and infrastructure for telephony and records management
- **facilities management:** providing our accommodation and managing other facilities
- **safety and security:** advice and services on health and safety and security
- **HR:** specialist advice and services, and use of the MoJ's recruitment and people services service centre
- **communications:** advice on internet and intranet development
- **legal:** a range of services from lawyers in the MoJ
- **internal audit:** professional internal audits and advice.

During 2008/09 we reviewed our service provision and requirements quarterly with each service delivery team, discussing and agreeing areas where changes were needed. The JAC also raised other requirements and problems with HR and IT services when these arose, to improve the services provided to the JAC and ensure value for money.

# PART 3: ANNUAL ACCOUNTS 2008/09



# DIRECTORS' REPORT

## Introduction

The Judicial Appointments Commission (JAC) was launched on 3 April 2006, as part of the changes brought about by the Constitutional Reform Act 2005. (See Part 1: Introduction for more details.) For the purposes of this report, directors are defined as those who influence the decisions of the JAC as a whole, including Commissioners and the Leadership Team. Commissioners and members of the Leadership Team who served during 2008/09 are set out in the Remuneration Report, page 52.

## Statement of the accounts

The financial statements for the period 1 April 2008 to 31 March 2009 have been prepared in a form directed by the Lord Chancellor with the approval of the Treasury in accordance with paragraph 31(2) of Schedule 12 to the Act.

## Equal opportunities and diversity

The JAC promotes equal opportunities, both in the selection of candidates for judicial office and in the recruitment, training and promotion of staff. The JAC Single Equality Scheme covers all aspects of inclusion and equal opportunity and explains how we meet our statutory duties in relation to disability, gender and race.

The consideration and implementation of reasonable adjustments is fully integrated in to the work of the JAC in relation to our dealings with both judicial candidates and our own staff.

## Employee involvement and wellbeing

The JAC works directly with staff through regular meetings between directors and team leaders, and between team leaders and staff. In addition, each directorate holds a meeting for all their staff, where information from Commission meetings and Leadership Team meetings is discussed. All staff are encouraged to ask about organisational issues and how these relate to themselves and their work. As noted earlier, many of the JAC staff are seconded from other government departments. All communications on issues such as terms and conditions are relayed to those staff by their parent department.

During the year we updated our health and safety policy, setting out our responsibilities in the *Statement of Intent*, and published it on our intranet for staff. We communicate other health and safety information to staff through the intranet and by notices. Members of the Leadership team attended training in Safety for Senior Executives and the JAC Competent Person completed his training successfully in 2008/09. The JAC has first aiders and fire wardens in place. Health and safety co-ordinators meet regularly with the Competent Person as a working group, to identify issues and review progress and the JAC also attends a quarterly Health and Safety building committee. The JAC's health and safety management systems were audited in February 2009 by the Ministry of Justice (MoJ) Corporate Health and Safety branch with positive results confirming a strong awareness of health and safety issues. No health and safety incidents were reported during the year.

In November 2008 the JAC set up a Staff Forum comprising up to ten staff representatives from all parts of the organisation. The Forum's aim is to make use of the diverse experience and expertise of JAC staff to improve our performance and working life. This includes establishing and managing a staff suggestion scheme, helping devise staff opinion surveys and taking forward actions from them and promoting good practice and successes. The Forum met three times during the year.

As mentioned on page 42, the JAC surveys the opinions of staff annually and acts on the results.

## Timeliness in paying bills

The JAC aims to pay all properly authorised and undisputed invoices in accordance with contractual conditions or, where no such conditions exist, within 30 days of the presentation of a valid invoice. For the financial year 2008/09 96% (2007/08: 96%) of invoices were paid within this timescale, based on the start of processing at our accounting services provider. No interest was paid under the Late Payment of Commercial Debts (Interest) Act 1998.

## Pension liabilities

Details regarding the treatment of pension liabilities are set out in note 2 to the financial statements, page 66.

## Significant outside interests

In accordance with the Code of Conduct for the Judicial Appointments Commissioners, a register of financial and other interests was maintained and updated throughout the year by the Commissioners' Secretariat, who can be contacted at the offices of the JAC, Steel House, 11 Tothill Street, London SW1H 9LH.

## Auditors

Under paragraph 31(7) Schedule 12 of the Constitutional Reform Act 2005, the Commission's external auditor is the Comptroller and Auditor General. The cost of the audit is disclosed in note 3 to the financial statements, page 67, and relates solely to statutory audit work.

So far as the Accounting Officer is aware, there is no relevant audit information of which the external auditors are unaware.

The Accounting Officer has taken all steps that she ought to have taken to make herself aware of any relevant audit information, and to establish that the JAC's auditors are aware of that information.

The JAC Framework Document requires that internal audit arrangements should be maintained in accordance with the Treasury's Government Internal Audit Standards. The MoJ Internal Audit (IA) service provides an independent and objective opinion to the Accounting Officer on the adequacy and effectiveness of the organisation's risk management, control and governance arrangements through a dedicated internal audit service to JAC. IA is also represented on the JAC Audit and Risk Committee, which provides oversight on governance and risk management.

## Significant post-year-end events

Post-balance-sheet events, of which there are none, are set out in note 15 to the financial statements, page 70.

## Likely future business developments

Likely future developments and how they will affect our business are set out in the Management Commentary, page 50.

# MANAGEMENT COMMENTARY

## Financial review

### Accounting standards

The financial statements for the JAC are prepared in accordance with the Treasury's *Financial Reporting Manual* and applicable accounting standards.

### Commentary on the accounts

In 2008/09 the JAC was asked to make more selections than in 2007/08 and received many more applications for selection exercises. The costs of processing large numbers of candidates are reflected in the Income and Expenditure Account, which shows that total operating costs for the year were £10.539 million, compared with £8.943 million the previous year, a 17.8 per cent increase. Operating charges (including the costs of panellists, accommodation and IT for qualifying tests, and actors for role-play) increased by £0.675 million (43.7 per cent) and employment costs increased by £0.484 million (8.9 per cent).

Employment costs include the irrecoverable VAT that has to be paid on the employer's salary costs of those staff seconded from other government departments. Costs for seconded staff of £3.120 million, and interim staff of £0.867 million reduced by just over £1 million, from 2007/08 (20 per cent), reflecting the increase in numbers of staff employed directly by the JAC. The amount due to the MoJ at the year-end mainly represents the cost of seconded staff supplied to the JAC by the MoJ.

Total expenditure, with 'soft' charges and non-cash charges excluded, was £8.143 million compared with grant-in-aid of £8.148 million, an underspend of £5k (0.06 per cent).

The JAC continues to make extensive use of shared services for central functions, offered by the MoJ, to benefit from economies of scale. These costs are generally 'soft' charged, with no funds exchanged, although some are 'hard' charged. Further details of the 'soft' charges may be found in note 4 to the financial statements.

The closing bank balance relates to grant-in-aid drawn down by the JAC in readiness to pay its liabilities.

## Development and performance

### Overview of the year

As described in Part 2 of the Annual Report, the JAC managed 37 selection exercises in 2008/09. We managed over 3,500 applications (an increase of almost 40% from 2007/08) and absorbed the processing of an increased number of applications with better use of IT and flexible staffing. In 2008/09 the JAC made 449 selections.

We have delivered fair and non-discriminatory selection processes and worked with others to encourage more diverse selections. The JAC has targeted outreach to under-represented groups and commissioned research into why some eligible lawyers do not apply to become judges. The JAC Diversity Forum brings together organisations (such as the Bar Council, the Law Society and MoJ) to take collective action to change institutional practices.

The JAC has key relationships with the MoJ, as sponsoring department, the Lord Chancellor, the Lord Chief Justice, the Tribunals Service and Her Majesty's Courts Service.

Members of the judiciary participate in each element of the selection exercise process, such as setting test exercises and participating as interview panel members. As disclosed in the Remuneration Report, the services of judicial Commission members, as well as the judiciary, are provided without charge.

There were no losses of personal data during the year.

### Progress in relation to corporate objectives

For further details of the progress made by the JAC against the strategic objectives set out in the 2008/09 Business Plan, see Appendix 2: JAC Annual Performance Summary 2008/09.

### Forward look and future developments

The level of grant-in-aid provided by MoJ will decrease from £8.148m in 2008/09 to £7.610m in 2009/10. The Corporate and Business Plan 2009/10 to 2011/12 gives further details of the exercises that will be run in 2009/10 and the priorities that the Commission has set for policy and process development.

We will also contribute to the consideration of any legislation dealing with judicial appointments that may be introduced by the Government, and any proposals from the Lord Chancellor's Advisory Panel on judicial diversity and any other relevant initiative.

## Principal risks

The principal risks for the JAC, set out in the corporate risk register and agreed by directors, are currently:

- **Delay in completing selection exercises** We rely on being provided with an accurate, timely and comprehensive vacancy notice from business partners before we can commence each selection exercise. Late receipt of required information can result in delay and a possible failure to deliver the selection exercise programme agreed at the beginning of the year with those business partners.
- **Insufficient numbers of trained staff** We need well trained and highly motivated staff, in order to achieve our business objectives. This risk relates to turnover and sickness issues, affecting the quality of work and customer service and ultimately impacting on all corporate objectives. A large influx of new staff in the year, due to ending of the last tranche of secondments, has raised the importance of induction training further.
- **Wider Pool** We may not attract good candidates from under represented groups, due to a limited pool of eligible applicants, and to the perceptions that some good quality candidates may have about the attractiveness of a judicial career.
- **Poor provision of shared services by MoJ** We are dependent on the MoJ to provide us with a number of corporate services, for example, HR, IT and Procurement. If the service provided falls short of what is acceptable then this puts the achievement of our objectives at risk. Particular areas of risk are HR services on which we depend to allow us to recruit staff and IT services, including our website, on which we depend to provide and maintain systems to carry out our selection work.
- **Communications** Our Key Interested Parties (KIPs) may not be clear on the JAC's remit, performance or progress, caused by inadequate/ineffective/misdirected communications and/or parties not correctly assimilating the messages. This could result in a low level of KIP knowledge, unrealistic expectations, loss of confidence and reputational damage.
- **Selection Exercise Error** The risk of a major selection exercise error which results in possible unfairness to candidates and damage to JAC's reputation. This can be caused either by failure to follow agreed processes or by inappropriate judgements being made if processes do not cover specific circumstances.

The Leadership Team constantly monitors these risks (via the Corporate Risk Register), takes action to ensure that the risks are, to the extent possible, mitigated and reports to the Commission. The Audit and Risk Committee monitors and discusses the Risk Register and the actions taken with the Leadership Team each quarter. The Statement on Internal Control provides a description of the key elements of the risk and control framework.

## Going concern

The Income and Expenditure Account shows a deficit in 2008/09. Due to grant-in-aid funding the Balance Sheet at 31 March 2009 shows an excess of assets over liabilities of £0.206 million.

We know of no intention to suspend the JAC's activities. It has therefore been considered appropriate to adopt a going concern basis for the preparation of these financial statements. Grant-in-aid for 2009/10, taking into account the amounts required to meet the JAC's liabilities, has already been included in the departmental estimate.

## International Financial Reporting Standards

The JAC, as with all Government bodies will be implementing International Financial Reporting Standards (IFRS) from 2009/10. This is being achieved through a series of Trigger Points that have been established by HM Treasury. The JAC is well prepared for this transition and has met the Trigger Points so far. IFRS is not expected to have a material impact on the JAC.

## Environmental, social and community matters

JAC staff are encouraged to be conscious of sustainability and energy-saving issues. For example, bins are prominent for recycling paper, plastics and cans. Printers are set up to default to double-sided printing and PCs and monitors are checked to ensure they are switched off when not in use.

Staff support a local charity, St. Christopher's Hospice, and up to the end of March 2009 have raised £3,500 for this charity. We will continue to undertake fundraising events and participate in events organised by the charity.

# REMUNERATION REPORT

This Remuneration Report has been prepared in accordance with the Companies Act 1985 section 243B and Schedule 7A as interpreted by the Government's *Financial Reporting Manual*. It summarises JAC policy on remuneration as it relates to Commissioners and members of the Leadership Team.

The two principal features of this report are:

- a summary and explanation of the JAC's remuneration and employment policies and the methods used to assess performance
- details of salaries, benefits in kind and accrued pension entitlement (details of remuneration and benefits are set out in the tables within this report and have been subject to audit by the Comptroller and Auditor General under the Constitutional Reform Act 2005).

## Remuneration policy

The Lord Chancellor, under the provisions of the Constitutional Reform Act 2005, approves the appointment of the Chief Executive of the JAC and the terms and conditions for staff and Commissioners. Independent panels select the Chairman and 11 Commissioners following full and open competitions. The Judges' Council selects three Commissioners, all of whom are either a judge of the Court of Appeal or a High Court judge, and at least one of each.

## Leadership Team

Members of the Leadership Team are public servants on fixed terms contracts, or are civil servants seconded to the JAC from the MoJ, the Home Office and Her Majesty's Revenue & Customs. The terms and conditions of their appointments, including termination payments, are governed by their contracts.

The remuneration of senior civil servants, which the JAC also applies to public servants at that level, is set by the Prime Minister following independent advice from the Review Body on Senior Salaries. The Review Body also advises the Prime Minister from time to time on the pay and pensions of Members of Parliament and their allowances; on peers' allowances; and on the pay and pensions and allowances of Ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975. In reaching its recommendations, the Review Body is to have regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities

- regional/local variations in labour markets and their effects on the recruitment and retention of staff
- government policies for improving public services, including the requirement on departments to meet the output targets for the delivery of departmental services
- the Government's inflation target.

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations. Further information about the work of the Review Body can be found at [www.ome.uk.com](http://www.ome.uk.com).

## Service contracts

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

Unless otherwise stated below, the Leadership Team members covered by this report hold appointments, which are governed by their contracts. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

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

## Appointments

The Leadership Team during 2008/09 and details of their contracts are set out on page 55.

Commissioners are public appointees, and they provide strategic direction to the JAC and select candidates for recommendation for judicial office to the Lord Chancellor.

The JAC has also appointed panel chairs and independent panellists. Panel chairs and panellists are used when required to assess candidates and panel chairs provide a summary report on candidates' suitability for selection, for Commissioners. These panellists are paid a fee for each day worked and are entitled to reimbursement for travel and subsistence. The taxation on such expenses is borne by the JAC. They do not have any pension entitlements.

## Commissioners

Commissioners are appointed for fixed terms in accordance with Schedule 12 of the Constitutional Reform Act 2005. No Commissioner may serve for periods (whether or not consecutive) for longer than 10 years.

Commissioners, excluding the Chairman and those who are members of the judiciary, are paid

an annual fee of £12,000 (£12,000 in 2007/08) in respect of three days' service a month. The fee is neither performance-related nor pensionable. If Commissioners work additional days, these are paid at £400 per day. Any increase in the level of fees is at the discretion of the Lord Chancellor. Commissioners who are in salaried state employment, including judges, receive no additional pay for their work for the JAC.

## Appointments

The members of the Commission during 2008/09 and details of their appointments are set out below.

	Date of appointment	Length of term
<b>Chairman</b> Baroness Prashar CBE	12/09/2005	5 years
<b>Commissioners</b>		
Mrs Justice Black DBE (joined 01/10/08)	01/10/2008	5 years
Dame Lorna Boreland-Kelly DBE JP FRSA	01/02/2006	5 years
Professor Dame Hazel Genn DBE	01/02/2006	4 years
Mr Justice Goldring (left 30/09/2008)	01/02/2006	5 years
Lady Justice Hallett DBE	01/02/2006	5 years
Sir Geoffrey Inkin OBE	01/02/2006	4 years
Judge Frances Kirkham	01/02/2006	4 years
Mr Edward Nally	01/02/2006	4 years
Ms Sara Nathan OBE	01/02/2006	4 years
Judge Charles Newman	01/02/2006	5 years
Judge David Pearl	01/02/2006	5 years
Mr Francis Plowden	01/02/2006	5 years
Ms Harriet Spicer	01/02/2006	5 years
Mr Jonathan Sumption OBE QC	01/02/2006	5 years
Lord Justice Toulson	01/10/2007	5 years

### Commissioners' remuneration

The Commissioners' remuneration for the year is as shown below:

		2008/09	2007/08
	Remuneration £000	Expenses £000	Total £000
Mrs Justice Black DBE (joined 01/10/08)	-	-	-
Dame Lorna Boreland-Kelly DBE JP FRSA	26	2	28
Professor Dame Hazel Genn DBE	16	-	16
Mr Justice Goldring (left 30/09/2008)	-	-	-
Lady Justice Hallett DBE	-	-	-
Sir Geoffrey Inkin OBE	14	6	20
Judge Frances Kirkham	-	-	-
Mr Edward Nally	18	7	25
Ms Sara Nathan OBE	17	-	17
Judge Charles Newman	-	-	-
Judge David Pearl	-	-	-
Mr Francis Plowden	14	-	14
Ms Harriet Spicer	12	-	12
Mr Jonathan Sumption OBE QC	12	-	12
Lord Justice Toulson	-	-	-
<b>Total</b>	<b>129</b>	<b>15</b>	<b>144</b>
			<b>133</b>

In the above table, remuneration includes payments to Commissioners for acting as panellists in selection exercises.

### Expenses and benefits in kind

All Commissioners are reimbursed for their travel and subsistence costs incurred in attending Commission business at Steel House and elsewhere. Since non-judicial Commissioners are deemed to be employees of the JAC, the amounts of these reimbursements are treated as benefits in kind and are disclosed in the table above. The taxation on such expenses is borne by the JAC. There are no other benefits in kind.

### Staff

Towards the end of 2007/08 the JAC developed its own terms and conditions for its staff, and has been working to move staff who were on secondment from other government departments to the JAC. At the end of 2008/09, the JAC employed 43 permanent staff (8 at March 2008) on its own terms and conditions with a further 15 on fixed term contracts. For a breakdown of average staff numbers see note 2 to the accounts.

### Appointments

The members of the Leadership Team during 2008/09 and details of their appointments are set out below:

		Date of appointment	Contract	Leaving date
Chief Executive	Clare Pelham	07/02/2006	Secondment: 5 years 9 months	
<b>Directors:</b>				
Operational Services	John Rodley	04/02/2009	Fixed Term Contract: 4 years	
Courts Appointments	Jane Andrews	17/09/2007	Secondment: 3 years	
Tribunals Appointments	David Truscott	29/08/2006	Secondment: 4 years	30/06/2008
	Susan Bush	06/03/2008	N/A (appointed on a temporary basis, as an interim member of staff)	26/03/2009
	Sarah Gane	30/03/2009	Fixed Term Contract: 4 years	
Strategy and Outreach	Nigel Reeder	31/03/2008	Secondment: 4 years	
Corporate Resources	Sue Martin	20/08/2007	Secondment: 4 years	

### Remuneration of Leadership Team, including the Chairman

The salary (including bonuses) of the Leadership Team at the JAC, including the Chairman, were as follows:

	2008/09		2007/08	
	Salary £000	Benefits in kind (to nearest £100)	Salary £000	Benefits in kind (to nearest £100)
Baroness Prashar	90-95	-	90-95	-
Clare Pelham	100-105	-	110-115	-
John Rodley	10-15 <sup>1</sup>	-	-	-
Jane Andrews	85-90	-	35-40 <sup>5</sup>	-
David Truscott	15-20 <sup>2</sup>	-	75-80	-
Susan Bush	- <sup>3</sup>	-	-	-
Sarah Gane	0-5 <sup>4</sup>	-	-	-
Nigel Reeder	60-65	-	0-5 <sup>6</sup>	-
Sue Martin	75-80	-	40-45 <sup>7</sup>	-

Notes:

1. Figure quoted is for 4 February 2009 to 31 March 2009. The full year equivalent is in the range £75-80k
2. Figure quoted is for 1 April 2008 to 30 June 2008. The full year equivalent is in the range £70-75k
3. Susan Bush was an interim member of staff and did not receive a salary or pension benefits during the year. The cost to the JAC in the period to 31 March 2009 for her services was £192k including VAT (£13k in 2007/08).
4. Figure quoted is for 30 March 2009 to 31 March 2009. The full year equivalent is in the range £65-70k
5. Figure quoted is for 17 September 2007 to 31 March 2008. The full year equivalent is in the range £70-75k.
6. Figure quoted is for 31 March 2008 only. The full year equivalent is in the range £55-60k.
7. Figure quoted is for 20 August 2007 to 31 March 2008. The full year equivalent is in the range £70-75k.

Salary includes gross salary; performance pay or bonuses; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This presentation is based on the cash payments made in the year by the JAC. The disclosure for 2007/08 may be different to the figure in last year's accounts due to a change from an accruals to a cash basis.

### Benefits in kind

Leadership Team members have no entitlement to benefits in kind. In 2008/09 no member of the Leadership Team received any benefits in kind.

### Pension entitlements

The following sections provide details of the pension interests of the Leadership Team and Chairman of the JAC.

#### Pension Benefits

The pension entitlements of the Leadership Team, including the Chairman were as follows:

	Total accrued pension at pension age as at 31/03/2009 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at 31/03/09 £000	* CETV at 31/03/08 £000	Real increase in CETV £000	Employer Contribution to partnership pension account £000
Baroness Prashar	10-15 plus lump sum of 35-40	0-2.5 plus lump sum of 0-2.5	291	260	17	-
Clare Pelham	30-35 plus lump sum of 100-105	(0)-(2.5) plus lump sum of (0)-(2.5)	578	545	(8)	-
John Rodley (from 04/02/2009)	0-5 plus lump sum of 0-5	0-2.5 plus lump sum of 0-2.5	4	0	4	-
Jane Andrews	25-30 plus lump sum of 85-90	0-2.5 plus lump sum of 0-2.5	472	428	10	-
David Truscott (until 30/06/2008)	25-30 plus lump sum of 85-90	0-2.5 plus lump sum of 0-2.5	508	507	-	-
Sarah Gane (from 30/03/2009)	10-15 plus lump sum of 30-35	0-2.5 plus lump sum of 0-2.5	147	132	6	-
Nigel Reeder	25-30 plus lump sum of 75-80	2.5-5 plus lump sum of 7.5-10	483	399	55	-
Sue Martin	25-30 plus lump sum of 75-80	0-2.5 plus lump sum of 2.5-5	416	364	24	-

\*The figure may be different from the closing figure in last year's accounts. This is due to the CETV factors being updated to comply with The Occupational Pension Schemes (Transfer Values)(Amendment) Regulations 2008.

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 CETV figures are provided by approved pensions administration centres, who have assured the JAC that they have been correctly calculated following guidance provided by the Government Actuary's Department.

#### Civil Service Pensions

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

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

Employee contributions are set at the rate of 1.5 per cent of pensionable earnings for classic and 3.5 per cent for premium, classic plus and nuvos. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for

service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3 per cent of their pensionable earnings in that scheme year and immediately after the scheme year end, the accrued pension is uprated in line with the RPI. In all cases, members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

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

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

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

### Cash equivalent transfer values

A cash equivalent transfer value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

### Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation or 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.

### Signed on behalf of the Judicial Appointments Commission



**Clare Pelham**  
Chief Executive  
Judicial Appointments Commission  
30 June 2009



**Baroness Prashar**  
Chairman  
Judicial Appointments Commission  
30 June 2009

# STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

Under the Constitutional Reform Act 2005, the Lord Chancellor with the consent of HM Treasury has directed the Judicial Appointments Commission (JAC) to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the JAC and of its income and expenditure, recognised gains and losses, 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 Lord Chancellor 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; and
- prepare the accounts on a going concern basis.

The Accounting Officer of the Ministry of Justice has designated the Chief Executive as Accounting Officer of the JAC. 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 the JAC's assets, are set out in *Managing Public Money* published by HM Treasury.

# STATEMENT ON INTERNAL CONTROL

## Scope of responsibility

As Accounting Officer and Chairman of the JAC we have joint responsibility for maintaining a sound system of internal control that supports the achievement of the JAC's policies, aims and objectives, whilst safeguarding the public funds and JAC assets for which we are responsible, in accordance with the responsibilities assigned to us in *Managing Public Money*.

The JAC is a non-departmental public body established by the *Constitutional Reform Act 2005*. Our responsibility to ensure compliance with the requirements of the JAC's Funding Agreement with the Ministry of Justice (MoJ) is supported by regular meetings we have with the Lord Chancellor. These meetings: include discussion on the progress we have made in meeting our strategic objectives; help formulate our future business direction; and highlight the inherent risks and opportunities in implementing our policies. The meetings are supplemented by a regular dialogue with MoJ officials.

## The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the JAC's policies, aims and objectives; to evaluate the likelihood of those risks being realised and the impact should they be realised; and to manage the risks efficiently, effectively and economically. The system of internal control has been in place in the JAC for the year ended 31 March 2009 and up to the date of the approval of the Annual Report and Accounts, and accords with HM Treasury guidance.

## Capacity to handle risk

As Accounting Officer and Chairman of the JAC we have overall responsibility for ensuring the JAC is committed to high standards of corporate governance – including the need for an effective risk management system and internal control environment – which is fundamental to our success. We are accountable for the overall operational management of the risk management and internal control systems, and have responsibility to delegate

specific corporate risks to individual members of the Leadership team as appropriate. All managers have responsibility for the effective management of operational risks that may impact on the efficient and effective delivery of objectives.

The Board of Commissioners is supported by the Audit and Risk Committee in monitoring the key risks to achieving our strategic objectives through quarterly updates of the corporate risk register from the Leadership team. Commissioners have delegated to the Audit and Risk Committee responsibility for advising on the adequacy and effectiveness of risk management and internal control, including the risk management process. The Audit and Risk Committee reviews progress on risk management at each of their quarterly meetings.

All staff have been informed of their responsibility for managing risk and new staff receive a copy of the Risk Management Policy and Risk Framework in their induction pack. Virtually all existing members of staff (at all grades) and new members of staff within the JAC have attended a half-day Risk Identification Workshop. Representatives from our sponsoring department, Ministry of Justice, have also attended these workshops. The workshops were facilitated by the Risk Improvement Manager (RIM) and commenced with an interactive session on the principles of risk management. These sessions also included information on useful guidance material and a group review of a risk register. The aim was to further embed risk management at all levels within the organisation, not just for more senior grades. Each team has subsequently produced its own risk register or has specific risks identified for them in their directorate risk register. Separate selection exercise risk registers are also produced for each separate selection exercise undertaken. These registers are being used and regularly updated. The RIM has also attended directorate team heads' meetings to discuss risk, including policies, guidance and where assistance can be sought.

## The risk and control framework

JAC's Risk Policy and Framework defines what is meant by risk and risk management, outlines the key principles underpinning the JAC's approach to risk management and explains the risk management processes and the roles and responsibilities of staff. The Framework aims to achieve best value for money in delivering services, by balancing the costs and benefits of either reducing or accepting those risks that have been highlighted. Key to this is the need to identify those strategic risks that threaten to impact on the successful delivery of the JAC's corporate

## ● Statement on Internal Control

objectives. These may be risks to the JAC's reputation, business operations, programmes or activity associated with business innovation or development.

The JAC has a hierarchy of risk registers: the corporate risk register identifies strategic risks and the directorate, team and selection exercise risk registers identify risks to the achievement of our business objectives at operational level. Detailed risk registers are in place to oversee the management of the corporate risks of health and safety and information.

New or emerging risks are identified throughout the year. The Leadership team assesses the corporate risk register as a monthly standing governance item at their meetings, and always considers risks when decisions are taken or as the risk environment changes. The Commission and Audit and Risk Committee review the corporate risk register quarterly. We follow the guidance in HM Treasury's Orange book, with risks evaluated in terms of their impact on corporate objectives and likelihood of occurrence. The most appropriate response to that risk is then identified. Risks that have high impact and high likelihood are given the highest priority.

The JAC assurance process is an integral part of the risk and control processes. Directors are required to sign assurance statements at the start of each year or on appointment, where they sign up to their responsibilities for risk management and internal control. This is followed by the completion of mid-year assurance statements, the results of which were reported at the November Audit and Risk Committee meeting. Directors have now completed their end-year statements covering the latter half of the year.

A key element of the mid- and end-year statements is the requirement for Directors to:

- a. state the actions that have been taken to manage risk; and
- b. identify control exceptions i.e. where controls have not operated as intended or have not been followed, and state the remedial action that has been taken or is proposed to prevent recurrence of those exceptions.

Directors are required to involve their teams in this process so that a full picture emerges across the organisation. Identifying all control exceptions is key to this process, so that the Accounting Officer and Chairman have clear sight of any issues before they sign this Statement.

Another key element of the Assurance process is the part played by the Directors of Corporate Resources and Strategy and Outreach who, as key

control owners, are responsible for systems which support operational directorates. Consequently, these Directors are required to complete an additional statement to make assurances relating to the central support given for areas such as financial management and HR. An additional report is completed to show the action taken during the period, and to be taken in the coming period, to ensure the key controls are operating as intended.

A further element of the risk and control framework is the establishment of the role of Senior Information Risk Owner (SIRO). This is one of several requirements to strengthen controls around information security set out in the report of the Data Handling Review, which was carried out in 2008 for the Cabinet Office. The SIRO provides an annual assessment of information risk management to the Accounting Officer, which contributes to the SIC.

The active role played by Leadership in managing, developing and embedding risk management within the JAC and the full involvement of staff at all levels were key to the achievement of the 'high assurance' given by MoJ Internal Audit in their report issued during the year of their audit of JAC's Internal Assurance Framework.

## Review of effectiveness

As Accounting Officer and Chairman of the JAC, we have joint responsibility for reviewing the effectiveness of the system of internal control. Our review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the JAC who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management reports. The Commission and Audit and Risk Committee have advised us on the implications of our review on the effectiveness of the system of internal control, and a plan to address weaknesses and ensure continuous improvement of the system is in place.

The key elements of the system of internal control are set out above and contribute to the system's effectiveness. The following also inform our view:

- The Commission meets regularly with the Chief Executive and Leadership Team to review the JAC's priorities, oversee their delivery and the strategic framework within which detailed business planning takes place, and to review the strategic risks and the effectiveness of the risk management process;

- Audit and Risk Committee – the Committee comprises the Chairman (a Commissioner) and three other Commissioners. The Committee meets four times a year and advises us on the adequacy and effectiveness of risk management and internal control, including the strategic risk register processes. The Committee also assesses the internal and external audit activity plans and the results of that activity; and
- Internal Audit – the JAC uses the MoJ's Internal Audit service under a shared service agreement. The service operates to Government Internal

Audit Standards and submits regular reports, which include the Head of Internal Audit's annual independent opinion on the adequacy and effectiveness of the arrangements for risk management, control and governance, together with recommendations for improvement.

We are able to confirm that there have been no significant internal control problems in the JAC up to 31 March 2009 and up to the date of this report.

**Signed on behalf of the Judicial Appointments Commission**



**Clare Pelham**  
Chief Executive  
Judicial Appointments Commission  
30 June 2009



**Baroness Prashar**  
Chairman  
Judicial Appointments Commission  
30 June 2009

- Certificate and report of the Comptroller and Auditor General to the Houses of Parliament

# CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT

I certify that I have audited the financial statements of the Judicial Appointments Commission for the year ended 31 March 2009 under the Constitutional Reform Act 2005. These comprise the Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, Statement of Recognised Gains and Losses and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

## **Respective responsibilities of the Accounting Officer and auditor**

The Chief Executive as Accounting Officer is responsible for preparing the Annual Report, which includes the Remuneration Report, and the financial statements in accordance with the Constitutional Reform Act 2005 and directions made thereunder by the Lord Chancellor with the approval of HM Treasury and for ensuring the regularity of financial transactions. These responsibilities are set out in the Statement of Accounting Officer's Responsibilities.

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

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Constitutional Reform Act 2005 and directions made thereunder by the Lord Chancellor with the approval of HM Treasury. I report to you whether, in my opinion, the information, which comprises the Directors' Report, Management Commentary, Part 1: Who We Are and Part 2: Our Organisation - Leadership Team included within the Annual Report is consistent with the financial statements. I also report whether in all material respects the expenditure and income have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if the Judicial Appointments Commission has not kept proper accounting records, if I have not received all the information and

explanations I require for my audit, or if information specified by HM Treasury regarding remuneration and other transactions is not disclosed.

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

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This other information comprises the Introduction, Progress and Improvements in 2008/09, Appendices and the unaudited part of the Remuneration Report. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

## **Basis of audit opinions**

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

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

which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

### **Opinions**

In my opinion:

- the financial statements give a true and fair view, in accordance with the Constitutional Reform Act 2005 and directions made thereunder by the Lord Chancellor with the approval of HM Treasury, of the state of Judicial Appointments Commission's affairs as at 31 March 2009 and of its deficit, recognised gains and losses, and cash flows for the year then ended
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Constitutional Reform Act 2005 and directions made thereunder by the Lord Chancellor with the approval of HM Treasury
- information, which comprises the Directors' Report, Management Commentary, Part 1: Who We Are and Part 2: Our Organisation - Leadership Team included within the Annual Report, is consistent with the financial statements.

### **Opinion on Regularity**

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

### **Report**

I have no observations to make on these financial statements.

### **Amyas C E Morse**

*Comptroller and Auditor General*

National Audit Office  
151 Buckingham Palace Road  
Victoria  
London SW1W 9SS  
3 July 2009

# FINANCIAL STATEMENTS

## Income and expenditure account

for the year ended 31 March 2009

	Note	2008/09 £000	2007/08 £000
<b>Operating expenditure</b>			
Employment costs	2	5,924	5,440
Other operating charges	3	2,219	1,544
Services and facilities provided by sponsoring department	4	2,396	1,959
<b>Operating deficit</b>		<b>10,539</b>	<b>8,943</b>
Cost of capital credit		(52)	(121)
<b>Deficit for the year</b>		<b>10,487</b>	<b>8,822</b>
Reversal of notional costs			
Services and facilities provided by sponsoring department	4	(2,396)	(1,959)
Cost of capital credit		52	121
<b>Retained deficit for the year</b>		<b>8,143</b>	<b>6,984</b>

There are no gains and losses other than the net deficit for the year, and a separate statement of recognised gains and losses is therefore not included.

## Balance sheet

at 31 March 2009

	Note	2008/09 £000	2007/08 £000
<b>Current Assets</b>			
Debtors	5	53	16
Cash at bank and in hand	6	1,509	1,884
		<b>1,562</b>	<b>1,900</b>
Creditors: Amounts falling due within one year	7	(1,356)	(1,699)
<b>Net Current Assets</b>		<b>206</b>	<b>201</b>
<b>Total Assets less Current Liabilities</b>		<b>206</b>	<b>201</b>
<b>Capital and Reserves</b>			
Income and Expenditure Reserve	8	206	201
Revaluation Reserve	9	-	-
		<b>206</b>	<b>201</b>

The notes on pages 65 to 70 form part of these financial statements. All income and expenditure is derived from continuing operations.

Signed on behalf of the Judicial Appointments Commission

**Clare Pelham**  
Chief Executive  
Judicial Appointments Commission  
30 June 2009

**Baroness Prashar**  
Chairman  
Judicial Appointments Commission  
30 June 2009

## Cash flow statement

for the year ended 31 March 2009

	Note	2008/09 £000	2007/08 £000
Net cash (outflow) from operating activities	10	(8,523)	(10,537)
Financing from Grant-in-Aid	8	8,148	7,130
(Decrease) in cash	6	(375)	(3,407)

The notes on pages 65 to 70 form part of these financial statements.

## Notes to the financial statements

for the year ended 31 March 2009

### Note 1 Statement of accounting policies

These financial statements are prepared on a going concern basis in accordance with the Constitutional Reform Act 2005 and with the Treasury's *Financial Reporting Manual* and applicable accounting standards. They are in a form as directed by the Lord Chancellor with the approval of the Treasury.

#### a) Accounting convention

The accounts are prepared under the historical cost convention, as modified by the revaluation of fixed assets, in accordance with Treasury guidance. Without limiting the information given, the accounts meet the accounting and disclosure requirements of the Companies Act and accounting standards as issued by the Accounting Standards Board so far as those requirements are relevant. The accounts are also consistent, where appropriate, with generally accepted accounting practice in the United Kingdom.

#### b) Income and expenditure

Government grant-in-aid for revenue expenditure is accounted for through the income and expenditure reserve.

#### c) Cost of capital credit

As required by the Treasury, a charge is made to the income and expenditure account for the notional cost of capital. The notional capital charge, which reflects the cost of financing capital employed, is calculated at 3.5 per cent (2007/08: 3.5 per cent) of average net assets, excluding cash held at the Office of the Paymaster General, employed during the year. This results in the JAC having a cost of capital credit, as the JAC has a negative balance sheet for cost of capital purposes. In accordance with Treasury guidance, the notional credit is reversed out of the income and expenditure account before determining the retained surplus or deficit for the period.

#### d) Accounting for value added tax

JAC is not permitted to recover any VAT on expenditure incurred. All VAT is therefore charged to the relevant expenditure category.

#### e) Tangible fixed assets

All classes of tangible fixed assets are carried at their original cost or valuation less accumulated depreciation. This basis is used as a proxy for current value due to the low value of assets involved. Assets costing more than the prescribed capitalisation level of £5,000 are treated as capital assets. Where an item costs less than the prescribed limit but forms part of an asset or grouped asset whose total value is greater than £50,000, the items are treated as a capital asset.

#### f) Depreciation

Depreciation is calculated on a straight-line basis to write off fixed assets over their expected useful life, as follows: Computer systems – 4 years.

#### g) Pensions policy

Past and present employees are covered by the provisions of the PCSPS schemes. The defined benefit schemes are unfunded except in respect of dependants' benefits. The JAC recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from the employees' services, by payments to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS.

#### h) Services and facilities provided by sponsoring department

In accordance with the Framework Document, the JAC does not meet the costs of certain services as these are provided by the MoJ and soft charged, with the costs reversed out of the income and expenditure account, before determining the retained deficit for the period. An analysis of these charges can be found in note 4, and further details are available in the *Shared services* section in part 2 of this Annual Report.

#### i) Trade Creditors

Trade creditors are recognised in the accounts when the invoices are approved for payment.

● Financial statements

**Note 2 Staff costs and numbers**

Staff costs comprise:

							2008/09	2007/08
	Commissioners	Panel chairs and lay panel members	Permanent staff	Seconded staff	Fixed Term Contracts	Other contracted staff	Total	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Wages and Salaries	227	302	795	2,511	214	867	4,916	4,615
Social Security Costs	26	81	64	180	16	-	367	280
Other Pension Costs	24	-	154	429	34	-	641	545
	<b>277</b>	<b>383</b>	<b>1,013</b>	<b>3,120</b>	<b>264</b>	<b>867</b>	<b>5,924</b>	<b>5,440</b>

From 2008/09, selection exercise dry run fees of panel chairs and lay panel members have been accounted for as part of selection exercise costs, in note 3. However, the 2007/08 dry run fees of £3k are retained within employment costs to maintain consistency with the prior year accounts.

In 2008/09, JAC employed its own staff (permanent staff and those on fixed term contracts) and had staff seconded from other government departments. Other contracted staff are supplied by agencies. All irrecoverable value added tax is included within wages and salaries.

No VAT is included in social security or other pension costs.

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme, but the JAC is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2007. Details can be found in the Resource Accounts of the Cabinet Office: Civil Superannuation at [www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk).

Employers' contributions for staff seconded from other government departments, payable to the PCSPS, are made from the sponsor department. The JAC is recharged the full cost of employing staff on secondment, including other pension costs. For 2008/09, pension costs, for staff employed by the JAC and seconded staff, of £640,556 were payable to the PCSPS (2007/08: £544,818), and are at one of four rates in the range 17.1 to 25.5 per cent (2007/08: 17.1 to 25.5 per cent) of pensionable pay, based on salary bands. The Scheme's Actuary reviews employer contributions every four years following a full scheme valuation. From 2008/09, the salary bands were revised, but the rates remained the same. The contribution rates are set to meet the cost of the benefits accruing during 2009/10 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

JAC and government department employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. These are handled through the MoJ (who provide the pension service for JAC staff) or the employee's sponsor department and are paid to one or more of a panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3 to 12.5 per cent (2007/08: 3 to 12.5 per cent) of pensionable pay. Employers also match employee contributions up to 3 per cent of pensionable pay.

The average numbers of full-time equivalent persons employed during the year were as follows:

							2008/09	2007/08
	Commissioners	Panel chairs and lay panel members	Permanent staff	Seconded staff	Fixed Term Contracts	Other contracted staff	Total	Total
	<b>Total</b>	<b>3</b>	<b>4</b>	<b>25</b>	<b>62</b>	<b>7</b>	<b>13</b>	<b>114</b>
								<b>106</b>

**Note 3 Other Operating charges**

	2008/09 £000	2007/08 £000
<b>Selection exercise programme</b>		
Panel members' travel and subsistence	216	49
Advertising	312	328
Catering	13	9
Equality proofing and translation services	15	3
Outsourced accommodation and IT	481	70
Actors' costs	191	43
Couriers	43	15
Staff travel and subsistence	26	1
Commissioners' travel and subsistence	15	11
Additional data inputters	67	-
Dry run fees	42	-
Design and print	4	18
Other	3	12
	<b>1,428</b>	<b>559</b>
<b>Administration costs</b>		
Building improvements	13	33
Staff travel and subsistence	34	42
Commissioners' travel and subsistence	19	13
Equipment maintenance	4	2
Consultancy	4	18
Commissioners' events	19	20
Staff training and events	52	38
Selection exercise training package	43	61
Research	92	-
Panellist training	3	101
Office expenses	24	41
Recruitment	121	231
Legal Services	9	-
External audit	32	38
External audit fee for IFRS	5	-
	<b>474</b>	<b>638</b>
<b>Communications</b>		
Printing and reprographic services	46	48
Translation services	3	5
Publications and library services	4	7
Publicity and advertising	77	104
Telecommunications	27	17
Outreach events	24	26
	<b>181</b>	<b>207</b>
<b>Non-cash items</b>		
Loss on disposal of fixed asset	-	15
	<b>-</b>	<b>15</b>
<b>Shared Services</b>		
Internal audit	37	22
E-delivery/IT services	11	36
Financial services	88	67
	<b>136</b>	<b>125</b>
<b>Total</b>	<b>2,219</b>	<b>1,544</b>

● **Financial statements**

The auditors received no remuneration for non-audit work.

Some of the 2007/08 comparatives have been reclassified to more fairly reflect the categorisation of expenditure.

There has been a significant increase in expenditure in relation to selection exercises, due to a number of factors: 1) composition of the programme itself; 2) relative size of the exercises undertaken; and 3) substantially higher number of applications and associated costs. These costs include: panel members' travel and subsistence; outsourced accommodation and IT; actors' costs; Commissioners' and staff travel and subsistence; data inputters; and dry run fees.

There is also new expenditure in 2008/09 on research on barriers to application, page 39.

From 2008/09, selection exercise dry run fees have been accounted for as selection exercise costs, instead of panel chairs and lay panel members, under employment costs, in note 2. However, the 2007/08 dry run fees of £3k are retained in note 2 to maintain consistency with prior year accounts.

**Note 4 Services and facilities provided by sponsoring department**

	2008/09 £000	2007/08 £000
Legal and Judicial Services Group	80	330
Finance Directorate	14	14
Commercial Group	1,752	1,412
Human Resources Directorate	96	80
E-Delivery Group	413	113
Private and Crown Office	6	10
Communications	35	-
	<b>2,396</b>	<b>1,959</b>

The Legal and Judicial Group (part of the Corporate Performance Group) and its operations has moved to Democracy Constitution and Law Business Group within the MoJ. As recharges are only made from the Corporate Performance Group the charge for 2008/09 is a notional recharge based on approximately one member of staff. The E-Delivery Group charge in 2008/09 is now based on the full MoJ E-Delivery Group budget rather than just overheads, as was the basis in 2007/08.

**Note 5 Debtors**

	2008/09 £000	2007/08 £000
<b>Amounts falling due within one year</b>		
Other debtors	46	6
Prepayments	7	10
	<b>53</b>	<b>16</b>
<b>Analysis of balances</b>		
Balances with central government bodies	24	6
Balances with bodies external to central government	29	10
	<b>53</b>	<b>16</b>

**Note 6 Cash at bank and in hand**

	2008/09 £000	2007/08 £000
Balance at 1 April	1,884	5,291
Movement	(375)	(3,407)
Balance at 31 March	<b>1,509</b>	<b>1,884</b>
The following balances at 31 March were held at:		
Office of HM Paymaster General	1,509	1,884
Commercial banks and cash in hand	-	-
	<b>1,509</b>	<b>1,884</b>

**Note 7 Creditors**

	2008/09 £000	2007/08 £000
<b>Amounts falling due within one year</b>		
Trade creditors	-	140
Other creditors	43	5
Amounts due to MoJ	655	710
Other taxation and social security	66	8
Accruals	592	836
	<b>1,356</b>	<b>1,699</b>
<b>Analysis of balances</b>		
Balances with central government bodies	1,011	1,107
Balances with bodies external to central government	345	592
	<b>1,356</b>	<b>1,699</b>

Trade creditors have reduced as at 31 March 2009 due to the timing of invoices received and the JAC payment run.

**Note 8 Income and expenditure reserve**

	2008/09 £000	2007/08 £000
At 1 April	201	40
Retained (deficit) for the year	(8,143)	(6,984)
Grant-in-Aid	8,148	7,130
Transferred from revaluation reserve	-	15
<b>At 31 March</b>	<b>206</b>	<b>201</b>

● Financial statements

**Note 9 Revaluation reserve**

	2008/09 £000	2007/08 £000
At 1 April	-	15
Transferred to income and expenditure reserve	-	(15)
<b>At 31 March</b>	<b>-</b>	<b>-</b>

**Note 10 Reconciliation of operating deficit to net cash flows**

	2008/09 £000	2007/08 £000
Operating (deficit)	(10,539)	(8,943)
Adjustments for non-cash transactions		
Services and facilities provided by sponsoring department	2,396	1,959
Loss on disposal of fixed asset	-	15
(Increase) in debtors	(37)	(11)
(Decrease) in creditors	(343)	(3,557)
<b>Net cash (outflow) from operating activities</b>	<b>(8,523)</b>	<b>(10,537)</b>
Grant-in-aid financing	8,148	7,130
<b>(Decrease) in cash</b>	<b>(375)</b>	<b>(3,407)</b>

**Note 11 Capital commitments**

There are no commitments for capital expenditure at 31 March 2009 (31 March 2008: Nil).

**Note 12 Related party transactions**

The JAC is a non-departmental public body sponsored by the MoJ. The MoJ is regarded as a related party. During the period, the JAC had various material transactions with the department (see notes 3 and 4).

Baroness Prashar is a Trustee of Cumberland Lodge, and President of the Royal Commonwealth Society. During the year the JAC incurred expenditure of £17,519 with Cumberland Lodge for an event, and £17,235 with the Royal Commonwealth Society for outsourced accommodation. Both are registered charities and the Baroness receives no remuneration from either body.

**Note 13 Contingent Liabilities**

There are no contingent liabilities at 31 March 2009 (31 March 2008: Nil).

**Note 14 Losses and special payments**

There were no losses or special payments in the year ended 31 March 2009 (2007/08: Nil).

**Note 15 Post balance sheet events**

There were no significant post balance sheet events after the year-end.

In accordance with the Financial Reporting Standard 21 'Events after the balance sheet date', accounting adjustments and disclosures are considered up to the point where the financial statements are 'authorised for issue'. In the context of the JAC, this is interpreted as the date on the Comptroller and Auditor General's audit certificate.

**Note 16 Liquidity, interest rate and currency risks**

The JAC has no borrowings and its resource requirements are met from resources voted annually by Parliament to the MoJ. The JAC is not, therefore, exposed to liquidity risks.

All of the JAC's cash balances are held with the Office of the Paymaster General and the JAC does not receive interest on the balances. It is therefore not exposed to interest rate risk.

All material assets and liabilities are denominated in sterling, so the JAC is not exposed to currency risks.

# PART 4: APPENDICES



# APPENDIX 1: COMMITTEES AND GROUPS

Group	Chair	Responsibilities
<b>Audit and Risk Committee</b>	Francis Plowden	<ul style="list-style-type: none"> <li>Strategic process for risk, control, governance and the Statement on Internal Control.</li> <li>Accounting policies, accounts and annual report of the JAC, including the process to review the accounts prior to submission for audit, levels of errors identified and management's letter of representation to the National Audit Office.</li> <li>Planned activity and results of internal and external audits.</li> <li>Adequacy of management's response to issues identified by audit activity, including National Audit Office's management report.</li> <li>Assurances relating to corporate governance and risk management requirements for the JAC.</li> <li>Recommendations regarding risk and governance issues.</li> <li>Anti-fraud and whistleblowing policies and processes.</li> </ul>
<b>Quality Assurance Working Group</b>	Hazel Genn	<ul style="list-style-type: none"> <li>Analyse outcomes of selection exercises, review effectiveness of JAC processes and consider policy proposals for improvements.</li> <li>One meeting every quarter will focus on policy issues linked to quality assurance.</li> </ul>
<b>Outreach Working Group</b>	Frances Kirkham & Sara Nathan	<ul style="list-style-type: none"> <li>Working group has delegated authority from the Board to make decisions on communications and diversity issues to implement strategies that have been agreed by the Commission.</li> <li>Develop an integrated strategy to widen the range of candidates from which appointments can be made.</li> <li>Develop and maintain JAC's targeted outreach programme and develop proposals for outreach activities.</li> <li>Prepare and publish diversity statistics for each selection exercise within 2 months of close down meetings.</li> <li>Use selection exercise results to inform the continued development of outreach activity and help measure the success of current initiatives.</li> <li>Monitor changes in equality legislation on the work of the Outreach Working Group and JAC policies and/or procedures.</li> </ul>
<b>Research Sub Group (of the Outreach Working Group)<sup>1</sup></b>	Hazel Genn	<ul style="list-style-type: none"> <li>To consider and guide the JAC research programme.</li> <li>To provide oversight of individual research streams and ensure that the research programme as a whole is meeting the needs of the JAC.</li> <li>To provide research based programmes for improving policy and practice through greater understanding of JAC's target groups.</li> <li>To report on its work to the Outreach Working Group.</li> </ul>
<b>JAC Advisory Group<sup>2</sup></b>	Hazel Genn	<ul style="list-style-type: none"> <li>Oversee the commissioning and development of shortlisting tests and role-play materials for selection exercises.</li> <li>Quality assure and approve such material before it is used.</li> <li>Consider and advise on any other practical or policy issues affecting the JAC programme of exercises, as determined by the Group Chairman.</li> </ul>
<b>Diversity Forum<sup>3</sup></b>	Baroness Prashar	<ul style="list-style-type: none"> <li>To provide a forum for Key Interested Parties to make a concerted effort to improve diversity within the judiciary and legal profession and to achieve this by co-ordinating existing activity and identifying new opportunities for action.</li> </ul>

1 Membership includes representatives of the Law Society, Bar Council, DJO, HMCS and Tribunals Service.

2 Membership includes representatives of the Law Society, Bar Council, ILEX and the judiciary.

3 Membership includes representatives of the Law Society, Bar Council, ILEX, Attorney General's Office, HMCS, Tribunals Service, Ministry of Justice and the judiciary.

# APPENDIX 2: JAC ANNUAL PERFORMANCE SUMMARY 2008/09

## **The JAC has selected high quality candidates for the programme of selection exercises and other selections required:**

- 99.8% of recommendations were accepted by the Lord Chancellor.
- Positive feedback was received from the Lord Chief Justice on the quality of selections.
- Very low level of complaints were made to the JAC (1.32%) and the Judicial Appointments and Conduct Ombudsman (0.32%).
- The majority of exercises were delivered to time.
- Selection Exercises were delivered at a time of increased numbers of applications. This has only been possible because of the efficiencies have been made, such as outsourcing qualifying test administration.
- The Selection Exercise Programme for 2009/10 draft was produced earlier than in previous years.
- Good progress was made on developing a 'rolling programme' (which shows the basic selection exercise to be run going forward over a three year period) for the first time.
- Selections from lists of suitable candidates took longer than expected overall, mainly due to the need to update information on existing candidates for the District Judge exercise.

## **Our processes continue to develop and are fair and robust:**

- The JAC took part in a successful LEAN event and is now introducing changes in processes to improve efficiency.
- All assessment material used in selection exercises was equality proofed.
- Our selection processes withstood legal challenge (JAC successfully defended two court cases regarding its selection procedures).
- There were some delays in holding closedown meetings for selection exercises and producing 'lessons learned' reports, due to priority being given to running selection exercises.

## **We have continued to encourage a wider range of applicants:**

- Over 1,500 potential candidates attended our outreach events and there was a high level of attendee satisfaction (94%).
- Applications were in line with the eligible pool for women and black and minority ethnic candidates for most exercises.

## **The JAC has made good corporate progress:**

- The JAC's own staff opinion survey was launched in December; the response rate was 79% and results indicated a good level of staff engagement.
- All staff ending their secondment with the JAC during the year were successfully placed back in their originating department or elsewhere.
- We managed 32 recruitment campaigns and the new staff were inducted successfully.
- Staff sickness levels slightly exceeded the target, but had reduced from the previous year.
- There were ongoing issues with some of the delivery of shared services to JAC from MoJ, although some improvements were seen towards the end of the year.
- We contained spend within budget, underspending by just 0.06%.
- The JAC built on its existing corporate governance procedures, improved risk management, handled data security and received a high assurance rating from Internal Audit.

## **On a strategic level:**

- We have contributed to the debate on constitutional renewal by providing both written and oral evidence to the Joint Committee on the Draft Constitutional Renewal Bill.
- We have informed the development of advice to the Government on senior salaries by providing both written and oral evidence to the Senior Salaries Review Body.

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