

JUDICIAL APPOINTMENTS COMMISSION

ANNUAL REPORT  
AND ACCOUNTS  
2012/13



MODERNISING JUDICIAL SELECTION



# JUDICIAL APPOINTMENTS COMMISSION

## ANNUAL REPORT AND ACCOUNTS

### 2012/13

Report presented to Parliament pursuant to paragraph 32(4) of Schedule 12 of the Constitutional Reform Act 2005 and Accounts presented to Parliament pursuant to paragraph 31(7) of Schedule 12 of the Constitutional Reform Act 2005

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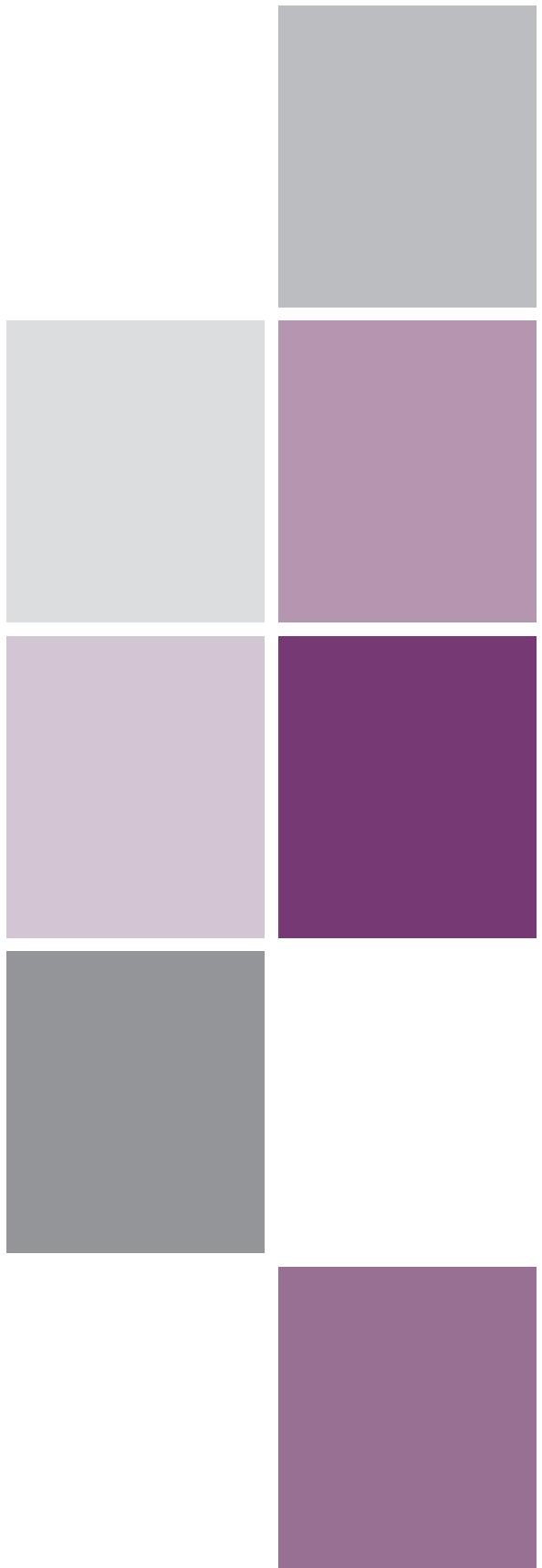
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# PART 1: ANNUAL REPORT



# CHAIRMAN'S FOREWORD



2012/13 has been another busy and productive year for the Judicial Appointments Commission (JAC). We have made almost 600 recommendations, across a record number of exercises. For Courts, these have ranged from Deputy District Judge to High Court, with many different Senior and Specialist Circuit Judge exercises in between. For Tribunals, the range of lay, specialist and legal roles has been even greater: from Medical Members for various jurisdictions including the Mental Health Review Tribunal for Wales, to Chairman of the Competition Appeal Tribunal and Chamber President of the War Pensions and Armed Forces Compensation Chamber. I am pleased to report that we have continued to receive a very high number, and calibre, of candidates.

We have also continued to attract applications from a diverse pool of candidates. Our recently published analysis shows that the number of women and Black, Asian and Minority Ethnic (BAME) candidates applying and being recommended for appointment has risen across most levels of the judiciary since the JAC was set up. I am keen to see the rate of progress accelerate, and in that regard I welcome the measures recently introduced by the Crime and Courts Act 2013 aimed at increasing diversity. The JAC is consulting on how best to implement the 'equal merit' provision, which clarifies that where there are candidates of equal merit, a candidate can be preferred for the purpose of increasing diversity. Of equal importance is the provision extending flexible working throughout the

courts system, and we are working closely with our partners to encourage greater availability of flexible working in practice.

I have been involved in a number of senior appointments over the past year as a member of various selection panels, recommending a President and three candidates for the Supreme Court, three Heads of Division, and a record thirteen new judges for the Court of Appeal. With the exception of the Supreme Court, I have been joined by a fellow lay Commissioner on each panel, and the JAC has provided the secretariat for each exercise. We have worked closely with the Lord Chief Justice to enhance the transparency of these processes, and welcome measures in the Crime and Courts Act that have now increased the lay membership on each panel.

As well as being involved in the full spectrum of selection exercises, our Commissioners have been bringing their rich experience to bear on the key strands of our ambitious change programme. As detailed later in the report, we have already started to deliver a more streamlined, candidate-focused selection process, but much remains to be done. The eleven Commissioners who joined towards the end of the previous reporting year have taken to their new roles with enthusiasm and vigour, as has Mr Justice Wilkie who joined us at the start of this year. I am very grateful for the huge amount of time and energy dedicated to the JAC by every one of my fellow Commissioners. We are all ably supported by the hard work and professionalism of the JAC staff. I am particularly pleased that the contribution of our Chief Executive, Nigel Reeder, has been recognised with the award of an OBE following many years of distinguished public service.

A handwritten signature in black ink, appearing to read 'Christopher Stephens'.

**Christopher Stephens**  
Chairman, Judicial Appointments Commission

# CHIEF EXECUTIVE'S INTRODUCTION



The challenge for the JAC this year has been twofold. First, to deliver a demanding selection exercise programme as effectively as possible against a background of financial constraint. Second, through an ambitious programme of reform to speed up and improve the end-to-end appointment process and make further savings where possible.

The JAC ran 36 selection exercises in 2012/13, more than in any previous year, handled 4,637 applications, and made 597 recommendations. We have accommodated a number of changes to the agreed programme; some at very short notice including an urgent selection exercise where the JAC worked closely with HMCTS and the relevant Chamber to identify over 250 Fee-paid Medical Members of the First-tier Tribunal, Social Entitlement Chamber. We also took on additional responsibility for providing assistance and support to the City of London in their process to select a new Recorder of London.

We have also performed well financially. Our budget this year represented a 7% reduction on the previous year and with no reduction in our workload, the JAC has delivered all that was required of it and also achieved further efficiencies which have resulted in additional underspend.

The JAC has also put in place a programme of change to improve our performance further in the following key areas:

- Further reducing the cost of our operation

- Better supporting the needs of the courts and tribunals
- Improving the experience of our candidates
- Reducing the time it takes for a judge to be selected and take up appointment
- Improving the diversity of our selections
- Increasing the certainty in the quality of our selections

Work is progressing well and we expect to deliver changes over the next two years.

One of our early changes is the introduction of online testing as the shortlisting method for most large selection exercises. This was following a successful pilot during which the legal professional bodies and the majority of candidates expressed confidence in online testing as an effective way of protecting candidate confidentiality and improving the candidate experience. This new policy also implemented a recommendation of the 2010 report of the Advisory Panel on Judicial Diversity. We are also now piloting a reduction in the number of references we seek for certain exercises to further reduce the burden on referees and the call on our own resources.

All of these achievements have been possible only because of the hard work, dedication and professionalism of JAC staff and partners. I want to make one special mention – John Rodley, our Operational Services Director, who will leave the JAC in July 2013 when his current contract ends. This will further reduce our senior civil service headcount. I would like to thank John for his advice and loyalty to the JAC, and his support to me personally. He will be missed by the whole of the organisation and we wish him well.

A handwritten signature in black ink, appearing to read 'Nigel Reeder'.

**Nigel Reeder**  
Chief Executive

# KEY FACTS

## JAC background

The JAC started operating in April 2006. It is an executive non-departmental public body, sponsored by the Ministry of Justice.

## JAC role

The JAC is independent and selects candidates for judicial office in courts and tribunals in England and Wales, and for some tribunals whose jurisdiction extends across the UK.

The Commission may be required to select a candidate for immediate appointment or to identify candidates for vacancies which will arise in the future.

The JAC selects one candidate for each vacancy and recommends that candidate to the Lord Chancellor who can accept or reject the recommendation, or ask the Commission to reconsider it.

## Key statutory duties

- To select candidates solely on merit
- To select only people of good character
- To have regard to the need to encourage diversity in the range of persons available for selection

## Activity in 2012/13

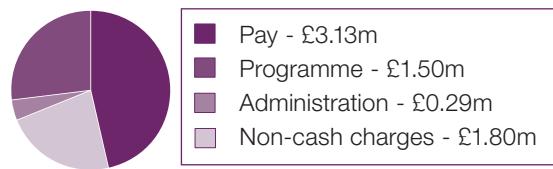
Exercises reported	Applications received	Recommendations made
36	4,637	597

## Budget

The JAC's funding in 2012/13 was £5.12m (£5.52m in 2011/12). It spent £4.92m (£5.01m in 2011/12), including the use of the provision.

In addition to funding received, the JAC incurred £1.80m (£1.89m in 2011/12) of non-cash charges such as rent and IT support, giving a total expenditure of £6.72m (£6.90m in 2011/12).

## Total expenditure in 2012/13



## Staff

As at 31 March 2013 – 69 staff (73 in 2011/12).

## The Commission

The JAC is the organisation as a whole and the Commission is its board.

The Commission consists of a lay Chairman and 14 Commissioners.

All are recruited and appointed through open competition with the exception of three senior judicial members who are selected by the Judges' Council. Membership of the Commission is drawn from the judiciary, the legal profession, the magistracy and the public.

## Strategic objectives

The JAC's strategic objectives in 2012/13 were to:

- Recommend high quality candidates to the Lord Chancellor for the selection exercises in the programme agreed with the Ministry of Justice
- Encourage a diverse range of eligible applicants
- Ensure fair, open, candidate focused and effective selection processes consistent with our values
- Maintain, and adapt where necessary, an effective operating model for the JAC which provides value for money

## Key JAC data from 2008/09 to 2012/13

	2008/09	2009/10	2010/11	2011/12	2012/13
Exercises reporting to the Lord Chancellor in year	24	25	21	25	36
Total number of applications for those exercises	3,518	3,084	4,684	5,490	4,637
Total number of recommendations for those exercises	449	446	684	746	597
JAC staff numbers (average FTE over the year)	107	105	89	73	69

	2008/09	2009/10	2010/11	2011/12	2012/13
	£m	£m	£m	£m	£m
<b>Total funding allocation</b>	<b>8.15</b>	<b>7.61</b>	<b>6.86</b>	<b>5.52</b>	<b>5.12</b>
Expenditure on pay (Staff and Commissioner pay)	5.54	5.01	4.46	3.45	3.13
Expenditure on the programme	1.81	1.76	1.37	1.16	1.50
Expenditure on administration <sup>1</sup> (including shared services)	0.79	0.76	0.30	0.40	0.29
<b>Total funded expenditure</b>	<b>8.14</b>	<b>7.53</b>	<b>6.13</b>	<b>5.01</b>	<b>4.92</b>
Soft charges (including accommodation costs)	2.40	2.23	2.12	1.89	1.80
Total expenditure	10.54	9.76	8.25	6.90	6.72

Note:

1 Includes utilisation of the provision

“Six years on there has undoubtedly been some progress. More women and BAME candidates are applying and being appointed.”

Baroness Hale speech; ‘Equality in the Judiciary’, speaking about the creation of the JAC

# SELECTION EXERCISE ACTIVITY

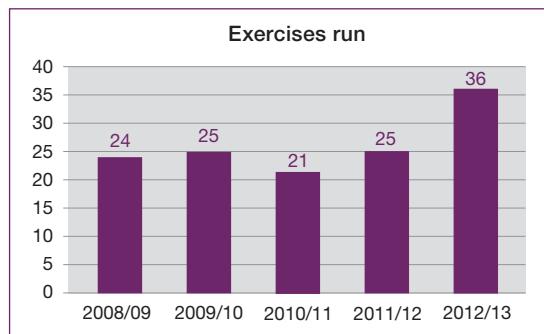
## The Selection Exercise Programme

The JAC recommends candidates for appointment as puisne judges of the High Court and to all judicial offices listed in Schedule 14 of the Constitutional Reform Act (CRA) 2005.

The selection exercise programme is developed with the Ministry of Justice (MoJ) and Her Majesty's Courts and Tribunals Service (HMCTS). It is published on the JAC website and is made up of selection exercises needed to fill judicial vacancies forecast by HMCTS and a small number of judicial vacancies for tribunals not overseen by the MoJ. The programme retains some flexibility to enable the JAC to respond to changing business need. During 2012/13 the JAC accommodated all requests for change to the selection exercise programme.

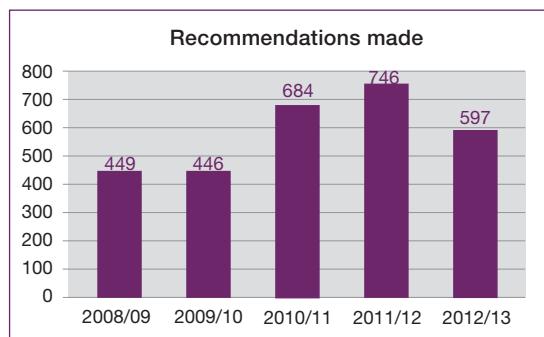
In 2012/13 the JAC ran more selection exercises than in any previous year. Many of these were small exercises or of a specialist nature ranging from the appointment of Drainage, Farmer and Landowner Members of the Agricultural Lands Tribunal for Wales, and Medical Members of the Mental Health Review

Tribunal to Specialist Circuit Judges and the Common Serjeant of London. While the overall number of applications received in 2012/13 was lower than in previous years, which may in part have been due to the specialist nature of the exercises run and the JAC message that candidates should only apply when they are ready to do so, over 1,500 candidates still attended JAC selection days. The ratio of applications to number of recommendations remained steady, in 2012/13 it was 7.78 (compared to 7.36 in 2011/12), meaning we attracted a similar proportion of applications in relation to the number of roles available as last year.



**"I welcome the work already being done by the Judicial Appointments Commission that has certainly made significant progress in promoting judicial diversity."**

**The Rt. Honourable Chris Grayling MP, Lord Chancellor and Secretary of State for Justice giving evidence to the Justice Committee in November 2012**



	2008/09 actual	2009/10 actual	2010/11 actual	2011/12 actual	2012/13 actual
Exercises reporting to the Lord Chancellor in year	24	25	21	25	36
Applications	3,518	3,084	4,684	5,490	4,637
Recommendations	449	446	684	746	597

The JAC was unable to recommend people to fill all of the known vacancies in five of the exercises run in 2012/13. Early indications suggest that reasons include the required specialisms and changing vacancy requirements. The JAC is undertaking additional analysis of the shortfall in each of these to further identify any common factors.

The JAC selection process for vacancies up to and including High Court is outlined in the Appendix A.

### Senior appointments

The CRA specifies the membership of panels for selection for judicial offices above High Court level and provides that panels should determine for themselves the selection process they will follow.

2012/13 has seen an unprecedented number of senior appointments. Panels were convened to make recommendations for the appointment of a new Master of the Rolls (MR), Chancellor of the High Court and President of the Family Division, as well as 13 new Lords and Lady Justices of Appeal. The JAC provided the secretariat for each of the panels convened to make recommendations and the JAC Chairman and a JAC lay Commissioner were members of each. The most recent of the panels convened made 10 of the recommendations for appointment to the Court of Appeal. It was agreed that the JAC would carry the vacancy details and application form on the selection process on the website to ensure it was open to the widest range of eligible applicants with the required experience.

In 2012/13 a new President of the Supreme Court was appointed as well as three new Supreme Court justices. The JAC Chairman

was a member of each selection panel (as specified by the CRA) and the JAC promoted the vacancies on its website but played no further role in the selection process.

### Deputy High Court Judge authorisations

Section 9(1) of the Senior Courts Act 1981 provides for the Lord Chief Justice, or his nominee (usually a Head of Division), to authorise Circuit Judges and Recorders to sit in the High Court to meet business needs. The CRA requires the concurrence of the JAC to any designation under this provision.

In 2012/13 the Commission concurred with the authorisation of 49 individuals: 36 in the Queen's Bench Division, 12 in the Family Division and 1 in the Chancery Division.

A protocol was agreed between the JAC and Judiciary for these exercises and 2012 saw it applied for the first time. A lay JAC Commissioner was also invited to join the Heads of Division and take part in the shortlisting process.

*"Those who attended the conference were very impressed by your eagerness to share with us your vision for the future of the Judicial Appointments Commission and to strengthen your understanding of the developing Welsh dimension of the judiciary."*

**Keith Bush, Conference Director of the Legal Wales Conference 2012 in a letter to the JAC Chairman**

■ Selection exercise activity

## Selection exercises in 2012/13

### Courts selection exercises

#### Fee-paid

Legal (legally qualified) / Non-legal	Exercise Title	Exercise Reference	Recommendations made
Legal	Deputy District Judge (Magistrates' Court)	00526	28
Legal	Deputy Costs Judge of the Senior Courts (Taxing Master)	00711	3
Legal	Deputy District Judge (Civil)	00701	98
<b>Total:</b>			<b>129</b>

#### Salaried

Legal (legally qualified) / Non-legal	Exercise Title	Exercise Reference	Recommendations made
Legal	Senior Circuit Judge – Resident Judge	00539	3
Legal	Specialist Circuit Judge (Mercantile)	00540	1
Legal	Master of the Administrative Court in the Queen's Bench Division	00580	1
Legal	Deputy Senior District Judge (Magistrates' Court)	00710	1
Legal	Costs Judge of the Senior Courts (Taxing Master)	00709	1
Legal	Senior Circuit Judge - Resident Judge	00733	1
Legal	Specialist Circuit Judge (Civil) - Technology and Construction Court/Mercantile	00734	1
Legal	Specialist Circuit Judge (Civil) - Mercantile/ Chancery	00735	1
Legal	District Judge (Magistrates' Court)	00705	15
Legal	Senior Circuit Judge - Designated Civil Judge and Designated Family Judge	00726	2
Legal	High Court (Queen's Bench and Family Divisions)	00757	14
Legal	Common Serjeant of London	00739	1
<b>Total:</b>			<b>42</b>

## Tribunals selection exercises

### Fee-paid

Legal (legally qualified) / Non-legal	Exercise Title	Exercise Reference	Recommendations made
Legal	Deputy Judge of the Upper Tribunal, Administrative Appeals Chamber	00517	4
Non-legal	Specialist Member of the First-tier Tribunal, Social Entitlement Chamber, Criminal Injuries Compensation	00535	10
Non-legal	Service Member of the First-tier Tribunal, War Pensions and Armed Forces Compensation Chamber	00529	10
Non-legal	Medical Member of the First-tier Tribunal, Social Entitlement Chamber, Social Security and Child Support	00706	93
Non-legal	Landowner Panel Members, and Drainage Panel Members of the Agricultural Land Tribunal Wales	00702	2
Non-legal	Farmer Panel Members of the Agricultural Land Tribunal Wales	00707	2
Non-legal	Drainage Panel Members of the Agricultural Land Tribunal Wales	00715	2
Non-legal	Medical Member of the First-tier Tribunal, Health Education and Social Care Chamber, Mental Health	00788	51
Non-legal	Medical Member of the Mental Health Review Tribunal for Wales	00789	10
Legal	Chairman of the Competition Appeal Tribunal	00708	4
Legal	Judge of the First-tier Tribunal, Social Entitlement Chamber	00541	199
Legal	Appointed Person, Appeal Tribunal, Trade Marks	00713	1
Non-legal	Lay Member of the Upper Tribunal, Tax and Chancery Chamber	00721	6
<b>Total:</b>			<b>394</b>

■ Selection exercise activity

**Salaried**

Legal / Non-legal	Position	Exercise Reference	Recommendations made
Legal	Judge of the Upper Tribunal, Administrative Appeals Chamber	00518	2
Legal	Regional Judge of the First-tier Tribunal, Social Entitlement Chamber, Social Security and Child Support	00534	1
Legal	Chamber President of the First-tier Tribunal, War Pensions and Armed Forces Compensation Chamber	00575	1
Non-legal	Medical Member of the First-tier Tribunal, Social Entitlement Chamber	00704	1
Legal	Chamber President of the First-tier Tribunal, Property Chamber	00718	1
Legal	Regional Judge of the First-tier Tribunal, Social Entitlement Chamber, Social Security and Child Support	00725	1
Legal	Employment Judge of the Employment Tribunals (England and Wales)	00727	24
Non-legal	Surveyor Member of the Upper Tribunal, Lands Chamber	00770	1
<b>Total:</b>			<b>32</b>

<b>Total Courts and Tribunals Recommendations:</b>	<b>597</b>
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“I shall be writing formally to thank the JAC for the excellent job they have done on our behalf, but I would like to take this opportunity to thank you and the team once more. The result of the competition is splendid”

Mr Justice Barling – President of the Competition Appeal Tribunal following the Fee-paid Chairman of the Competition Appeal Tribunal selection exercise

# KEY ISSUES

## 'Barriers to Entry' Research

It is vital that we recruit from the widest possible pool of eligible talent. For this reason the JAC, with the Law Society of England and Wales, the General Council of the Bar and the Chartered Institute of Legal Executives, commissioned a new survey to understand what attracts people to apply for judicial office and what deters people from applying. The survey results will be compared with a similar survey commissioned in 2008 and will help the JAC and our partners to understand the extent to which barriers (real or perceived) prevent people from different groups applying for judicial office.

Specific research objectives were to:

- provide data on the barriers to application for legal appointments
- assess the differences in barriers between the different subgroups of interest
- look at ways in which barriers can best be overcome, whether through action or through addressing misconceptions
- gauge the likely impact on applications of the removal of those barriers
- measure any change over time since the benchmark study

The research by independent research company Accent took place in January - February 2013. In total 4,051 lawyers took the time to complete the 15 minute online questionnaire. The final report was received in draft at the very end of the reporting year.

The full results and the questionnaire have now been published on the JAC website and an action plan agreed. The findings will be used to inform the way in which the JAC reaches out to potential applicants and how the JAC and its partners can break down the real or perceived barriers.

## Stakeholder Feedback

In line with the 2012/13 JAC Business Plan, a review of the processes used to collect feedback was undertaken and a revised system has been developed for implementation. This will involve collecting more targeted data from a wide range of those the JAC works with, including candidates, panel members, the judiciary and our partners, and as far as possible this will be collected electronically.

## Developments in the Selection Process

We have continued to improve and evolve the selection process, taking into account the views of stakeholders and candidates.

Following an evaluation of the pilot exercises in 2011/12 which trialled the use of online tests, this has now been adopted as standard JAC selection policy. This will better serve candidates who are no longer required to physically attend a test centre at a fixed time and provides better value for money. Selection days have also been held across England, Wales and Scotland, reducing the need for some candidates to travel long distances to attend selection days in London. To a large extent we have been able to utilise other parts of government estate to minimise the financial costs to the JAC.

Pilots are currently being undertaken to reduce the burden on referees by trialling the use of a reduced number of references on some exercises. The results of this will be evaluated in the early part of 2013/14 with a view to adopting the initiative as a policy option.

## Crime and Courts Act 2013

The JAC welcomes the provisions in the Crime and Courts Act 2013 (CCA) providing for a lay

chair and majority on the selection panels for the Lord Chief Justice and the President of the Supreme Court, extending salaried part-time working to the High Court and above, the flexibility it affords to the Lord Chief Justice and the Senior President of Tribunals to deploy judges across both jurisdictions, and the greater involvement of the JAC in the selection of deputy judges of the High Court.

The JAC has worked with HMCTS, Judicial Office (JO), and the MoJ to prepare for the operational changes likely to result from implementation of the CCA and supporting Regulations.

A detailed implementation plan has been developed, including transitional arrangements and consultations. The first of these consultations will cover the application of the 'equal merit' provision, and this will be followed by consultation on JAC selection processes.

Throughout this work, care has been taken to make sure the implementation of the proposals does not add undue time to the selection and appointments process.

## Review of the “end-to-end” selection and appointments process

The JAC has worked with HMCTS, JO and MoJ to reduce the overall time it takes to appoint a judge from launch of a selection exercise through to a candidate receiving a success letter. Following initial indications of it taking 18 months to complete this process, improvements mean that this took an average of eight months in 2012-13. But this is still too long and our shared target is to reduce the period to five months.

Further proposals emerging from the end-to-end review which relate to the JAC part of the process are being fed into the selection process review.

## Selection Process Review

2012-13 saw the review of our selection processes get underway and we expect to deliver improvements over the next 12-18 months.

The key areas of focus were:

- Delivering improvements in relation to our shortlisting methods and selection days
- Exploring the use of a wider range of professionally validated online tests

The project involves examining recruitment best practice across a wide range of industry sectors and professions to make sure our own selection process is professionally validated, efficient, effective and enjoys a high degree of confidence.

Throughout the project we will be looking to improve the candidate experience.

## Provision of the Judicial Appointment and Recruitment System

The JAC has been working with the MoJ to identify a new IT system to manage candidate applications more efficiently and to improve the candidate experience.

Features of the new system are expected to:

- Deliver an improved candidate experience through a much improved website, hosting online applications, applicant tracking and the facility to self-book selection days
- Fully integrate online testing into our systems
- Enable faster, more streamlined processes

# ENSURING FAIRNESS, ENCOURAGING DIVERSITY AND PROMOTING THE JAC

In fulfilling the JAC's statutory duty under s.64 of the Constitutional Reform Act to "have regard to the need to encourage diversity in the range of persons available for selection for appointments"; we engage in multiple initiatives, some led by the JAC and others which involve working with our key partners. Examples include supporting the work of the Diversity and Community Relation Judges, providing speakers for events with solicitors, barristers and fellows of CILEx and providing input and attendance at the Judicial Office Diversity Event – all of which provide potential candidates with a networking and information gathering opportunity.

The JAC's Equality and Fair Treatment Team is responsible for equality proofing all JAC materials, undertaking Equality Impact Assessments of JAC processes and monitoring the diversity of applicants, and their progression, in JAC selection exercises.

Data taken from JAC Official Statistics shows that in 2012/13 women performed well by comparison to the eligible pool – the pool of candidates who are qualified to apply for the roles. For posts requiring legal qualifications they represented 44% of applicants and 52% of recommendations. This demonstrates strong progression and compares well to the eligible pool which for fee-paid posts is 44% female and for salaried posts is 29% female. BAME candidates performed close to their eligible pool to constitute 7% of recommendations from 16% of applicants (they are 10% of the fee-paid pool and 6% of the salaried pool). Overall for all posts, including those without a legal requirement, women were 48% of recommendations from 43% of applicants and BAME were 12% of recommendations from 17% of applicants.

As part of the December 2012 publication of the JAC Official Statistics, the JAC reported on the age of candidates for the first time and research on trends in the diversity of the judiciary and judicial appointments is planned for June 2013.

*"One of my long held aspirations as LCJ is coming to pass. Increasing numbers of women are applying and being selected on merit for judicial office at every level of the judiciary, to great public advantage. I hope that women and other underrepresented groups read these statistics and are encouraged to apply for the Bench. We need the best candidates for appointment. Anything else, such as sex, race, sexuality or socio-economic background, is irrelevant."*

**Lord Judge, the Lord Chief Justice**  
**commenting on JAC official statistics**

## Fair treatment in selections

The Equality Act 2010 applies a general equality duty to the JAC, as a public authority, to have due regard to the need to eliminate discrimination, advance equality of opportunity, and foster good relations. In addition the JAC is subject to specific duties which require it to publish relevant, proportionate information demonstrating compliance with the equality duty.

### Equality Objectives

The JAC's Equality Objectives for 2012-2016 are split into four distinct areas namely; outreach, fair and open processes, monitoring, and promoting diversity in the workplace. They were implemented in April 2012 and are reviewed quarterly. Both the objectives and performance report are published on the JAC website.

Key achievements during 2012/13 were:

- Equality assessments have been conducted and recorded for all policy changes and amendments to selection tools. A list of assessments is published every six months on the JAC website
- The implementation of online testing has enabled candidates to complete qualifying tests in the most suitable surroundings for their needs and with their own equipment, therefore reducing the need for complex adjustments
- Complaints relating to diversity remain low, with just five received, only one of which was partially upheld.

## Working with others

### The Diversity Forum

The JAC resumed chairmanship of the Diversity Forum in 2012 and will do so until 2016. The forum receives ministerial support and is composed of members of the judiciary, the professions and representatives of under-represented groups. It is the only forum that brings together this broad range of parties to consider the equality and diversity agenda.

A 'forward look' was created to set out a proposed work plan for the year ahead and to enable achievements to be measured. The overall success of the plan will be demonstrated by measurable year-on-year improvements in meeting the aims of the Forum.

Completed short-term actions include:

- The refreshing of the eligible pool data
- Publication of Tribunals diversity data
- Development by the Forum of a coordinated outreach plan for the year ahead
- Launch of the Barriers to Application research

### The Advisory Panel on Judicial Diversity

The JAC has completed 12 of the 15 JAC actions from the report of the 2010 Advisory Panel on Judicial Diversity, chaired by Baroness Neuberger. Most notably, online testing has now been adopted as Commission policy. The remaining three – to make use of the equal merit provision of the Equality Act, to review testing, and to contribute to the training of a pool of judges to sit on selection panels – have been absorbed into, and are underway as part of, the JAC Change Programme.

### Outreach with Key Interested Parties

JAC core outreach material has been refreshed and shared with the professional bodies and judiciary to assist with outreach work. Judicial Office used the documents for judges attending their London and Cardiff 'Meet the judges' events. A guide for students has been produced and is now available on the website.

An area of significant progress this year has been the co-ordination of candidate-focused events with the professional bodies and the judiciary. The JAC provided speakers, both staff and Commissioners, for around a dozen seminars and events across the country and feedback remains positive.

The JAC has developed a dedicated webinar channel which hosts three webinars created this year; including two covering the application process and 'life as a Judge' and one focussing solely on references. The JAC has also collaborated with the College of Law on a webinar which includes a JAC selected Recorder. The Crown Prosecution Service (CPS) has been offered a seminar as have the Bar Council, CILEx and Law Society; including an event with their Solicitor Judges Division.

The JAC has made increasing use of third parties to cascade and promote selection exercises and related material. Feedback confirms that this is increasingly a reliable way to reach potential candidates. A notable example was a letter sent from the Chief Executive to his counterparts in disability organisations asking them to encourage applications for vacancies as Fee-paid Disability Members of the First-tier Tribunal (Social Entitlement Chamber), which resulted in sign-ups to the vacancy alert emails doubling.

## Online Communications

The JAC has maintained a well-recognised brand and an easy-to-use website with clear information on vacancies and how/when to apply. In addition the JAC engaged with the MoJ Digital Services Division to seek resources to update and improve content and accessibility of the website. As a result a 'mini-refresh' of the homepage and of the navigational structure was undertaken. These changes are designed to improve the user experience of the site and make it much easier to access online resources. This 'tidy up' is an interim improvement while plans are developed for a new site as part of the Judicial Appointments and Recruitment System.

*"The website and layout is very user friendly. The information on the process and past papers is very helpful. The case studies of those who have gone through the appointment process and their experiences are interesting."*

**Candidate in the District Judge (Magistrates' Courts) selection exercise**

Follow-up email alerts have been introduced for selection exercises. These directly remind interested candidates to apply and also direct them to relevant areas of information and advice on our website.

The JAC has significantly increased its use of Twitter to share key information both about its work and related areas of business. The JAC had 1,100 followers at the year end and 'retweets' are increasing. In 2013/14 this will be developed further and a similar network on LinkedIn will be undertaken.

## International Engagement

Overseas visitors have continued to approach the JAC to understand its important constitutional role and to learn about JAC processes. The Chairman met with the Chief Justice of Malaysia, the Rt. Hon Turin Arifin and a delegation from the Zambian Public Service. Meetings at the JAC have also been held with representatives from the Supreme Court Council of Bulgaria and more recently representatives from the Albanian Judges Training School. A visiting group of lawyers and judges from the United States and a delegation of Commonwealth lawyers have also been briefed by the JAC on the selection process.

The JAC has promoted the open recruitment of Court of Appeal Judges for the Judicial and Legal Services Commission of the Cayman Islands by disseminating details through JAC channels.

# THE ORGANISATION

## The Commissioners as at 31 March 2013



### **Christopher Stephens, Chairman (lay)**

Christopher Stephens was previously a member of the Senior Salaries Review Body (2009-2011) and a Civil Service Commissioner (2004-2009). He was a non-executive director of WSP (a global engineering consultancy) until July 2012, and Holidaybreak plc (a travel and education business) until September 2011. He was also Chairman of Traidcraft until March 2011 and Chairman of the DHL (UK) Foundation until May 2011. Until 2004, he was Group Human Resources Director of Exel (now DHL).



### **Lady Justice Black DBE, Vice Chairman (judicial)**

Vice Chairman Jill Black was appointed a Justice of the High Court, assigned to the Family Division, in 1999. She served as Family Division Liaison Judge for the Northern Circuit from 2000 to 2004. She was Chairman of the Family Committee of the Judicial Studies Board from 2004 until she joined the JAC in 2008. In 2010 Jill Black was appointed to the Court of Appeal and the Privy Council.



### **Mr Justice Bean (judicial)**

David Bean was appointed a Justice of the High Court, assigned to the Queen's Bench Division, in 2004. He has been Chairman of the Bar Council (2002), and is a former member of the Civil Justice Council. He was a Presiding Judge of the South Eastern Circuit from 2007 to 2010.



### **District Judge Birchall (judicial)**

Malcolm Birchall has been a District Judge since 1995. He is based in Norwich, takes civil and family cases, and is a nominated care judge. He obtained a Master's degree in Family Justice Studies at the University of East Anglia. He has acted as an appraisal judge for eleven years, including six years as Circuit Appraisal Judge for the South Eastern (north) circuit. He is also an associate lecturer/tutor with the Open University in the Law Faculty and a former Course Director at the Judicial College.



### **Martin Forde QC (professional – barrister)**

Martin Forde QC took Silk in 2006 and became a Recorder in 2009. His early career on the Midland Circuit included crime, personal injuries, matrimonial and a variety of civil and criminal work, though latterly he has focused on medical negligence and regulatory work. He is the South Eastern Circuit Diversity Mentor and Chair of the South Eastern Circuit Minorities Committee. He is also the Chair of the Bar Council's Equality and Diversity Sub Group: Access to Appointments and Progression.



### **Professor Noel Lloyd CBE (lay)**

Noel Lloyd was Vice Chancellor of Aberystwyth University. He is a member of the Commission on Devolution in Wales (the Silk Commission), a member of the Board of Jisc and Chair of High Performance Computing Wales and also Chair of Fair Trade Wales. An academic mathematician, he has worked in Aberystwyth since 1974, after an early career in Cambridge, becoming Pro Vice-Chancellor in 1997. He has also been Chair of Higher Education Wales, Vice President of Universities UK and board member of the Quality Assurance Agency for Higher Education and the Universities and Colleges Employers Association.



### **Ms Alexandra Marks (professional – solicitor)**

Alexandra Marks was a partner at Linklaters for over 20 years, practising in commercial property. She became a Recorder in 2002, is a Deputy High Court Judge, an Adjudicator for the Solicitors Regulation Authority, and Chair of the Architects Registration Board's Professional Conduct Committee. She is also a Past President of the City of London Law Society, a Board member of JUSTICE and Chairman of the Prisoners Education Trust.



### **Judge Alison McKenna (Tribunal)**

Alison McKenna began sitting as a Tribunal Judge in 2002 and took up full-time appointment as the first President of the Charity Tribunal in June 2008, a post which became the Principal Judge of the First-tier Tribunal (Charity) in September 2009. She was called to the Bar (Middle Temple) in 1988 and practised at the independent Bar and in the Government Legal Service. She re-qualified as a solicitor in 2003 and was a partner in private practice, specialising in charity law. She sits as a Deputy Judge of the Upper Chamber in both Tax and Chancery and the Administrative Appeals Chamber and was assigned to the Tax Chamber of the First-tier Tribunal in 2011.



### **Mrs Stella Pantelides (lay)**

Stella Pantelides runs her own consulting business specialising in the integration of business and people strategy. She holds non-executive directorships on the Board of St George's Healthcare NHS Trust, the Service Personnel Board at the Ministry of Defence and is also a member of the School Teachers Review Body. She has just come to the end of a five year term as a Civil Service Commissioner. She had previously held senior HR posts in professional services firms and City institutions, including Global Director for HR at Linklaters.



### **Lieutenant General Sir Andrew Ridgway KBE CB (lay)**

Andrew Ridgway served a five-year term as Lieutenant-Governor of Jersey and has been Chief of Defence Intelligence and previously Director General, Defence Training and Education. He had operational deployments with NATO and UN in Kosovo, Kuwait, and Central Bosnia, and served as the first Director of Operational Capability at the Ministry of Defence. He is the Chair of British Bobsleigh and has been involved in a number of voluntary bodies adjacent to his military career such as the Tank Museum.



### **Ranjit Sondhi CBE (lay)**

Ranjit Sondhi is a member of the Equality and Diversity Committee of the Bar Standards Board. He was Chair of the Heart of Birmingham NHS Teaching Primary Care Trust and has been involved with voluntary and community organisations including the Asian Resource Centre in Birmingham, the Joint Council for the Welfare of Immigrants, the Commission for Racial Equality, the Ethnic Minorities Advisory Committee of the Judicial Studies Board and the Lord Chancellor's Advisory Committee on Legal Education and Conduct. He was a National Gallery trustee, a BBC Governor and a Civil Service Commissioner.



### **Dame Valerie Strachan DCB (lay)**

Valerie Strachan is a former senior civil servant. She retired as Chair of HM Customs and Excise in 2000. She served as a Lay Assessor on the Leggatt enquiry in 2001-02 (which recommended the creation of the Tribunals Service). She was a panel member of the Rosemary Nelson Inquiry. Other appointments have included Chair of the University of Southampton, Vice Chair of the Big Lottery Fund and Chair of James Alleyn's Girls School.



### **Her Honour Judge Taylor (judicial)**

Deborah Taylor has a background in both civil and criminal law. Having been a civil practitioner, she began as a Circuit Judge at Basildon Crown Court, presiding over criminal cases before moving to Inner London Crown Court, Blackfriars Crown Court and for the last four years, Southwark Crown Court. She also sits at the Mayor's and City of London County Court and covers a range of civil and criminal cases.



### **John Thornhill Esq JP (magistrate)**

John Thornhill is a Liverpool based magistrate, who has been on the bench since 1982, and holds court chairman status for adult, youth and family courts. He was Chair of the National Magistrates' Association from 2008 - 2011 and has been very active with the National Council since 1994. He was called to the Bar in 2002 and is currently a Member of the European Network for Councils of Judiciary, as an appointed representative of UK judges. He is also Chairman of the European Network of Lay Judges.



### **Mr Justice Wilkie (judicial)**

Mr Justice Wilkie has been a Judge of the High Court, Queen's Bench Division, since 2004. He was a Presiding Judge of the North Eastern Circuit between 2007 and 2010. He was a Circuit Judge between 1997 and 2004, and a Law Commissioner between 2000 and 2004. He was also a Recorder between 1995 and 1997.

Each Commissioner is appointed in their own right, not as a delegate or representative of their profession. Twelve Commissioners, including the Chairman, were selected through open competition, and three by the Judges' Council.

## The Senior Leadership Team

The JAC is managed by its senior leadership team, which consists of a Chief Executive and two Directors.



### **Nigel Reeder OBE – Chief Executive**

Nigel was appointed Chief Executive of the JAC in December 2011 following a Civil Service wide recruitment campaign. He joined the JAC as Director of Strategy and Outreach in March 2008 from the Ministry of Justice, where he had developed the Government's policy on legal services reform and led the subsequent Bill team. Previously he worked for the Ministry of Defence.



### **Sarah Gane – Selection Exercise Director**

Sarah joined the JAC in March 2009 following 18 years working in Courts and Tribunals. Her last role with MoJ was as head of the Tribunals Services Administrative Support Centres in Leicestershire, which included heading up the Mental Health Tribunal. The Selection Exercise Directorate is responsible for the management of the selection exercises relating to appointments for HMCTS and other non-MoJ Tribunals.



### **John Rodley – Operational Services Director**

John joined the JAC in February 2009. His first career was in the Royal Navy. He left in 2001 to become the Justices' Chief Executive and then the Court Service Area Director in Suffolk. He is also the Chairman of Concordia, a charity placing young people with volunteer projects. The Directorate provides corporate support services such as HR and IT and leads on strategy and policy matters.

“Thank you for putting my mind at rest regarding reasonable adjustments. If all employers would have the same approach life would be so different for people with disabilities.”

**Candidate in Fee-paid Disability Member of the First-tier Tribunal (Social Entitlement Chamber) selection exercise**

## JAC values

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

“The role play was clearly designed to test the qualities needed, and under extreme conditions. It was, therefore, excellent and despite its extreme difficulty, I do not consider it was too challenging – even though I myself was not up to its challenge.”

Candidate in the Deputy District Judge (Civil) selection exercise

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## Staff

Throughout the year further efficiencies, both in the total number of staff and in their deployment, have been made. At the end of March 2013 the JAC had 69 staff, a further reduction of six per cent from March 2012.<sup>1</sup> With reduced permanent staffing, increased use has been made of temporary staff to support at peak periods. For 2012/13 this equates to around five full-time staff.

The annual JAC staff survey maintained its excellent response rate of 89%, which is well above the general Civil Service benchmark. The overall engagement score fell to 53%, which is above the Civil Service average but has fallen from 63%. While disappointing this is partly attributable to the challenges being faced by public sector organisations and concerns regarding pay and pensions. Nevertheless, we recognise the need to listen to staff feedback and a comprehensive action plan was produced to ensure progress in the year ahead.

JAC staff continue to be involved in charitable activities at no cost to the public. A charity is selected by staff each year to benefit from the proceeds and in 2012 The Passage was chosen, a local charity which supports the homeless in Westminster. The JAC Social and Charity Committee remains active with a number of after-work events, while the Staff Forum is available to provide an avenue for staff to express their views and be involved in decision-making. The JAC 'green champion' continues to promote initiatives which support the environmental sustainability of the JAC and two 'efficiency champions' have been appointed to identify and take forward efficiency savings for the organisation.

For the first time in a number of years, staff sickness absence levels have risen above the last published average for Civil Service organisations, although this was partly due to instances of long-term absences following scheduled operations. The JAC continues to monitor absence levels, and encourages a healthy lifestyle. Around 20 per cent of our staff now work flexibly, including compressed hours or on a part-time basis, which is in addition to the majority who adopt flexi-time arrangements.

Despite the financial restraints and the challenging selection exercise programme, the JAC remains committed to investing in improving the skills of staff so that they have the relevant skills to deliver the core business, while also developing personally. All staff now have access to Civil Service Learning which is the approved route for accessing much of the learning that civil servants and staff working in bodies like the JAC may need to enhance their existing skills and develop new competencies.

*"I was extremely impressed by the professionalism and hard work of the JAC in the competition in which I was involved. I don't think I have ever seen an organisation come such a long way in such a short time."*

**Andrew Bano, former President of War Pensions and Armed Forces Compensation Chamber and Judge of the Upper-tier Tribunal (Admin Appeals Chamber)**

<sup>1</sup> This includes four members of staff currently on loan to other government departments

# CASE STUDIES

## Eleri Rees



**Eleri Rees has been appointed as the Recorder of Cardiff. Previously she was a Circuit Judge, Recorder, Assistant Recorder and District Judge (Magistrates' Courts)/Stipendiary Magistrate. She was also a Justices' Clerk and Senior Legal Adviser (Magistrates' Courts).**

There is no doubt that my new job is a significant change. I am no longer just responsible for what I am doing and my own performance. I am responsible for the performance of three court centres – Cardiff, Newport and Merthyr – for the welfare of the judges and staff and how we manage the resources.

I am really enjoying working with people who are driving towards the same goals. It is very easy to become negative in a time of reducing resources when you have to do more for less. You have to change that into something more positive to stop people feeling beleaguered or taken advantage of. To succeed, you need support from everyone around, so we have regular meetings to listen to ideas and find solutions.

I was in two minds about applying for the role having spent 10 years as a Circuit Judge and being very comfortable in that role. I was already the acting Resident Judge for one of the courts, Merthyr, so I had a taste of it.

I thought there would be lots of other, more experienced or better qualified candidates. Then a senior colleague approached me and asked why I was not applying. It may be a particularly female trait to lack confidence in your abilities and achievements and not want to put your head above the parapet. That said, if you do decide you want to apply for a role, you need to think long and hard about it as you might get it! I was almost shocked when I did.

I have had a fairly unusual career route from justices' clerk to the bench. Like many of my generation, I found it very difficult to get pupillage and so started working for the magistrates' courts service. I loved it and had a very happy 20 years there. The local Resident Judge in Croydon, who I had been working with on some judicial training, said I should apply for what was then called a stipendiary magistrate. Without her prompting I would not be here now. I started off as a part-time judge and then after a couple of years went full time. This was not an obvious career move for me. Judicial posts were seen to be the preserve of the Bar. There has now been a sea-change in attitude as to who is eligible to sit. Nowadays there is increasing diversity within the judiciary and people are taking different routes through their legal and judicial careers. I brought skills with me that are also of value – case management, running meetings and being able to work with other agencies.

I welcome the greater transparency and openness of the selection process. It was all a bit mysterious and, going back some 10 years or more to my first appointment, it was very difficult to know where to seek advice. What I think people find most difficult is writing the self assessment of judicial skills

in the application form. It is the most toe-curling aspect because it runs contrary to most people's natural instincts to be singing your own praises and achievements. You need to spend quite a lot of time analysing the guidance about having hard evidence of what you are asserting. You also need to get someone else to look at what you have written against the criteria being looked for. My husband made some suggestions and thought of some points I had not mentioned.

Increasing judicial diversity is about confidence building and people thinking laterally about different routes through the judiciary. We need people to apply or they will never succeed. Some people may be discouraged by the process because they are not used to being interviewed or having to undergo a written exam. Many, even experienced lawyers, do not succeed the first time, but they should not think 'that's it'. For more senior judicial roles, some women may be put off by the idea of the travel involved, having two homes or having to move away. However, there is a wide range of posts available and different ways of being a judge. It's important to keep an open mind.

## Jeffrey Davies



**Jeffrey Davies is a Lay Member of the Mental Health Review Tribunal for Wales. He is also a senior social worker/forensic social worker in the Blaenau Gwent Community Mental Health Team and a former psychiatric nurse.**

One of the main roles of the Mental Health Review Tribunal is to balance the liberty and rights of the patient against the risks they may pose to themselves and others. Lay Members need to be comfortable doing this. I thought, through my long career of 25 years in mental health, that I had gained the right experience and skills to be able to do this competently and therefore applied for the role.

As a forensic social worker I deal with people who have often committed serious offences and have been detained under the Mental Health Act. I supervise service users in the community, often in conjunction with the Ministry of Justice, and regularly undertake risk assessments. I have attended Mental Health Review Tribunals on numerous occasions in a professional capacity, giving evidence both verbally and in writing.

As a Lay Member I have to be able to approach a case from a different point of view to that of a professional giving evidence. When sitting on the Tribunal you need to be fair and equitable in your approach and have no preconceived ideas. For me this change of perspective can be a challenging aspect of my new role.

There is a rich variety of work. No two tribunal sittings are the same; there are always differences in the individual circumstances of the patients and the arguments made by their legal representatives. I also enjoy working with people from different professional backgrounds and viewpoints. The roles of the members of the Tribunal are complementary and we all take equal responsibility in the decision making. The Lay Member usually takes the lead in questioning the non medical witnesses and examining the evidence from a social perspective. It is a very interesting, enjoyable and often challenging role.

The JAC selection process was thorough but fair and equitable. Initially it involved completing a detailed application outlining my experience in mental health and examples of how I met the qualities required for the role. The shortlisting process consisted of a challenging online test, made up of a number of questions on a series of scenarios relating to the work of the Tribunal. There was a time limit and you needed to be disciplined and well prepared to finish it within the time allocation. However, there was nothing unexpected in the test. All questions related to the role of the lay member, the relevant legislation and the associated codes of practice. I found that there was also a great deal of pertinent information on the JAC website which I would recommend reading as preparation prior to sitting the test.

Following shortlisting, I was invited to an interview in London. The panel consisted of two people, one of whom was a Tribunal Judge. The interview involved a scenario regarding a Tribunal and questions covered the qualities and abilities that would be required of a candidate, who was suitable for judicial office. Again, the resources available on the JAC website were helpful in preparing for the interview.

After being appointed, I was required to attend three days of training and observe three Tribunals, which was very helpful and allowed me to meet the other new appointees.

## Hodge Malek QC



**Hodge Malek QC has been appointed as a Fee-paid Chairman of the Competition Appeal Tribunal. He is also a Recorder, commercial law barrister, academic author, and member of the Inns of Court Conduct Committee.**

All of my experience – as a lawyer, writer and committee chairman – comes together in my judicial roles. A lot of law in courts and tribunals is really the law of evidence and case management. Being the general editor of Phipson on Evidence has helped me to have a good working understanding of the law of evidence and this has helped me in my role as a judge in both criminal and civil cases.

When you join the Competition Appeal Tribunal you are asked to give a lecture to the other members. I gave a talk on disclosure. This gave me the opportunity to review all the cases of CAT on disclosure and to present my views as to how practice in this area may develop in the future. The importance of disclosure in all types of cases is well known, but it is important that its costs are not disproportionate to what is at stake. Disclosure can involve hundreds of thousands of documents, both in hard copy and electronic form. It can be a lot of work, for little result and great cost if it is not handled properly. Most cases are not about fine points of law; they are about fact and what evidence is admissible. So every judge should have a firm grasp of the law of evidence and disclosure. As the jurisdiction of the CAT over private enforcement actions is enhanced, with the proposed introduction of stand-alone claims and opt-out collective

redress, issues of disclosure will assume more importance in the CAT than at present.

I love sitting as a judge – I have sat as a Recorder for some years, and also on various disciplinary committees. I feel it is the most satisfying part of the work I do. If we had professional judiciary in the country where one joins the judiciary after university as a distinct career path, such as in civil law jurisdictions, I would probably have gone down that route.

The Fee-paid Chairman position is challenging as there is a mixture of regulatory work – and I do a lot of that as a barrister – and economics. I was attracted to it because the work of the Tribunal is high quality. The Tribunal is also run extremely well and has a first-rate reputation. When a case comes into the Tribunal it is allocated to a Chairman and two members and they look after it from beginning to end, so the case management is very good.

The selection process for the role is difficult in the sense that you have got to sell yourself in an application form. Some people like to sell themselves. I don't, but I accept that applicants should be assessed by identifiable criteria in order to work out who is best for the position. Before the interview day, I was given some materials on competition cases and rules. Then on the day, I was left for 45 minutes with a problem which related to that material. It is a pretty good way of testing someone as this is how it works for a judge in court – they look at the papers in the morning and then should be ready to deal with the cases. In the interview they ask all the right questions and are very probing. The interview itself was conducted in a friendly manner and applicants need not be put off by the selection process.

As a judge you see all sorts of different people with real problems. Judges have in the past been criticised for not living in the real world, and for being elitist and I feel that we are getting away from that. Being a judge is such a rich experience. You have got a lot of responsibility and all you want to do is make sure everyone has a fair hearing and the result is just.

## Helena Suffield-Thompson



### **Helena Suffield-Thompson is a Fee-paid Judge of the First-tier Tribunal, Social Entitlement Chamber in the South West. She is a former Partner and Head of Criminal Litigation.**

When I applied for the role of Fee-paid Judge of the First-tier Tribunal I was delighted to be invited to complete the qualifying test. However, I have a degenerative spinal condition which means I occasionally get spinal block. This can last for weeks and leave me unable to stand. So, sadly I had to phone the JAC and say 'I can't do it'. The lady I spoke to could not have been more helpful and said 'yes you can'!

She asked how I would be most comfortable and I explained I had spent the last few weeks lying down. So she booked me a room with a bed and arranged for me to take the test lying down. It is so important for people to know that they can ask for the support they need and in my experience the JAC did everything they could to help.

I had never thought seriously about applying for a judicial role, I didn't think someone like me would be wanted. I thought I was too young and my disability would be a nuisance which is how I was made to feel in private practice.

It was a chance discussion in court with a District Judge who works in this area that set the ball rolling. She said I would be ideal and

really encouraged me to apply – she even texted me the details of the selection exercise.

The role came up at just the right time and was a good fit for my experience. Disability is a big issue for me personally, and I wanted to bring my personal experience to this role as well as my legal practice.

My job as criminal solicitor was in a very male dominated environment and I had to work harder and be better to carve a niche for myself. When I looked at the case studies on the JAC website it really encouraged me to see people like me who have succeeded. That made me feel 'I can do this job – I can go for it'.

I did find some parts of the selection process challenging but others were straightforward. All round it was a tough experience and so it should be, it's a serious job.

My advice for the interview would be: 'be yourself'. I believe they are looking at the all-round person, not someone who gives the answers they think the panel want to hear. The role play was fine – as a litigation lawyer it was what I did all day. The qualifying test was more challenging as I hadn't done any kind of exam since university. I did read past papers on the JAC website in advance. With these tests you can't just take the approach of 'turn up and do it' – you do have to put the work in.

The JAC could not have been more supportive throughout. I want to encourage others and give them the confidence to go for it. If you have a disability it is part of you but it doesn't have to define you.

## Jaron Lewis



**Jaron Lewis has been appointed as a District Judge. He was a Deputy District Judge for three years and an equity partner at Reynolds Porter Chamberlain (RPC).**

I had very little experience in the county courts before I considered applying for the District Bench. As a solicitor at a top 50 City law firm, and before that an in-house litigator, my cases were normally in the High Court. So I studied hard before applying to be a Deputy District Judge. I bought text books to check that I knew the relevant law and did some judicial shadowing. I also went to a JAC candidate seminar and kept a log of examples of my work which could demonstrate the required qualities.

When I felt ready to apply to be a full-time District Judge, I took a similar approach, even though I had been through the process before. In addition I did some mock tests through the JAC and went through previous tests and feedback reports on their website. I also thought through possible interview questions and watched the interview and role play videos. I know from speaking to other recent appointees that we all spent a lot of time preparing – both for our applications and for the selection day.

Becoming a part-time judge in 2009 helped to improve me as a lawyer. It gave me a more in-depth understanding of what judges need

during hearings and sharpened my legal analysis. This enabled me to prepare more effectively for cases and provide a better service to clients.

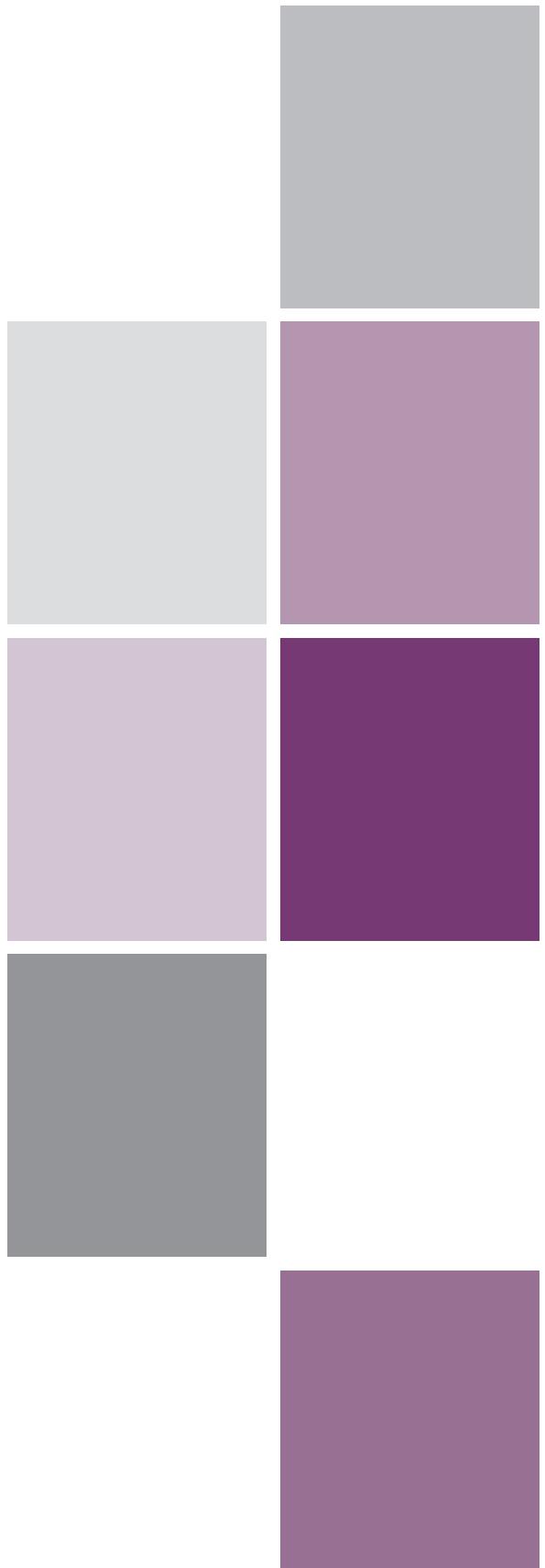
I am now sitting at Romford County Court. More than 60 per cent of my time is spent on family work and the remainder is civil, including insolvency. I thought I would miss practice more than I have: I was a media lawyer often doing high-profile work but I am getting a lot from being at court every day, resolving what are often difficult, and acrimonious disputes. Many of the cases that I handle will have a big impact on people's lives – it might involve their home or their children, or make a significant difference to their financial wellbeing. The role is very varied, which is important to me.

The JAC process is not easy, but I came out of it thinking that I had been given a good opportunity to demonstrate my qualities and skills, and confident that selection decisions would be taken on merit. You are not held back just because you have a particular background – for example the fact that I was educated at a comprehensive, rather than a public school, or that I am gay.

I have been openly gay throughout my entire career and have never experienced any problems, either in practice or within the judiciary. The judges on the district bench in particular see such a diverse cross-section of society that I doubt any of my colleagues has given my sexuality a second thought. It has just not been an issue. My civil partner attended both my swearing in and a recent formal judicial event and he was made to feel very welcome. More role models would help but I do not think anyone who is LGBT should feel held back due to a misconception about what the judiciary is like.



## PART 2: ANNUAL ACCOUNTS 2012/13



# DIRECTORS' REPORT

## Introduction

The Judicial Appointments Commission (JAC) commenced operation on 3 April 2006, as part of the changes brought about by the Constitutional Reform Act 2005 (the Act). 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 2012/13 are set out in the Remuneration Report, page 38.

## Statement of the accounts

The financial statements for the period 1 April 2012 to 31 March 2013 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 continues to promote equality of opportunity, both in the selection of candidates for judicial office and in the recruitment, training and promotion of staff. The JAC meets all its responsibilities under the Equality Act 2010, and the JAC's equality objectives for 2012-2016 can be viewed on the JAC website. The consideration and implementation of reasonable adjustments is fully integrated into 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 team meetings and electronic communication. Each directorate holds a meeting at least monthly for all their staff, where information from Commission meetings and Leadership Team meetings is discussed. In addition, our Chief Executive holds face-to-face meetings with all staff where significant information, or changes that apply to all, are discussed. All staff are encouraged to ask about organisational issues and how these relate to themselves and their work.

We continue to monitor the JAC's intranet to ensure that it contains relevant information in a format that is easy to communicate.

Our Health and Safety Policy, and responsibilities as set out in the Statement of Intent, signed by the Chief Executive in March 2013, is published on our intranet for staff. We communicate other health and safety information to staff through the intranet and by notices. All senior managers have been appropriately trained and we have sufficient trained first aiders and fire wardens in place. A JAC Assistant Director has been trained as the Fire and Incident Control Officer for the building. Each Directorate has trained health and safety co-ordinators who meet regularly with the 'Competent Person' as a working group, to identify issues and review progress. There were no reportable health and safety incidents.

In November 2008 the JAC set up a Staff Forum comprising eight 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, providing advice on staff opinion surveys and promoting good practice and successes. The Forum reviewed its membership during the year and meets at least monthly, including regular meetings with the Leadership team to discuss relevant issues.

As mentioned on page 23, the JAC surveys the opinions of staff annually and undertakes exit interviews/questionnaires on all staff who leave. Our annual staff survey maintained its excellent response rate of 89%, which is well above the general Civil Service benchmark. Unfortunately, our overall engagement score fell to 53%. Although this remains above the Civil Service average, it is disappointing, particularly as there has been a decline in some key areas. However, we do need to recognise the challenges being faced by public sectors concerning pay and reduction in resources. Nevertheless, we recognise the need to listen to staff feedback and to consider new ways in order to communicate with staff which allows them to gather the information they require in order for them to undertake their work.

## 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, as soon as possible, but certainly within 30 days of the presentation of a valid invoice. During the financial year 2012/13 the JAC also monitored its payment performance against the 5-day target, in accordance with the Prime Ministerial commitment of May 2010 that Government Departments should

pay suppliers within 5 days of receipt of a valid invoice at the correct billing address (target of 80%). It also monitored its performance against a 10 day target (of 90%).

As the JAC has one weekly payment run, these targets are often difficult to achieve, whilst also ensuring that proper checks are made to ensure invoices are valid.

The following sets out the JAC performance:

	2012/13 %	2011/12 %	Target %
Payment within 5 days	33.5	35.2	80
Payment within 10 days	83.8	85.8	90
Payment within 30 days	99.8	99.7	100

## Pension liabilities

Details regarding the treatment of pension liabilities are set out in notes 1f and 2 to the financial statements.

## 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, 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 he ought to have taken to make himself 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 attends the JAC Audit and Risk Committee, which provides oversight on governance and risk management.

## Events after the reporting period

Events after the reporting period, of which there are none, are set out in note 15 to the financial statements.

## Likely future business developments

Likely future developments and how they will affect our business are set out in the management commentary, below.

# 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 2012/13 the JAC made fewer selections compared to 2011/12, although the number of selection days were much higher, and this was achieved with a reduced financial allocation. The Net Expenditure Account shows that net expenditure for the year was £6,691k compared with £6,874k the previous year, a 3% decrease. This was mainly due to a reduction of £86k (5%) in non-cash charges relating to services provided by the MoJ, and a reduction in employment costs of £64k (2%), following staff departures.

In response to the reductions in budgets, as a result of the Spending Review, the JAC continues to look at its staffing and organisational structure whenever a member of staff leaves, to see whether efficiencies can be made. There has been a slight reduction in staff during the year. The result of these measures mean that the JAC underspent on its grant-in-aid allocation of £5,120k by £199k (4%), spending just £4,921k of its allocation, which also takes account of the utilisation of the provision established in 2009/10 to fund early retirement. We therefore did not draw down our full grant-in-aid allocation, and also took measures to reduce our cash balance held more generally. For the purposes of the summary financial data on pages 6 and 7 panel chairs and lay panel members' costs are treated as programme costs.

The JAC continues to make extensive use of shared services for central functions, such as the provision of accommodation, HR and IT 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 can 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 1, the JAC completed 36 selection exercises in 2012/13, and began a further 7 continuing into 2013/14. The number of recommendations made, and applications received during the year, is dependent upon the mix of exercises. The JAC made 597 recommendations in 2012/13 (746 in 2011/12), and received 4,637 applications for these positions (5,490 in 2011/12).

We have also continued to operate fair and non-discriminatory selection processes and we have worked with others to encourage applications from a wider range of people. We have played a key role in the Judicial Diversity Taskforce, which was set up in March 2010 by the Lord Chancellor following the report of the Advisory Panel on Judicial Diversity (Neuberger Report). Progress against the recommendations in the report were first published in May 2011, with an annual progress report published in September 2012. A further update is expected to be published in September 2013. We have also continued to work with partners through the JAC Diversity Forum to encourage a collective approach to identifying and breaking down the barriers to application. We took over Chairmanship of the Diversity Forum until at least 2016, which ensures consistency of approach, and continuity.

We are working with MoJ on developing an IT system, which is intended to replace our existing database, and provide a customer focused system to help us through the selection process. We are still at an early stage in this project, but MoJ have provided us with a capital allocation for 2013/14 for this purpose.

The JAC key relationships are with the Lord Chancellor and his officials, the Lord Chief Justice and the judiciary, Her Majesty's Courts and Tribunals Service and the legal professional bodies.

Members of the judiciary participate in each element of the selection exercise process, setting and marking qualifying tests for selection exercises and participating as interview panel members. As disclosed in the Remuneration Report, the services of judicial Commission members, as well as the cost of the judicial input to the selection process, are provided without charge.

There were no losses of personal data during the year (Nil in 2011/12).

## Progress in relation to corporate objectives

For further details of the progress made by the JAC against the strategic objectives set out in the 2012/15 Business Plan, see **Appendix B: Performance in 2012/13**.

## Forward look and future developments

The grant-in-aid allocation provided by MoJ will decrease from £5,120k in 2012/13 to £4,911k in 2013/14 (a 4.0% reduction). *The Business Plan 2013/15* gives further details of the JAC's objectives for the year ahead and how these will be achieved. These are:

- To deliver the selection exercise programme, agreed with the Ministry of Justice and HMCTS, recommending high quality candidates, solely on merit, to the Lord Chancellor;
- To deliver our diversity duty by encouraging a diverse range of eligible applicants;
- To deliver change in the form of faster, more economical and more candidate-focused processes;
- To deliver an effective operating model for the JAC with a structure adapted to provide value for money; and
- To deliver, in association with MoJ, a new IT system, which will enable and support new processes and structures.

The JAC will continue to closely monitor the progress of legislation relating to judicial appointments. We will work closely with the MoJ and the Judicial Office to develop any new policies and processes that may be required in response to this.

## Principal risks

The principal risks for the JAC are set out in the Corporate Risk Register, with the main ones being: Delays in delivering our Change Programme; loss of corporate knowledge; that candidates from our target groups (women, BAME, disabled and solicitors) do not progress through the selection process in line with the eligible pool; and failure of IT systems.

The Leadership Team constantly monitors these corporate 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 Corporate Risk

Register and the actions taken with the Leadership Team each quarter. The Governance Statement also provides a description of the key elements of the risk and control framework.

## Going concern

The Statement of Comprehensive Net Expenditure Account shows a deficit in 2012/13. Due to grant-in-aid funding the Statement of Financial Position at 31 March 2013 shows an excess of assets over liabilities of £232k.

We know of no intention to suspend the JAC's activities. As outlined in the review of judicial appointments process the conclusion was that the JAC should be retained. It has therefore been considered appropriate to adopt a going concern basis for the preparation of these financial statements. Grant-in-aid for 2013/14, taking into account the amounts required to meet the JAC's liabilities, has already been included in the departmental estimate.

## Environmental, social and community matters

For the first time in a number of years, staff sickness absence levels have risen above the average across Civil Service organisations. For 2012/13 on average 8.29 days for each member of staff was lost (5.29 days in 2011/12). This increase on previous years is partly due to instances of long term absences resulting from medical operations. The JAC, however, continues to monitor absence levels, and encourages a healthy lifestyle. Around 20% of our staff now work flexibly, which is in addition to the majority who adopt our flexi-time arrangements.

JAC staff are encouraged to be conscious of sustainability and energy-saving issues. The JAC has a Green Champion who works with the MoJ Sustainability team and promotes good practice directly and via the intranet. For example, desk-side bins have been removed to encourage recycling of paper, plastics, cans and food waste, etc. 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.

The JAC is exempt from sustainability reporting. However, its offices are part of the MoJ estate, and therefore information on this can be found in the MoJ's consolidated resource accounts.

# REMUNERATION REPORT

This Remuneration Report has been prepared in accordance with Chapter 6 of the Companies Act 2006 as interpreted for the public sector context. 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; and
- 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).

## Appointment 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

The existing members of the Leadership Team (who are senior civil servant equivalents) are permanent members of the JAC, or public servants on fixed term contracts. The terms and conditions of their appointments, including termination payments, are governed by their contracts. The Leadership Team during 2012/13 and details of their contracts are set out on page 39.

The remuneration of senior civil servants 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; and
- the Government's inflation target.

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

## Service contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. JAC staff are employed as Public Servants, rather than Civil Servants, but the principles of this Act still apply. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

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, results 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.civilservicecommission.org.uk](http://www.civilservicecommission.org.uk).

## Panel Chairs and Panellists

The JAC has appointed panel chairs and independent panellists who are used, when required, to assess candidates for selection. The panel chairs provide a summary report for

Commissioners on candidates' suitability for selection. These panel chairs and 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, as agreed by HM Revenue and Customs. 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 are public appointees, and they provide strategic direction to the JAC and select candidates for recommendation for judicial office to the Lord Chancellor.

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

a fee by the JAC. The fee is neither performance-related nor pensionable. 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. Commissioners do not receive any pension benefits.

Commissioners, who are entitled to a fee, are paid an annual amount of £9,473 in respect of 28 days service a year. In exceptional circumstances they may be paid for additional days work at £338.33 per day. For those Commissioners entitled to a fee, who were in post up to the end of January 2012, were paid an annual fee at a rate of £12,180, in respect of 36 days service per year. If these Commissioners worked additional days, they were paid at £406 per day. The remuneration of the Chairman is included in the Leadership remuneration table on page 39.

The members of the Commission during 2012/13 and details of their appointments are set out below.

	Date of original appointment	Date of re-appointment	Length of current term
<b>Chairman</b> Christopher Stephens	07/02/2011		3 years
<b>Commissioners</b>			
Mr Justice Bean	01/09/2010		5 years
Lady Justice Black DBE	01/10/2008		5 years
District Judge Birchall	01/02/2012		2 years
Martin Forde QC	05/01/2012		3 years
Professor Noel Lloyd CBE	01/02/2012		2 years
Ms Alexandra Marks	05/01/2012		3 years
Judge Alison McKenna	01/02/2012		2 years
Mrs Stella Pantelides	01/02/2012		3 years
Lieutenant General Sir Andrew Ridgway KBE CB	01/02/2012		2 years
Ranjit Sondhi CBE	01/02/2012		2 years
Dame Valerie Strachan DCB	01/02/2012		3 years
Her Honour Judge Deborah Taylor	05/01/2012		3 years
John Thornhill Esq JP	01/02/2012		2 years
Mr Justice Wilkie	25/05/2012		5 years

### Commissioners' remuneration

The Commissioners' remuneration (audited) for the year is as shown below, including payments to Commissioners for acting as panellists in selection exercises:

		2012/13	2011/12
	Remuneration	Benefits in kind (to nearest £100)	Total
	£000	£000	£000
Mr Justice Bean	-	-	-
Lady Justice Black DBE	-	-	-
District Judge Birchall	-	-	-
Martin Forde QC	9	-	9
Professor Noel Lloyd CBE	9	6,200	15
Ms Alexandra Marks	9	-	9
Judge Alison McKenna	-	-	-
Mrs Stella Pantelides	11 <sup>1</sup>	600	12
Lieutenant General Sir Andrew Ridgway KBE CB	18 <sup>2</sup>	12,500	30
Ranjit Sondhi CBE	9	2,500	12
Dame Valerie Strachan DCB	14 <sup>3</sup>	100	14
Her Honour Judge Deborah Taylor	-	-	-
John Thornhill Esq JP FRSA	9	5,900	15
Mr Justice Wilkie	-	-	-
<b>Total</b>	<b>88</b>	<b>27,800</b>	<b>116</b>
			<b>18</b>

The remuneration for 2012/13 is based on a full year of service, whereas the comparator for 2011/12 is not for a full year – see dates of original appointments.

Notes:

- 1 Includes remuneration for acting as a panellist on the Court of Appeal exercise
- 2 Includes remuneration for acting as a panellist on the High Court exercise
- 3 Includes remuneration for acting as a panellist on the Court of Appeal, President of the Family Division and Chancellor of the High Court exercises

### Benefits in kind

Commissioners may be reimbursed for their travel and subsistence costs in attending Commission business if the cost of their journey is greater than what they would otherwise incur with their other employment. 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 and incorporated into the benefits in kind amounts. There are no other benefits in kind.

## Staff

For a breakdown of average staff numbers see note 2 to the accounts.

### Appointments

The members of the Leadership Team during 2012/13 and details of their appointments are set out below:

		Date of appointment	Contract
<b>Chief Executive</b>	Nigel Reeder	20/12/2011	Permanent member of staff (3 month notice period)
<b>Directors:</b>			
Selection Exercises	Sarah Gane	30/03/2009	Fixed Term Contract: 4 years (3 month notice period)
Operational Services	John Rodley	04/02/2009	Fixed Term Contract: 4 years (3 month notice period)

### Remuneration of Leadership Team, including the Chairman

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

	2012/13			2011/12		
	Salary £000	Bonus Payments £000	Benefits in kind (to nearest) £000	Salary £000	Bonus Payments £000	Benefits in kind (to nearest) £000
	35-40 <sup>1</sup>	-	-	50-55 <sup>2</sup>	-	-
Christopher Stephens						
Nigel Reeder	80-85	-	-	80-85	-	-
Sarah Gane	65-70	-	-	65-70	-	-
John Rodley	75-80	-	-	75-80	-	-

	2012/13	2011/12
Band of Highest Paid Director's Total (£000)	80-85	80-85
Median Total Remuneration £	29,495	29,764
Ratio	2.8	2.8

#### Notes:

- 1 This figure is the rate based on a 0.4 FTE. Full-year equivalent rate being £90-95k
- 2 This figure represents the charge to the JAC. He was also paid a further amount in the range £0-5K, but this was paid for by the MoJ. This figure is the rate based on a 0.6 FTE. Full-year equivalent rate being £90-95k

The JAC is required to disclose the relationship between the remuneration of the highest-paid director in the organisation and the median remuneration of the organisation's workforce.

The banded remuneration of the highest-paid director in the JAC in the financial year 2012/13 was £80-85k (2011/12, £80-85k). This was 2.8 times (2011/12, 2.8 times) the median remuneration of the workforce, which was £29,495 (2011/12, £29,764).

In 2012/13, Nil (2011/12, Nil) employees received remuneration in excess of the highest-paid director.

Salary includes gross salary; 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. It also includes, non-consolidated performance-related pay (of which there was none in the year), benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

This presentation is based on the cash payments made in the year by the JAC.

#### Benefits in kind

Leadership Team members have no entitlement to benefits in kind. In 2012/13 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 (audited) of the Leadership Team, including the Chairman were as follows:

	Total accrued pension at pension age as at 31/03/2013 and related lump sum £000	Real increase in pension and related lump sum at pension age £000	CETV at 31/03/13 £000	CETV at 31/03/12 £000	Real increase in CETV £000	Employer Contribution to partnership pension account £000
Christopher Stephens <sup>1</sup>	-	-	-	-	-	-
Nigel Reeder	35-40 plus Lump sum 115-120	0-2.5 plus Lump sum 0-2.5	810	766	1	-
Sarah Gane	15-20 plus Lump sum 55-60	0-2.5 plus Lump sum 0-2.5	285	263	6	-
John Rodley	5-10 plus Lump sum 0-5	0-2.5 plus Lump sum 0-2.5	137	102	22	-

Note:

1 Is not entitled to pension benefits

The actuarial factors used to calculate CETVs were changed in 2012/13. The CETVs at 31/03/12 and 31/03/13 have both been calculated using new factors, for consistency. The CETV at 31/03/12 therefore differs from the corresponding figure in last year's report which was calculated using the previous factors.

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 Pensions Increase legislation. Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (**partnership** pension account).

Employee contributions are set at the rate of 1.5% and 3.9% of pensionable earnings for **classic** and 3.5% and 5.9% for **premium**, **classic plus** and **nuvos**. Increases to employee contributions will apply from 1 April 2013. 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 initial 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% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with the Pensions Increase legislation. In all cases, members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

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

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

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

### Cash equivalent transfer values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by 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 member 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 worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

**Real increase in CETV**

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

Signed on behalf of the Judicial Appointments Commission



**Nigel Reeder**  
Chief Executive  
Judicial Appointments Commission  
26 June 2013

# STATEMENT OF THE COMMISSION'S AND 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 net resource outturn, application of resources, changes in taxpayers' equity, and cash flows for the financial year.

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

- observe the Accounts Direction issued by the 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 MoJ 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.

# GOVERNANCE STATEMENT

## The Governance Framework

As Accounting Officer of the JAC I have overall responsibility for ensuring the JAC applies high standards of corporate governance – including effective support for the Board's performance, management of risks, to ensure it is well placed to deliver its objectives and is sufficiently robust to face challenges that it encounters.

I have responsibility for maintaining a sound system of internal control that supports the achievement of the JAC's policies, aims and objectives, while safeguarding the public funds and JAC assets for which I am responsible, in accordance with the responsibilities assigned to me in Managing Public Money.

In order to achieve these governance aims the JAC has in place the following committee structure:

- The Commission (comprising 15 Commissioners including the Chairman as set out in the Constitutional Reform Act) meets monthly (except in April and August). The members of the Commission come from a wide background and are drawn from the lay public, the legal professions, tribunals, the magistracy and the judiciary. The specific make up of the Commission means that it has a breadth of knowledge, expertise and independence. In addition, the Chief Executive and Senior Leadership Team (2 Directors) attend the Commission meetings.

It is responsible for: the overall strategic direction of the JAC, within the provisions of the Constitutional Reform Act 2005 and supporting Framework Document agreed between the Lord Chancellor and the Chairman of the JAC; ensuring that any statutory or administrative requirements for the use of public funds are complied with; reviewing financial information concerning the management of the JAC; and demonstrating high standards of corporate governance at all times.

- Selection and Character Committee (SCC) – generally meets twice a month (with some variation depending on business needs). The members are the same as the Commission, and the Committee is chaired by the JAC Chairman, Vice-Chairman or a nominated Commissioner. It identifies candidates suitable for recommendation to the Lord Chancellor for appointment to all judicial offices under schedule 14 of the Constitutional Reform Act.
- Audit and Risk Committee (ARC) – the Committee comprises of the Chair (a Commissioner), an independent member and two other Commissioners. The Committee meets four times a year, with an additional meeting to consider the annual accounts, and advises me 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.

Attendance at the Board and Committee meetings during the year was as follows:

Details	Board	SCC <sup>2</sup>	ARC
<b>Total Meetings in the Year</b>	<b>9</b>	<b>22</b>	<b>5</b>
Christopher Stephens	9	19	-
Mr Justice Bean	8	13	-
District Judge Birchall	6	15	5
Lady Justice Black DBE	6	14	-
Martin Forde QC	6	9	-
Professor Noel Lloyd CBE	9	10	-
Ms Alexandra Marks	9	12	-
Judge Alison McKenna	7	12	-
Mrs Stella Pantelides	8	11	-
Lieutenant General Sir Andrew Ridgway KBE CB	9	10	-
Ranjit Sondhi CBE	9	14	-
Dame Valerie Strachan DCB	9	15	5
Her Honour Judge Deborah Taylor	7	14	-
John Thornhill Esq JP	6	12	4
Mr Justice Wilkie <sup>1</sup>	6	10	-

#### Notes

- 1 Mr Justice Wilkie was appointed on 25th May 2012 so was not able to attend all meetings during the year.
- 2 Commissioners are allocated to attend 11 SCC meetings per year. However, it is open to them to attend additional meetings at their own discretion, or when additional meetings are scheduled to deal with urgent business.

## Board Performance

The Board assessed its performance in 2012/13 by completing a questionnaire, based on the National Audit Office Board Evaluation Questionnaire. The JAC Commission Board Evaluation Questionnaire had 28 questions covering: Objectives; Strategy and remit; Performance measurement; Relationships with key stakeholders; Propriety and complaints; Project Management; Risk management; Audit and corporate reporting; and the boardroom.

The results were very encouraging, with 99% of responses reflecting a positive response. Commissioners discussed the results of the questionnaire at a Board strategic event on the 10th May 2013.

Board papers follow a standard template to ensure that they are completed taking account of all possible dependencies such as financial, risk and media implications. They are also reviewed prior to submission. This enables Board members to make sound judgements, based on the information contained in the papers.

The Audit and Risk Committee assessed its effectiveness by using the National Audit Office Audit Committee Self-assessment checklist. Compliance with the Checklist was also found to be good with only minor recommendations for change, including: the addition of declaration of interests to the agenda at the start of each meeting; setting out in writing members' role; training on accounting within Government; and advance notice of 'any other business' in relation to committee meetings.

## Highlights

There have been no issues during the course of the year from Board meetings or reports that suggest that the organisation has been vulnerable in relation to its performance or stewardship of its resources. This can be confirmed through the performance against our Business Plan objectives, whilst keeping within our budget allocation from the MoJ. Other assurance mechanisms are through the work and reports from both the Internal and External Audit functions.

The Board has considered a wide and diverse range of issues over the year, including: the Change Programme; on-line testing; use of references; Welsh language policy; good character guidance; selection process review; Outreach strategy; Business Plan 2013/15; and regular reports from working groups and Directors, which incorporated progress on selection exercises, performance, finances and risk.

The JAC uses the MoJ's Internal Audit and Assurance service, which is accountable to me as Accounting Officer. 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. The Annual Report from the Head of Internal Audit reflects well on the organisation and they provided a reasonable assurance (Amber/Green) that the risk, control and governance arrangements are adequate to enable objectives to be achieved.

The National Audit Office provides the external audit function for the JAC, and provided an unqualified opinion on our financial statements. In addition, they identified no significant internal control weaknesses, no issues concerning the regularity of expenditure, nor any misstatements.

My responsibilities also include our requirement to meet the Business Plan objectives agreed with the MoJ. I therefore have regular meetings with the Lord Chancellor's officials to discuss progress in meeting our strategic objectives. They also help formulate our future business direction and highlight the inherent risks and opportunities in implementing our policies.

The Chair of the Audit and Risk Committee briefs the Board on the highlights of each quarterly meeting.

## Corporate Governance

JAC follows the HM Treasury/Cabinet Office guidance Corporate governance in central government departments – Code of good practice 2011, as far as possible in its capacity as a small arms length body. As such it does not comply with the code provisions relating to a Minister, nor have a separate professionally qualified finance director sitting on the Board. The Board membership is also governed by the requirements of the Constitutional Reform Act. There is no formal Nominations and Governance committee in place identifying leadership potential. Risk management is supported fully through the Audit and Risk Committee, which reports back to the Board.

Otherwise, in accordance with this code, the JAC Board and its other Committees provide the necessary leadership, effectiveness, accountability and sustainability to ensure that the JAC delivers on its objectives, whilst maintaining an open and transparent dialogue with MoJ and other key interested parties. As Accounting Officer, I also take seriously my responsibilities on the use of public funds that have been provided to the JAC, to ensure the most effective and efficient use of those funds.

The JAC has a balanced Board in place, in accordance with the Constitutional Reform Act, which consists of the Chairman and the Commissioners, who all have equal decision-making rights. As Chief Executive I attend Board meetings, together with JAC Directors, in a non-voting capacity. Of utmost importance is that all Board members uphold the seven principles of public life: selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

To assist with this process, 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. These are followed by mid and end year assurance statements. Directors are required to involve their teams in this process so that a full picture emerges across the organisation. Directors are required to:

- state the actions that have been taken to manage risk; and
- 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.

In addition, the Operational Services Director is responsible for systems which support operational delivery and is required to complete a statement and make assurances relating to the central support given for areas such as financial management and Human Resources. These assurance statements, which are challenged through the Audit and Risk Committee, help determine whether there are any material departures from governance arrangements that need to be reported in this statement.

The only significant control exception identified this year was the loss of two cameras. A thorough investigation was undertaken which was reported to the Audit and Risk Committee. The investigation recommended the implementation of a number of controls including updating the asset register when equipment is signed out, agreed return dates for all equipment and quarterly audits of all hardware. Following the investigation, all these controls have now been adopted.

## Risk Assessment

The Accounting Officer and Board of Commissioners are supported by the Audit and Risk Committee in monitoring the key risks to achieving our strategic objectives through regular updates of the Corporate Risk Register from the Senior 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 the Corporate Risk Register and progress on risk management at each of their quarterly meetings. They challenge staff on risk matters where appropriate. Once the Audit and Risk Committee has commented on the Corporate Risk Register, it is sent to the MoJ.

The system 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. It evaluates the likelihood of those risks being realised and the impact should they be realised, and to manage the risks efficiently, effectively and economically.

All staff have been informed of their responsibility for managing risk and new staff receive a summary on managing risk in their induction pack. Most members of staff (at all grades) have attended a Risk Identification Workshop and the aim is for all staff to attend this workshop. The workshops were facilitated by the Risk Improvement Manager (RIM), with the aim to further embed risk management at all levels within the organisation, not just the more senior grades.

Where appropriate, teams have specific risks identified for them in their directorate risk register. Separate selection exercise risk registers are also produced for each selection exercise undertaken. These registers are being used and regularly updated. The RIM attends Senior Leadership Team meetings to discuss risk, and provide guidance and assistance when necessary.

The hierarchy of risk registers, which are reviewed regularly, from the team and selection exercise risk registers up to the Directorate and Corporate Risk Registers, ensures that new or emerging risks are identified throughout the year. There are also detailed risk registers in place to oversee the management of the corporate risks of health and safety and information assurance. A risk register is being maintained for each Change Programme

project and these are reviewed on a monthly basis at the Change Programme Board. We follow the guidance in HM Treasury's *The 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 RIM also conducted spot checks on selection exercise risk registers, and reviews the monthly change programme risk registers to ensure they are following JAC risk management guidance, feeding back any suggestions for improvements as necessary.

The JAC's Risk Management 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 identification of those strategic risks that threaten to impact on the successful delivery of the JAC's corporate 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 low to medium risk appetite, that is, the JAC is prepared to accept, tolerate or be exposed to a low to medium level of risk at any point in time. The Risk Management Policy and Framework was reviewed by the Audit and Risk Committee in January 2013.

There were no new risks on the Corporate Risk Register in 2012/13. The strategic risks and the mitigations that make up the Corporate Risk Register as at the date these accounts are authorised for issue are listed below. As mentioned above, these risks and their ratings are considered on a quarterly basis with new actions added to record the progress made in mitigating the risks.

### 1. Change Programme

Delays to completion of the Change Programme is our most significant risk with the potential to cause reputational damage with our Board, partners, own staff and KIPs. The JAC mitigates the risk by having strong governance arrangements in place, which include a Change Programme Board, risk registers and implementation plans for each project and regular consultations with JAC staff.

2. Loss of Corporate Knowledge

Increased turnover or long-term absence of staff, panel members or Commissioners and any resulting loss of knowledge could result in the organisation regressing while the knowledge base is rebuilt. Control measures to mitigate this risk include regular reviews of staff turnover by the Senior Leaders team, regularly updated induction manuals and an annual appraisal of Commissioners and panel members.

3. Progression and Diversity of Selection

The JAC has a statutory duty to have regard to the need to widen the pool of candidates available for selection. If the JAC does not achieve this, it could hamper progress towards a more diverse judiciary, to which the JAC is committed as a matter of policy. A new targeted outreach strategy, working with partners to break down barriers to applicants and refreshing the eligible pool are among the strands of work undertaken to mitigate the risk.

4. Equitas (the JAC application database) and web-based application systems

The JAC relies on IT for the successful delivery of selection exercises and because of this, a failure in either Equitas and/or the web-based application system could result in significant disruption, errors, complaints and possible reputational damage. To mitigate the risks the organisation has a Memorandum of Understanding and agreed IT provision standards with MoJ, support arrangements in place for both systems and a rolling programme of training for staff to deal with the most common IT issues.

5. Financial Resources

Insufficient financial resources will have a serious impact on our capability to deliver the selection programme, prevent us from making further efficiency savings and prevent achievement of KPIs. We mitigate this risk by closely monitoring and reviewing budgets and filling vacancies with agency or fixed-term contractors to enable downsizing once efficiency measures are in place.

6. Information Security

The loss of sensitive data is a key risk with the potential to impact on candidates, undermine confidence in the JAC and adversely affect the organisation's reputation. The JAC mitigates this risk through staff training and guidance, ensuring all SCC, Board and Advisory Group papers are numbered for dispatch and checked back in and regularly reviewing the Information Risk Register.

7. Delivery of the agreed selection exercise programme

Failure to deliver the selection exercise programme as agreed with MoJ could result in reputational damage to the JAC, increased end-to-end time and possible litigation. We mitigate this risk by using project management methodology to deliver exercises, monitoring the programme through the Joint Delivery Team and working with the Senior Presiding Judge to establish a group of judges to work with the JAC on future exercises.

The Senior Information Risk Owner (SIRO) is responsible for managing information risk on behalf of myself as Accounting Officer and the Board, and providing the necessary assurance. Any operational requirement to deviate from the JAC security policy regarding data security needs SIRO agreement. The Senior Information Risk Owner reported that there were no known incidents of personal data loss for the period covered by this Governance Statement.

## Summary

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control, including the risk management framework. My review is informed by the work of the internal auditors and the senior leaders 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 letter and other reports. In their annual report, our internal auditors have provided a reasonable assurance. I have been advised on the implications of the result of my review by the Board and the Audit & Risk Committee. I am satisfied that a plan to address weaknesses in the system of internal control and ensure continuous improvement of the system is in place. I am also satisfied that all material risks have been identified, and that those risks are being properly managed.

I am therefore able to confirm that there have been no known significant governance issues that could undermine the integrity or reputation of the JAC up to 31 March 2013 and up to the date of this report.

## Signed on behalf of the Judicial Appointments Commission



**Nigel Reeder**

Chief Executive

Judicial Appointments Commission

26 June 2013

# THE 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 2013 under the Constitutional Reform Act 2005. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

## Respective responsibilities of the Accounting Officer and auditor

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Commission and the Accounting Officer are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. My responsibility is to audit, certify and report on the financial statements in accordance with the Constitutional Reform Act 2005. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

## Scope of the Audit of the Financial Statements

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

material misstatements or inconsistencies I consider the implications for my certificate.

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

## Opinion on Regularity

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

## Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Judicial Appointments Commission's affairs as at 31 March 2013 and of the net expenditure for the year then ended; and
- the financial statements have been properly prepared in accordance with the Constitutional Reform Act 2005 and directions issued thereunder by the Lord Chancellor with the consent of HM Treasury.

## Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the made under the Constitutional Reform Act 2005 by the Lord Chancellor with the consent of HM Treasury; and
- the information given in the sections of the Annual Report entitled 'Key facts', 'Key Issues' and 'The organisation'; the Directors' Report; and the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which I report by exception**

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

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

**Report**

I have no observations to make on these financial statements.

**Amyas CE Morse**

*Comptroller and Auditor General*

National Audit Office  
157-197 Buckingham Palace Road  
Victoria  
London SW1W 9SP  
26 June 2013

## Statement of Comprehensive Net Expenditure

for the year ended 31 March 2013

		2012/13	2011/12
	Note	£000	£000
<b>Expenditure</b>			
Staff costs	2	3,847	3,911
Other expenditure	3	1,049	1,078
Services and facilities provided by sponsoring department	4	1,799	1,885
		<b>6,695</b>	<b>6,874</b>
<b>Income</b>			
Other income	5	(4)	-
		<b>(4)</b>	<b>-</b>
<b>Net expenditure</b>		<b>6,691</b>	<b>6,874</b>

The notes on pages 55 to 62 form part of these accounts. No other comprehensive expenditure was incurred during the year.

## Statement of Financial Position

as at 31 March 2013

	Note	31 March 2013 £000	31 March 2012 £000
<b>Current Assets:</b>			
Trade and other receivables	6	18	48
Cash and cash equivalents	7	710	1,208
<b>Total current assets</b>		<b>728</b>	<b>1,256</b>
<b>Total assets</b>		<b>728</b>	<b>1,256</b>
<b>Current liabilities:</b>			
Trade and other payables	8	(124)	(124)
Other liabilities	8	(337)	(444)
<b>Total current liabilities</b>		<b>(461)</b>	<b>(568)</b>
<b>Non-current assets plus net current assets</b>		<b>267</b>	<b>688</b>
<b>Non-current liabilities</b>			
Provisions	9	(35)	(64)
<b>Total non-current liabilities</b>		<b>(35)</b>	<b>(64)</b>
<b>Assets less liabilities</b>		<b>232</b>	<b>624</b>
<b>Taxpayers' Equity</b>			
General reserve		232	624
		<b>232</b>	<b>624</b>

Signed on behalf of the Judicial Appointments Commission



**Nigel Reeder**  
Chief Executive  
Judicial Appointments Commission  
26 June 2013

The notes on pages 55 to 62 form part of these accounts.

## Statement of Cash Flows

for the year ended 31 March 2013

		2012/13	2011/12
	Note	£000	£000
<b>Cash flows from operating activities</b>			
Net expenditure		(6,691)	(6,874)
Adjustments for non-cash transactions			
Services and facilities provided by sponsoring department	4	1,799	1,885
Decrease/(Increase) in trade receivables and other current assets	6	30	(4)
(Decrease) in trade payables and other current liabilities	8	(107)	(124)
Movement in provision	9	(29)	(24)
<b>Net cash (outflow) from operating activities</b>		(4,998)	(5,141)
<b>Cash flows from financing activities</b>			
Grant from MoJ		4,500	5,170
<b>Net financing</b>		<b>4,500</b>	<b>5,170</b>
Net (decrease)/increase in cash and cash equivalents in the period	7	(498)	29
Cash and cash equivalents at the beginning of the period	7	1,208	1,179
Cash and cash equivalents at the end of the period	7	710	1,208

The notes on pages 55 to 62 form part of these accounts.

## Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2013

		Revaluation Reserve	I&E Reserve	Total Reserves
	Note	£000	£000	£000
<b>Balance at 31 March 2011</b>			443	443
<b>Changes in taxpayers' equity in 2011/12</b>				
Grant from MoJ		-	5,170	5,170
Non-cash charges – services provided by sponsoring department	4	-	1,885	1,885
Comprehensive expenditure for the year		-	(6,874)	(6,874)
<b>Balance at 31 March 2012</b>		-	624	624
<b>Changes in taxpayers' equity in 2012/13</b>				
Grant from MoJ		-	4,500	4,500
Non-cash charges – services provided by sponsoring department	4	-	1,799	1,799
Comprehensive expenditure for the year		-	(6,691)	(6,691)
<b>Balance at 31 March 2013</b>		-	232	232

The notes on pages 55 to 62 form part of these accounts.

## Notes to the financial statements

for the year ended 31 March 2013

### 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 2012/13 Government Financial Reporting Manual (FReM) issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the JAC for the purpose of giving a true and fair view has been selected. The particular policies adopted by the JAC are described below. They have been applied consistently in dealing with items that are considered material to the accounts, and 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 modified to account for the revaluation of property, plant and equipment, in accordance with Treasury guidance.

#### b) Funding

Government grant-in-aid received for revenue expenditure is accounted for as funding through the general reserve.

#### c) Income

Income represents the recovery of costs, as the JAC does not generate income through its normal activities.

#### 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) Property, plant and equipment

The JAC does not recognise any property, plant and equipment as such assets are held by the MoJ, which we utilise through the services and facilities provided by the sponsoring department. 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) 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.

#### g) 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, which are non-cash charges. These services are agreed and managed through memoranda of understanding between the JAC and MoJ, and provide: legal services; finance training; accommodation; HR services; provision of IT equipment; and internet/intranet facilities. An analysis of these charges can be found in note 4.

#### h) Receivables

Receivables represent amounts due to the JAC at the year-end.

#### i) Provisions, Contingent Liabilities and Assets

In accordance with IAS 37, Provisions, Contingent Liabilities and Contingent Assets, the JAC provides for its obligations arising from past events where a reliable estimate of the obligation can be made and it is probable that the obligation will be required to be settled. Where material, the future costs are discounted using a rate directed by HM Treasury.

The JAC is required to pay the additional cost of benefits beyond the normal PCSPS benefits in respect of employees who retire early. The total cost has been provided in full when the early retirement was approved as the liability then became binding on the JAC. An adjustment to this provision has been made to reflect the most recent estimate of these additional costs.

A contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is disclosed where an inflow of economic benefits is probable.

#### j) Operating leases

All payments under operating leases are charged to the Statement of Comprehensive Net Expenditure as they are incurred. Operating lease incentives are accounted for on a straight line basis over the length of the lease. The determination of a lease is based upon the substance of that arrangement – whether the arrangement is dependent upon the use of a specific asset and conveys the right to use that asset.

The JAC has entered into an arrangement with an outsourced supplier, through the MoJ, to provide the use of assets, specifically the accounting system, in return for payments made. The payments made specifically for these assets have been accounted for as operating leases.

**K) Impending Application of newly issued accounting standards not yet effective**

The JAC provides disclosure where it has not yet applied a new accounting standard, and discloses known or reasonably estimable information relevant to assessing the possible impact that initial application of the new standard will have on the JAC's financial statements.

IFRS 9 Financial Instruments was implemented in November 2009 and applied to financial assets. Additional requirements relating to the classification

and measurement of financial liabilities were implemented in January 2013. The JAC has applied the new standards for the accounting period ending 31 March 2013 and for comparative periods. The amendments made to IFRS 9 did not impact upon the JAC as it is exposed to little credit, liquidity or market risk.

**I) Financial Instruments**

As the cash requirements of the JAC are met through Grant-in-Aid provided by the Ministry of Justice, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the JAC's expected purchase and usage requirements and the JAC is therefore exposed to little credit, liquidity or market risk.

**Note 2 Staff costs and numbers**

Commissioners	Panel chairs and lay panel members	Permanent staff	Seconded staff	Fixed Term Contracts	Other contracted staff	2012/13	2011/12
						Total	Total
						£000	£000
Wages and Salaries	138	595	2,028	22	185	131	3,099
Social Security Costs	18	118	163	2	17	-	318
Other Pension Costs	-	-	387	5	38	-	490
	<b>156</b>	<b>713</b>	<b>2,578</b>	<b>29</b>	<b>240</b>	<b>131</b>	<b>3,847</b>
							<b>3,911</b>

The costs disclosed in the Remuneration Report are included within this staff costs note.

From 2012/13, selection exercise additional data input costs have been accounted for as other contracted staff costs, within staff costs. However, the 2011/12 additional data input costs of £17k, in note 3, are retained within selection exercise programme costs to maintain consistency with the prior year accounts.

In 2012/13, JAC employed its own staff (permanent staff, on loan and those on fixed term contracts). 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 ([www.civilservice.gov.uk/pensions](http://www.civilservice.gov.uk/pensions)).

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 2012/13, employers' contributions of £430k were payable to the PCSPS (2011/12: £490k), at one of four rates in the range 16.7% to 24.3% (2011/12: 16.7% to 24.3%) of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2012/13 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

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% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. There were no such contributions for 2012/13 (2011/12: Nil).

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

	Commissioners	Panel chairs and lay panel members	Permanent staff	Seconded staff	Fixed Term Contracts	Other contracted staff	Total
<b>2011/12</b>	3	6	67	1	5	-	<b>82</b>
<b>2012/13</b>	2	9	59	-	4	5	<b>79</b>

The average numbers for Commissioners, Panel chairs and lay panel members represents their total respective input into the JAC in full time equivalent terms.

There were no compulsory or voluntary departures in the year.

**Note 3 Other Expenditure**

	2012/13	2011/12
	£000	£000
<b>Selection exercise programme</b>		
Panel members' travel and subsistence	346	244
Judicial fees	41	-
Advertising	67	70
Catering	14	12
Criminal records check	7	14
Equality proofing and translation services	2	2
Outsourced accommodation and IT	114	221
Actors' costs	135	56
Couriers	20	20
Staff travel and subsistence	16	6
Commissioners' travel and subsistence	16	7
Additional data inputters	-	17
Dry run fees	2	8
Design and print	6	21
	<b>786</b>	<b>698</b>
<b>Administration costs</b>		
Building improvements	1	(1)
Staff travel and subsistence	4	5
Commissioners' travel and subsistence	7	8
Equipment maintenance	1	-
Staff training and events	13	10
Research	32	74
Panellist training	8	89
Couriers	3	2
Telecoms	2	2
Recruitment	4	4
Legal services	13	2
External audit	29	30
	<b>117</b>	<b>225</b>
<b>Marketing and Publications</b>		
Media Subscriptions and Licences	5	9
Outreach	9	12
Website Infrastructure	11	1
Publications	3	-
	<b>28</b>	<b>22</b>
<b>Non-cash items</b>		
Approved early retirement	-	4
Write-offs	2	-
	<b>2</b>	<b>4</b>
<b>Shared Services</b>		
Internal audit	33	34
E-delivery/IT services	1	12
Financial services	82	83
	<b>116</b>	<b>129</b>
<b>Total</b>	<b>1,049</b>	<b>1,078</b>

The auditors received no remuneration for non-audit work.

The reasons for the significant changes in expenditure are as follows:

- Panel members' travel and subsistence: The increase in spend reflects the increased number of selection days during the year, compared to 2011/12.
- Judicial fees: In 2012/13 fees were incurred for one specific exercise that required additional judicial support.
- Outsourced accommodation and IT: The reduction in 2012/13 was due to the implementation of on-line qualifying tests, which had previously been undertaken in external venues.
- Actors' costs: In 2012/13 there were more selection exercises that required the use of actors for role-plays, and those that had role-plays were larger than the previous year.
- Research: Work was undertaken during the year in relation to the 'barriers' work and into our IT project, although these costs were less than the previous year.
- Panellist Training: A new cadre of panellists were recruited during 2011/12, and took part in a training event during the year. There was no such event in 2012/13.

**Note 4 Services and facilities provided by sponsoring department (non-cash)**

	2012/13 £000	2011/12 £000
Legal and Judicial Services Group	-	73
Commercial Group	1,422	1,438
Human Resources Directorate	12	11
E-Delivery Group	278	328
Information operations	24	26
Communications	7	9
Transforming Justice	1	-
Shared services	49	-
Procurement	6	-
	<b>1,799</b>	<b>1,885</b>

The recharge information from MoJ does not provide for the legal advice received through the Legal and Judicial Services Group, and has not been incorporated for 2012/13 as agreed with MoJ. In 2011/12 the charge was based on one member of staff. In addition, MoJ incorporated additional services in their recharges for 2012/13 notably shared services and procurement.

**Note 5 Income**

	2012/13 £000	2011/12 £000
Other income	4	-
	<b>4</b>	<b>-</b>

Income represents recovery of legal costs.

**Note 6 Trade receivables and other current assets**

	31 March 2013 £000	31 March 2012 £000
<b>Amounts falling due within one year</b>		
Deposits and advances	11	12
Other receivables	7	30
Prepayments	-	6
	<b>18</b>	<b>48</b>
<b>Analysis of balances</b>		
Balances with government bodies	6	26
Balances with bodies external to government	12	22
	<b>18</b>	<b>48</b>

**Note 7 Cash and cash equivalents**

	31 March 2013 £000	31 March 2012 £000
Balance at 1 April	1,208	1,179
Movement	(498)	29
Balance at 31 March	<b>710</b>	<b>1,208</b>

All cash and cash equivalents is held at the Government Banking Service.

**Note 8 Trade payables and other current liabilities**

	31 March 2013 £000	31 March 2012 restated £000
<b>Amounts falling due within one year</b>		
Trade payables	78	46
Other payables	46	78
	<b>124</b>	<b>124</b>
Other taxation and social security	96	112
Accruals	241	332
	<b>337</b>	<b>444</b>
	<b>461</b>	<b>568</b>
<b>Analysis of balances</b>		
Balances with government bodies	321	356
Balances with bodies external to government	140	212
	<b>461</b>	<b>568</b>

Trade payables were restated in 2012, to reflect those items received before the end of the year, which had previously been included in accruals. This resulted in an increase of £46k in the value of trade payables, with a corresponding decrease in accruals.

**Note 9 Provisions for liabilities and charges**

	Approved Early Retirement £000	Total £000
<b>Balance at 1 April 2012</b>	64	64
Provided in the year	-	-
Provisions utilised in the year	(29)	(29)
<b>Balance at 31 March 2013</b>	<b>35</b>	<b>35</b>

The provisions utilised in the year relate to the amount of the provision payable in relation to 2012/13, and was paid during the year. An amount of £29k is due to be released from the provision in the next 12 months, with a total of £6k in 1-2 years.

**Note 10 Capital commitments**

There are no commitments for capital expenditure at 31 March 2013 (Nil 2012).

**Note 11 Commitments under leases**

	2012/13 £000	2011/12 £000
<b>Operating leases</b>		
Total future minimum lease payments under operating leases are given in the table below for each of the following periods		
<b>Obligations under operating leases comprise:</b>		
Not later than one year	14	10
Later than one year and not later than five years	3	-
Later than five years	-	-
	<b>17</b>	<b>10</b>

The operating lease commitments relate to the amount payable to our financial services provider for use of the hardware associated with the accounting system. The original contract expired at the end of December 2012, but was subsequently extended to the end of June 2014.

**Note 12 Contingent Liabilities**

We currently have a legal case, the details of which are not disclosed due to the potential prejudicial nature at this stage. The contingent liability is assessed as not material. (Nil 2012).

**Note 13 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 MoJ. In addition the JAC has had material transactions with HM Revenue and Customs.

No board member, key manager or other related parties has undertaken any material transactions with the JAC during the year.

**Note 14 Losses and special payments**

There were no losses or special payments in the year ended 31 March 2013 (Nil 2012).

**Note 15 Events after the reporting period**

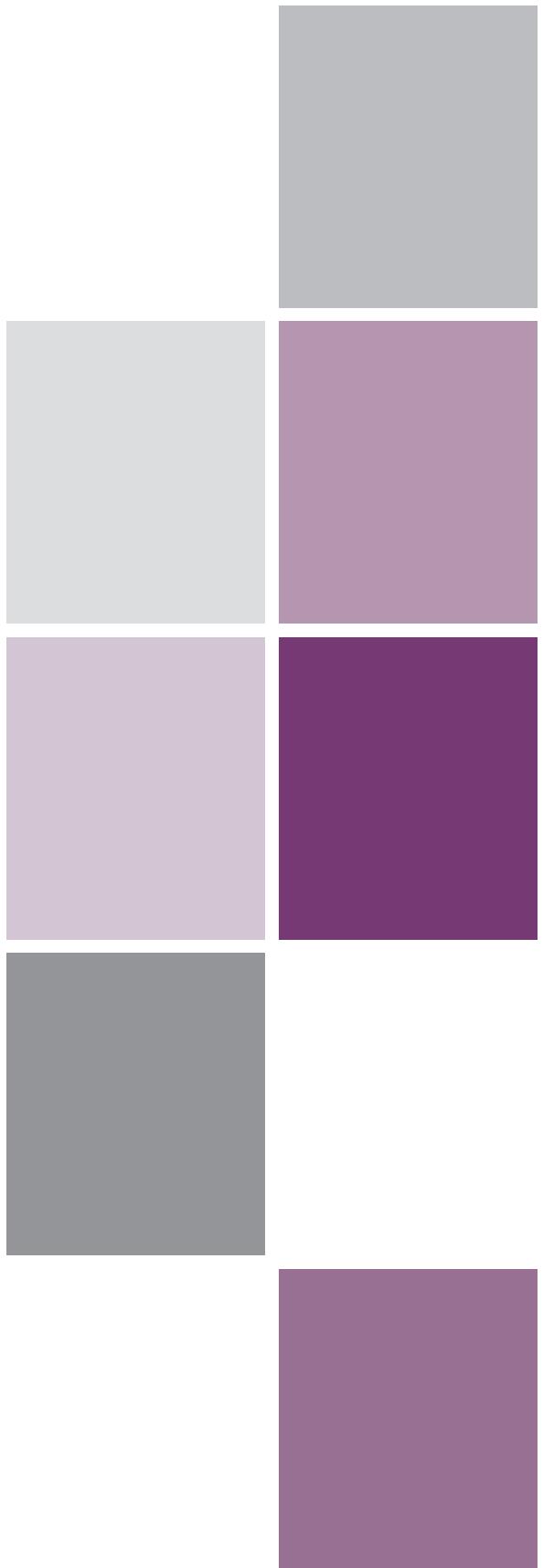
There were no significant events after the reporting period.

In accordance with the International Accounting Standard 10 'Events after the reporting period', 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 Financial Instruments**

As the cash requirements of the JAC are met through Grant-in-Aid provided by the MoJ, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the JAC's expected purchase and usage requirements and the JAC is therefore exposed to little credit, liquidity or market risk.

## PART 3: APPENDICES



# APPENDIX A: OVERVIEW OF THE SELECTION PROCESS

## Initial stages

Selection exercise planning starts when the JAC receives a vacancy request from the Lord Chancellor. The vacancy request contains the following information:

- Number and location of posts
- Minimum eligibility requirements for appointment to the post laid down in statute as well as any additional selection criteria applied by the Lord Chancellor
- Whether part-time working is available

The JAC then prepares a tailored application form and accompanying information pack providing all the details required by a candidate. The JAC promotes the selection exercise through the JAC website, selected media and through representative bodies and other organisations. It is then launched on the JAC website, and applications are invited.

## Shortlisting

Shortlisting of candidates can take three forms:

- Qualifying test – this consists of an online test, designed to test a selection of the qualities and abilities required for judicial office. Shortlisting is a competitive process, so the tests are designed to be challenging and include an element of time pressure. Qualifying tests do not have a pass mark; rather they identify those people with the highest scores to be invited to the selection day. Experienced judges generally prepare and moderate qualifying tests to ensure appropriateness and consistency. Tests are anonymously marked.
- Paper-based sift – a panel, typically consisting of a JAC panel chair and lay member together with a judicial member consider the self assessment supplied by the candidate and their references. The information is assessed against the

qualities and abilities sought for the role, and the candidates who best demonstrate these are invited to the selection day. JAC panellists are individuals with a recruitment background, recruited by the JAC to sit on an independent fee-paid basis and trained in JAC processes.

- No shortlisting – in very limited circumstances and for very small exercises, particularly singleton posts, it may not be necessary to shortlist. Instead it may be appropriate to simply invite all eligible candidates to the selection day.

The JAC normally invites candidates to the selection day in a ratio of between two and three candidates per vacancy. The JAC uses qualifying tests for most selection exercises where a high volume of applications are anticipated. However, processes are tailored to each post, so a paper-based sift may be used if the number of vacancies is small, or in other limited circumstances. Following the shortlisting process the eligibility is assessed for all candidates who are invited to attend a selection day.

## References

References are used by the JAC to gain a view of a candidate's past performance, experience, track record and suitability for appointment.

The JAC uses two types of reference:

- Judicial/Professional – these referees are tailored for each exercise and are specified by the JAC within the information pack for that exercise
- Personal – these referees are chosen by the candidate and are expected to have direct knowledge of either the professional or voluntary work of the candidate

## Selection Day

Shortlisted candidates are invited to a selection day, which may comprise only an interview,

or an interview with either:

- a presentation; and/or
- situational questioning; or
- a role play

The selection day is conducted and assessed by a panel, which usually consists of a panel chair, judicial member and independent member.

The panel members will consider all the information about each candidate (their performance at the selection day, 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 report forms part of the information presented to Commissioners when they make their recommendations.

### **Statutory Consultation**

All candidates likely to be considered for recommendation are subject to statutory consultation – consultation the JAC is required by the CRA to undertake with certain judicial office holders. Consequently, the panel chair's summary report is sent to the Lord Chief Justice, and to one other person who has held the post to be filled or has relevant experience.

When they consider candidates to recommend for appointment, Commissioners take into account the responses from statutory consultees with all the other information about a candidate. They may decide not to follow the views expressed by the consultees, but if this happens the Commission gives its reasons when making recommendations to the Lord Chancellor.

### **Selection**

Commissioners make the final decision on which candidate to recommend to the Lord Chancellor for appointment. In doing so, they consider those candidates that the selection panels have assessed as best meeting the requirements of the role, having been provided with information gathered on those individuals throughout the whole process.

### **Character Checks**

In accordance with the JAC's statutory duty, the good character of the candidates is also assessed. This assessment can include financial, criminal and professional checks.

### **Quality Assurance**

Quality assurance measures are applied throughout the selection process to ensure the proper procedures are applied and the highest standards are maintained. The quality checks include:

- Assigning a Commissioner to each exercise, who works closely with the JAC selection exercise team to ensure standards are met
- Reviewing the progression of candidates through each stage of the process for any possible unfairness, including by reference to diversity
- Observing interviews to share good practice across panels
- Overseeing moderation in the marking of tests and the results of panel assessments to ensure consistency (because of the number of candidates, many exercises will use a number of test markers and more than one panel)

### **Feedback on the selection process**

Candidate feedback is undertaken online at two or three stages in the process, post application and/or post shortlisting, and post selection day. This process ensures that the JAC obtains comprehensive and complete analysis of candidate feedback for each exercise and is used to inform policy initiatives.

From analysing candidate feedback during 2012/13, the following key themes are outlined below:

- 99% of candidates found the JAC website to be a useful resource
- 73% found the Selection Exercise Information Pack to be helpful
- 89% considered JAC staff to be helpful and 93% recognised them as courteous

# APPENDIX B: PERFORMANCE IN 2012/13

The following milestones were agreed with MoJ to measure performance in 2012/13 against our strategic objectives. A green (met), amber (partially met) and red (not met) rating is used to indicate the status of the milestone. Performance against the milestones is set out below

## Strategic Objective 1.

**Recommend high quality candidates to the Lord Chancellor for the selection exercises in the programme agreed with the Ministry of Justice.**

Milestones	Status	Commentary and achievements
1.1 Deliver the selection exercise programme subject to any agreed changes requested by the Ministry of Justice.	Green	A selection exercise programme was agreed at the start of the Financial Year. This was subject to several in-year alterations in order to meet changing business needs and where this occurred, the deadlines for a number of selection exercises were renegotiated with MOJ/HMCTS. The selection exercise programme accommodated all requested changes and was delivered within the agreed (including where renegotiated) timelines and within the agreed budget. The JAC maintains a positive and flexible approach, and supports the delivery of an effective justice system.
1.2 Retain flexibility in programming selection exercises by regular contact with the Ministry of Justice, while maintaining the ability to enable candidates to decide when to apply.	Green	The JAC has maintained effective working relationships with the Ministry of Justice and other partners. This has lead to a greater understanding of the needs of all parts of the appointments process including the need for late changes to vacancy numbers and timelines to accommodate the changing business needs.
1.3 Review our selection processes to establish best practice and use the results to help validate the quality of our appointments.	Green	A considerable amount of research and selection process development work has been undertaken this year. This has been critical to informing Commission decisions that are due to be taken next FY. But specialist expertise, particularly in the use of different shortlisting methods is needed. Identifying funding and overcoming current spending controls has made it harder to secure a suitable recruitment 'expert' and this has the potential to delay the project next FY. Successes have included: Shortlisting candidates by means of an on line test, new style panel reports, more economical use of references as well as improvements to the handling of eligibility and character issues. We end the year in a good position to design changes to our process, and to agree implementation with stakeholders and others.

**Strategic Objective 1.**

**Recommend high quality candidates to the Lord Chancellor for the selection exercises in the programme agreed with the Ministry of Justice.**

Milestones	Status	Commentary and achievements
1.4 Work with partners to support implementation of judicial appraisal systems and its use, where appropriate, in the selection process.	Green	The Board has endorsed use of DJ Civil appraisals to be used when the exercise launches in Q1 2013/14. Work has also been undertaken with Judicial Office to extend appraisals to Recorders later in 2013.
1.5 Implement structured system for receiving and publishing regular feedback from partners on their perceptions of the JAC and continue collection of feedback from candidates on their experience in the selection process.	Amber	This remains at amber because it was not possible to implement the results of the project by year end. Substantial work has been undertaken in the last quarter of the year which will form the basis of discussion in Q1 2013/14 to agree a structured approach for feedback.

<h3>Strategic Objective 2.</h3> <p>Encourage a diverse range of eligible applicants.</p>		
Milestones	Status	Commentary and achievements
2.1 In the role of 2012/13 Chair of the Diversity Forum set and agree objectives, reporting on progress at the year end.	Green	During 2012/13 The Forum made progress against the objectives set at the beginning of 2012. In year objectives have all been achieved with particular successes having been the implementation of on-line testing, refreshing the eligible pool, the publication of courts and tribunals data and the new joint Barriers study. The JAC will retain the Chair until Spring 2016. A new action plan will be compiled to incorporate actions highlighted by the Barriers research and the Forward Look will be revised for the first meeting of 2013/14.
2.2 Working with Judicial Diversity Taskforce and Steering Group, continue implementation of recommendations of the Report of the Advisory Panel on Judicial Diversity (Neuberger Report).	Green	Overall the JAC has implemented the recommendations directly relating to our work. Qualifying tests are now carried out online and the remaining three recommendations have been incorporated into our change programme. We continue to engage with our key partners to ensure the remaining recommendations are actioned.
2.3 Review outreach and communications programme and develop change proposals for implementation.	Green	A new outreach and communications strategy was agreed by the Board in Q1 and incorporated within the change programme. Key elements of the strategy included a number of successful webinars and a website refresh. Evidence of the strategy's effectiveness in terms of changes of emphasis can be seen in the high number of applications for the medical exercise in Q4.
2.4 Report on progress against equality objectives.	Green	The JAC has continued to perform well against and meet the 2012-2016 objectives, with processes being regularly reviewed and targets being met. The eligible pool was refreshed and analysis of the current judiciary has been carried out. The JAC has continued to provide speakers and materials for various events ranging from large judicial events to smaller targeted groups. Bi-annual Official statistics were produced, analysis of the 2012 staff survey has been carried out and an action plan created which will be monitored by the Staff Forum.  66 reasonable adjustments have been made for candidates who requested them. There have been five complaints relating to diversity, with just one being partially upheld. All processes are equality proofed as a matter of course and a new checkpoints audit procedure has been implemented
2.5 Subject to resource, refresh our research on barriers to application for judicial appointment and take forward the conclusions with our partners.	Green	Research delivered. 2013-14 will see the action plan agreed and the full report published.

**Strategic Objective 3.**

Ensure fair, open, candidate focused and effective selection processes consistent with our values.

Milestones	Status	Commentary and achievements
3.1 Evaluate pilots of online qualifying tests and consider implementation in light of findings.	Green	The successful delivery of online qualifying tests as JAC policy represents a very significant achievement. Feedback from candidates and the professional bodies has been overwhelming in its support. It has saved money, has speeded up the process, provides better customer service, supports diversity, meeting a Neuberger recommendation and is in line with the 'digital by default' agenda. The early piloting and introduction was not without technical and procedural difficulty, but all have been overcome through joint initiatives with the contractor and further development can be taken forward next year with some confidence.
3.2 Carry out a review of shortlisting processes and develop proposals for implementation.	Green	This objective was essentially absorbed within 1.3 early in the year and the achievements against both objectives should be taken together. The short listing process has been recognised as the key to process change and the JAC is poised, because of ground clearing work completed to move ahead with stakeholders and relevant experts in 2013/14.
3.3 Review selection day processes, taking conclusions of shortlisting processes into account, and develop proposals for implementation.	Green	Absorbed within 3.2 above.
3.4 Ensure new Commissioners receive necessary induction, training and assistance required and that their skills are used to best effect in providing corporate direction and support. Evaluate effectiveness of this for use in future training.	Green	The milestone was met and all Commissioners have performed effectively during their first year.
3.5 Ensure new panellists receive necessary induction, training and assistance required, including diversity and equality. Evaluate induction and training effectiveness.	Green	Evaluation and monitoring of panel member training requirements remains robust. Effective training is delivered through a number of channels.

#### Strategic Objective 4.

Maintain, and adapt where necessary, an effective operating model for the JAC which provides value for money.

Milestones	Status	Commentary and achievements
4.1 Review and evolve internal staffing structure to ensure that it enables delivery of the selection exercise programme and our key statutory objectives.	Green	Throughout the year further efficiencies, both in the total number of staff and in their deployment, have been made. At the end of March 2013 the JAC had 69 staff, a further reduction of 6 per cent from March 2012 <sup>3</sup> . Of these staff, 77% are in roles which support our frontline activities – ie delivering selection exercises, with only 23% in corporate positions. With reduced permanent staffing, increased use has been made of temporary staff to support at peak periods. For 2012/13 this equates to around five full time staff. A new structure has been derived to allow for further reductions at SCS level and this will be implemented by the end of Q1 2013/14.
4.2 Carry out a comprehensive review and restructure of JAC electronic records (TRIM) enabling more efficient working, less use of paper and improved business continuity arrangements.	Green	TRIM restructure project complete. There has been a significant move to paperless working with the move away from paper candidate files and increased use of email for candidates and, where possible, with Commissioners. There has been a consequent resource saving in staff time, storage, postage and stationery.
4.3 Introduce IT systems with Ministry of Justice support which will enable change to the selection exercise process.	Amber	The disappointing delay to this project in Q1 and 2, mainly due to the preferred contractor's inability to contain cost escalation around the provision of security, meant that the original timeframe for this project became unachievable. Since recommencing the project in Q3, with MoJ support, progress has been pleasing and documentation is in place to support a tender exercise early next year, with the actual procurement route having been agreed by MoJ. Clearly, the original project would have been graded at Red at this point, but the allocated status applies to the present project, which is now due for completion in March 2014.
4.4 Support MoJ and partners in reducing the length of the end to end selection process, ensuring the JAC change programme is consistent with this objective.	Green	Milestones met - <ul style="list-style-type: none"> <li>• Governance structures clear</li> <li>• Productive working relationships between JAC/JO/ HMCTS and MoJ have developed</li> <li>• Statistics are collected regularly and show a reduction in 'end to end' process length</li> <li>• HMCTS has developed a clear forecasting model to commence September 2013</li> <li>• JAC selection exercise programme refined and timelines are now developed with consideration for 20-week timeline, for Joint Delivery Group (JDG) sign-off</li> </ul>

<sup>3</sup> This includes four members of staff currently on loan to other government departments

## Complaints

The JAC's complaints procedure is set out in full on its website.

The JAC responded to all complaints within 20 working days. All complaints are investigated by a member of staff who has not been involved in the matter. Decisions are based on all the available evidence with the reasoning behind the decision clearly explained in the response.

During 2012/13 the JAC dealt with 45 complaints. This is less than the 52 complaints received in 2011/12 but the overall ratio of complaints to applicants remains constant at approximately 1%. Three complaints were upheld by the JAC; these all related to pilots of the online qualifying tests, and the candidates' applications were reinstated. Eight complaints were partially upheld by the JAC and apologies were issued, with one candidate being offered an automatic invite to the selection day for the next relevant exercise. These complaints related to the level of service received, including the quality of the feedback provided.

Anyone who remains dissatisfied following the investigation of their complaint by the JAC may ask the Judicial Appointments and Conduct Ombudsman, Sir John Brigstocke, to investigate further.

In 2012/13, eleven candidates pursued their complaint with the Ombudsman. A further four complaints were carried forward from the previous year. The Ombudsman has formally reported on nine of these complaints with two complaints being upheld in part. In both of these the Ombudsman did not consider that the issues complained of had any bearing on the outcome and did not recommend any redress. In one instance the Ombudsman considered that the JAC had not properly addressed the candidate's requirements arising out of his disability, following the complaint, and in advance of the Ombudsman's finding, the JAC reviewed its policy and guidance on reasonable adjustments and updated its staff. In the other, the Ombudsman found that the information provided in advance of a qualifying

test had been ambiguous and potentially misleading. JAC policy has therefore been revised to ensure that any guidance material is provided in advance of the qualifying test wherever practicable.

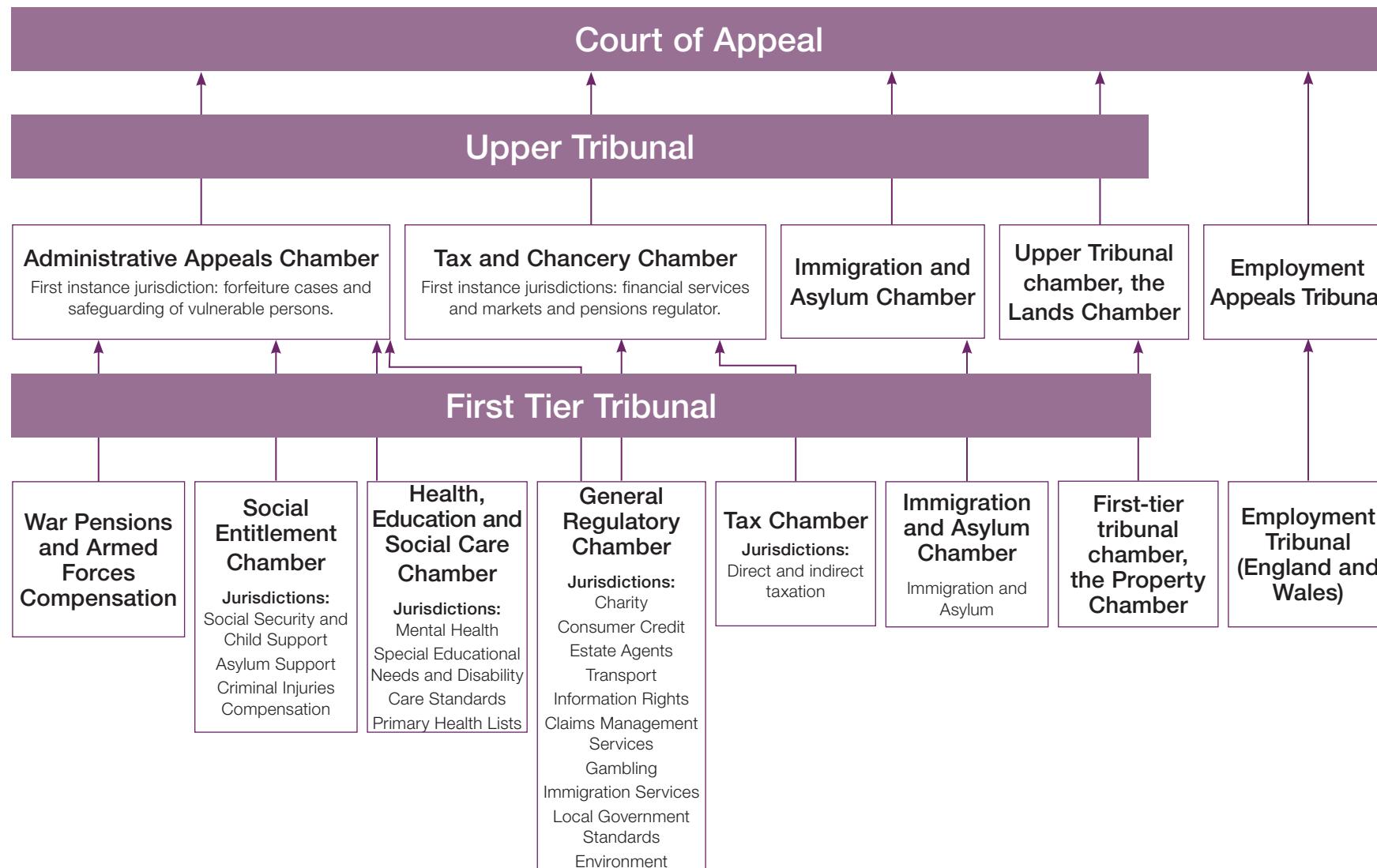
An unsuccessful candidate sought a Judicial Review over their non-selection. (The complaint had already been rejected by both the JAC and the Ombudsman.) At the oral hearing the judge stressed that judicial review proceedings do not provide an avenue of appeal against the merits of a decision maker's decision but allow for review and, if appropriate, remedy of a decision which has been made unlawfully. It was not a forum for the candidate to detail why he disagrees with the particular assessment. The judge found no arguable grounds for bringing a claim. The application was dismissed. The candidate/claimant was ordered to contribute to the JAC's legal costs.

## Feedback

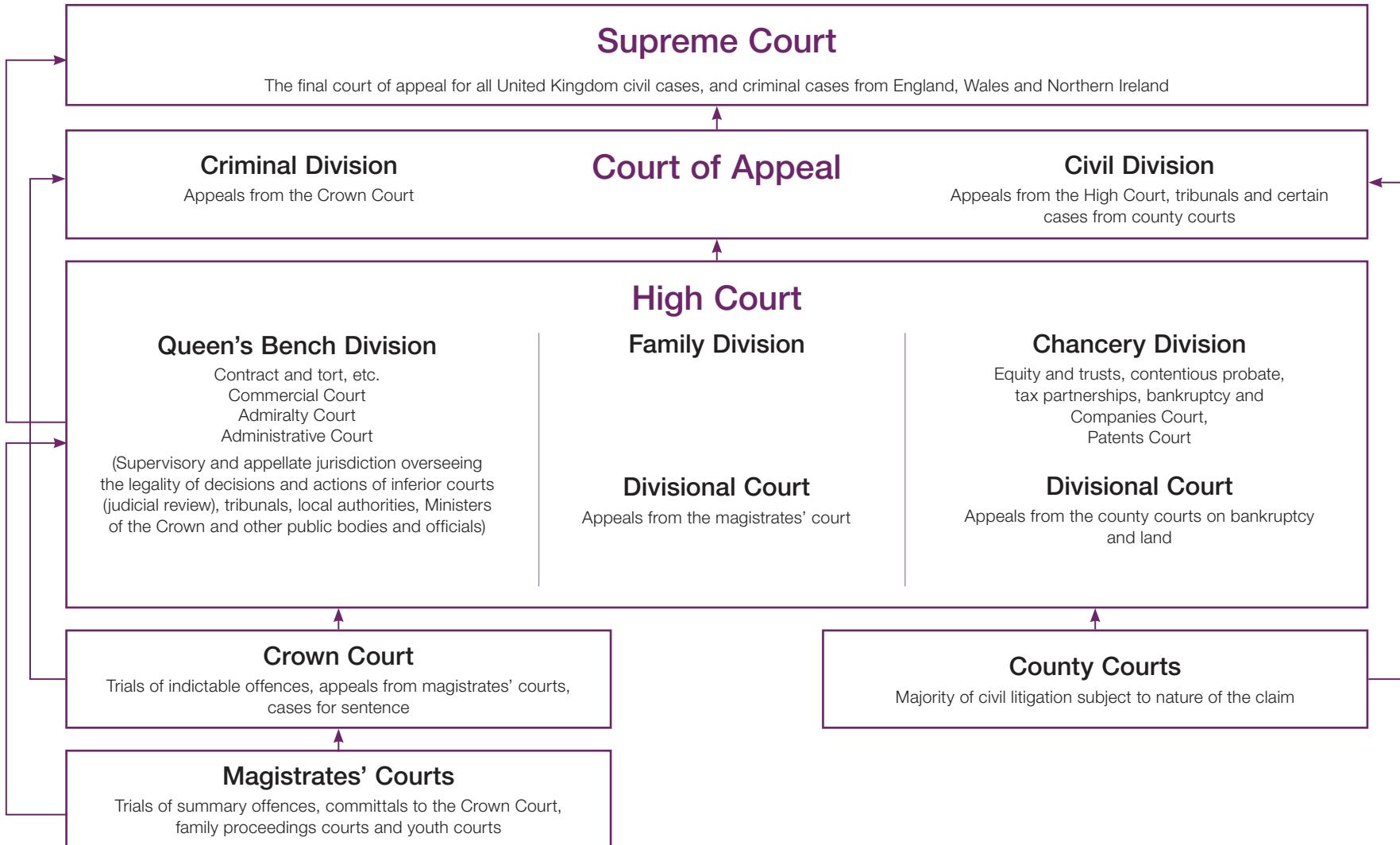
In addition to complaints made to the JAC using the complaints procedure, the JAC receives feedback from stakeholders and special interest groups. The JAC takes all feedback seriously. This can highlight issues or questions about JAC processes which can be addressed as required. Where practical and judged to be of benefit to all candidates, the JAC will adapt its processes in response to feedback, for example through the publication of qualifying test feedback reports. The views put forward by all stakeholders and groups are balanced against the need to maintain selection processes which are cost-efficient for the public purse, independent, transparent and fair to all candidates, regardless of their background.

A review of the feedback gathering process is currently underway as detailed at page 13.

## APPENDIX C: The structure of Her Majesty's Courts and Tribunals Service – Tribunals



## APPENDIX D: The structure of Her Majesty's Courts and Tribunals Service – Courts









**Copies of this publication can be made available in alternative formats on request.**

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