

Government Legal Department
Annual Report and Accounts 2022-23

HC 1279

Government Legal Department

Annual Report and Accounts 2022-23

For the year ended 31 March 2023

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

Annual Report presented to the House of Commons by
Command of His Majesty

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Preface

About this Annual Report and Accounts

This document integrates performance and financial data to help readers gain a better understanding of the work of the Government Legal Department (GLD). It covers the activities of GLD from 1 April 2022 to 31 March 2023 and is split into 3 main sections:

The **Performance Report** includes a summary of the department's purpose, strategy and activities (the Performance Overview) followed by a review of progress against our performance measures and key priorities (the Performance Analysis).

The **Accountability Report** is further split into 3 sub sections and includes:

- a **Corporate Governance Report**, which includes the Directors' Report, the Statement of Accounting Officer's responsibilities and a Governance Statement;
- a **Remuneration and Staff Report**, which includes pay and benefits received by executive and non-executive Board members and details of staff numbers and costs; and
- a **Parliamentary Accountability and Audit Report**, which includes a copy of the Audit Certificate and Report made to the House of Commons by the Comptroller and Auditor General setting out his opinion on the financial statements and other information in the Annual Report.

The **Financial Statements** show GLD's income and expenditure for the financial year, the financial position of GLD as at 31 March 2023 and additional information designed to help readers understand these results.

Contents

05 Preface

08 Chief Executive's Report

13 Performance Report

13 Performance Overview

13 Who we are

16 Core purpose and vision

18 GLD Strategy 2019-2024

24 What we do

31 How we are funded

32 Risk management

35 Looking to the future

42 Performance Analysis

42 Performance measures

45 Delivery of our key priorities

72 Financial performance

75 Community and social matters

76 Sustainability

78 Accountability Report

78 Corporate Governance Report

78 Directors' Report

81 Statement of Accounting Officer's Responsibilities

82 Governance Statement

118 Remuneration and Staff Report

118 Remuneration Report

144 Staff Report

158 Parliamentary Accountability and Audit Report

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

176 Financial Statements

176 Statement of Comprehensive Net Income for the year ended 31 March 2023

177 Statement of Financial Position as at 31 March 2023

179 Statement of Cash Flows for the year ended 31 March 2023

181 Statement of Changes in Taxpayers' Equity for the year ended 31 March 2023

183 Notes to the Accounts

208 Annex A: Sustainability Report for the year ended 31 March 2023

218 Glossary

Chief Executive's Report

I am pleased to share the Government Legal Department's Annual Report and Accounts for 2022-23.

It has been an outstanding year of achievement for the Government Legal Department (GLD) against a turbulent backdrop. As you can see from the case studies in this report, GLD has played a critical and high-profile role at times of national, societal and constitutional significance. From the Windsor Agreement to energy security, industrial relations to the establishment of the COVID 19 Inquiry, GLD's lawyers have supported the government across a range of challenging issues.

Our purpose of helping the Government govern well, within the rule of law underpins all we do and ensures that Government gets the best possible legal support to meet its commitments. This is reinforced by our values of respecting and valuing one another, taking pride in the high standards of our service and embracing new ideas and collaborating. This is why, as we conclude this year and look forward to the next, I am confident that we will continue to meet the needs of the Government in support of the Prime Minister's priorities.

To support the efficient delivery of our legal services, we have invested in developing our corporate capability and capacity as a Department. We have made good progress towards our strategic commitments as we begin to look ahead to ensure GLD is fit for the future. I was very pleased that we secured an important pay deal enhancing GLD's position in the market for legal talent, which I hope will go some way towards addressing long standing recruitment and retention challenges. We will continue to work on enhancing the offer available for all of our colleagues. Diversity and inclusion, including supporting social mobility, remains central to GLD and we have refreshed that commitment in line with the Civil Service's new strategy. We continue to build a truly national organisation, recently opening a new office in Salford, and we have made important changes to our governance and project delivery systems to ensure that GLD continually improves as a modern and efficient provider of legal services in Government.

The achievements set out in this report are considerable. I would like to thank every single person who has contributed to this work. Over the past year, I have been struck time and again by the professionalism, dedication and compassion shown by all members of GLD as they have gone the extra mile on behalf of the citizens of this country. I look forward with confidence and pride as we tackle whatever the year ahead holds for us.

A handwritten signature in black ink, appearing to read 'Susanna J' followed by a long horizontal flourish.

Susanna McGibbon

Treasury Solicitor and Permanent Secretary

Performance Report

Performance Report

Performance Overview

Who we are

The Government Legal Department (GLD) is a non-ministerial government department and executive agency providing legal services to the majority of government departments and other publicly funded bodies in England and Wales.

We are currently one of the largest legal organisations in the country, with around 3,100 staff, of whom the majority (c2,300) are lawyers and paralegals based in 19 locations.

Our responsibilities include:

- advising ministers and policymakers on domestic, public and private law, trade policy, international law and human rights
- providing litigation services to government departments and public bodies, covering public and private law issues
- drafting statutory instruments and other subordinate legislation
- preparing instructions for bills to be drafted by Parliamentary Counsel and advising ministers and policymakers during the passage of bills through Parliament

- providing legal services to support public inquiries
- advising the Cabinet Office (CO) and His Majesty's Treasury (HMT) on cross-Civil Service wide employment issues and policies, as well as dealing with individual employment issues, including in the Employment Tribunal
- supporting complex government procurement transactions and dispute resolution
- collecting, managing and disposing of bona vacantia (ownerless personal and corporate property and other assets) on behalf of the Crown's Nominee

GLD also provides support to the Attorney General's Office (AGO), which provides legal and policy advice to the Attorney General and the Solicitor General (the Law Officers), and HM Crown Prosecution Service Inspectorate (HMCPSI), the independent inspectorate of the Crown Prosecution Service.

The financial statements at pages 176 to 207 relate to activity carried out by GLD in the year 2022-23 and are prepared under a direction issued by HMT, in accordance with Section 7(2) of the Government Resources and Accounts Act 2000.

Case Study: Just Stop Oil Protests

Since 2021, protest groups have increasingly targeted roads by blocking them and “locking on”, causing huge disruption to the public. GLD lawyers in the Department for Transport Legal Advisors (DfTLA) advised Ministers at pace on what civil actions could be taken to prevent this. While the police have their own powers under criminal law, civil injunctions have been an important tool to act as a deterrent against disruptive protests on roads and other national infrastructure, including oil refineries and the HS2 route.

During 2022 an activist group called Just Stop Oil (JSO), staged a number of protests across the country. This included blocking local roads, entrances to oil refineries and petrol stations, and scaling the Dartford Crossing bridge. JSO’s tactics and targets were kept under constant review. When the Department for Transport (DfT) became aware in November 2022 that JSO intended to target gantries on the M25 and undertake its “most disruptive action ever”, a fast response was needed.

DfTLA worked collaboratively with colleagues in GLD’s Litigation Group and lawyers from National Highways (a government owned, arm’s length company and the highway authority for the strategic road network). As a result an urgent interim injunction was granted to cover structures on the M25 less than 48 hours after DfT became aware of the threat and before the protestors commenced their action.

DfTLA continues to work with the Home Office in its introduction of new protest-related offences in the Public Order Bill.

Core purpose and vision

We help the government to govern well, within the rule of law.

Our vision is to be:

- An outstanding legal organisation, committed to the highest standards of service and professionalism; and
- A brilliant place to work, where we can all thrive and fulfil our potential.

Achieving this vision means:

- Everyone, whatever their role, taking pride in what we do and performing to the highest possible standards;
- Demonstrating and building on our unique range of legal knowledge, expertise and understanding of government;
- Delivering value for money legal services to clients;

- Working together to achieve the best results;
- Investing in the high-quality skills, tools and infrastructure we need; and
- Continually seeking opportunities to improve and innovate, including through new technology and smarter ways of working.

For our people in particular it also means:

- Giving clear leadership and direction, continually developing the skills of leadership and management across the organisation;
- Providing unrivalled opportunities for interesting, varied, high-quality, challenging work and careers in a professional environment;
- Being an inclusive, engaging and motivating employer, valuing the diversity of our people and the range of talent and experience they bring;
- Listening to our people and giving everyone the opportunity to challenge and contribute their ideas;
- Ensuring our people are fairly rewarded for the work they do; and
- Proudly celebrating and rewarding our successes and achievements.

GLD Strategy 2019-2024

Our strategy sets the department's vision for how it will continue to achieve our purpose.

Our strategy is underpinned by 6 strategic outcomes, which align to the emerging themes of the Civil Service's "Shaping our Future" reform and wider modernisation initiatives. Each of our strategic outcomes has a clear link to ensuring that GLD enables the Government to govern well, within the rule of law, by providing outstanding legal services and becoming a brilliant place to work. Success will only be possible with investment in our individual and collective leadership capability, at all levels of the organisation.

Our strategic outcomes

- **Leadership:** Improve our leadership at all levels by developing and embedding a leadership framework with clear standards linked to progression and retention, with a shared expectation, confidence, and accountability.
- **Be recognised:** Be recognised across the Civil Service, and externally, as a leading employer in relation to diversity and inclusion and wellbeing.
- **Improved offer:** Put in place an improved offer to attract, retain, reward, and develop the talented people we need to be an outstanding organisation.
- **Connected:** Increase our numbers outside London

whilst operating as a fully integrated department, connected across our many sites within and outside London and exploiting the opportunities technology provides to enhance the working experience of our staff and the quality of our service for clients.

- **Capability:** Enhance the capability and capacity of our staff through the operation of a fully integrated digital Knowledge Management system accessible to all throughout GLD, an enhanced training offer through the use of digital delivery platforms alongside traditional techniques and the further development of GLD Digital.
- **Professionalise:** Professionalise and modernise all aspects of our service, both corporate and legal services, using a ‘fail fast / learn quickly’ approach to encourage innovation.

Looking back on 2022-23

In our Business Plan 2022-23, the Board set out the core priorities GLD would focus on to help the Government deliver for citizens and our plans to modernise the department as we focused on realising our strategic outcomes. It also represented a commitment to reset and reconnect across GLD as we began to live with COVID-19 and embrace the opportunities to work together again, to innovate even more, to learn from each other and to engage with each other, which has not been possible in recent years. Our plan reflected a confident GLD, committed to our people and focused on delivery. This

required the best talent and a department that continued to embrace the opportunities of technology, data, new ways of working and the breadth of talent available right across the UK. We wanted to combine the very best of legal practice with the modern Civil Service.

GLD's values remain at the heart of everything we do – to value and respect each other, take pride in the high standards of our service, embrace new ideas and collaborate. With the continued professionalism, resilience and inclusivity that characterises colleagues across GLD, we set an ambitious agenda.

2022-23 was another demanding year, seeing GLD squarely at the heart of government business, providing outstanding legal support across government priorities including helping to design sanctions packages in response to Russia's invasion of Ukraine through to working on supporting the most vulnerable members of our society in our work on the energy crisis.

Alongside this, GLD worked on an extensive programme of policies and legislation, helping ministers and departments to deliver their priorities for citizens. We led an ambitious agenda to meet our strategic outcomes. We launched a new Overall Plan to strengthen our corporate planning and performance systems. In 2023-24, we will continue to ensure that we have effective controls and processes in place to develop and prioritise GLD's projects. We also undertook a review of our governance to ensure that our system balanced the quality and

openness of decision-making that GLD needs to achieve our strategic ambitions, with a desire for greater empowerment and a heightened emphasis on delivery and accountability throughout the department. We continued to invest further in key areas like resourcing, our reward and recognition frameworks which will see the implementation of a capability based pay system for our Grade 7 and Grade 6 lawyers, and strengthened our relationships with ministers and departments and our partnership with our private sector panel firms.

We developed our work towards becoming a national organisation, further increasing our numbers outside London in our existing offices in Leeds and Bristol and announced a new office location for Salford, Manchester. We launched a refreshed Diversity and Inclusion Strategy, taking pride where we have succeeded, and set new and ambitious goals for ourselves, including in the area of social mobility which is vital in ensuring that GLD and the wider Civil Service best represent and serve our society.

The GLD Business Transformation Programme (BTP) was launched in July 2021 with the purpose of modernising GLD to become more efficient and responsive. While the Business Transformation Programme delivered some important outcomes for GLD, in particular the implementation of the Overall Plan, our new system for planning and prioritising GLD's projects, we have recognised that a single, centralised programme was not the right approach for delivering GLD's longterm goals

and the programme was subsequently halted in August 2022. However, our Business Plan 2022-23 reflected and continued the aims and ambition set out in the BTP, such as updating the technology we use and enhancing our knowledge sharing. Our Business Plan for 2023-24 builds on the lessons we have learned, including re-energising our project delivery capability and implementing our new governance structure.

Our Annual Report outlines our progress against the ambitious agenda we set last year. There is more to do as we approach the final year of our strategy to ensure we continue to progress GLD as a national organisation, that provides a rewarding career for all in an environment fit for the future.

Case Study: Punitive Tariffs on Russia and Belarus

Following Russia's illegal invasion of Ukraine, the former Department for International Trade (DIT, now Department for Business and Trade) Legal Advisers worked with lawyers across government to support the Government in imposing a punitive 35% tariff on a wide range of goods originating from Russia and Belarus. Reporting from Ukraine underlined the importance of depriving the Russian and Belarusian governments of export earnings, which could be put towards the invasion.

The use of tariff policy in this way was novel and had the potential to impact a wide range of domestic stakeholders. DIT lawyers worked closely with clients to identify creative legal solutions to support the quick delivery of the policy. Legal advice also addressed the complex and developing area of World Trade Organisation law regarding national security. In providing high quality advice in this area, lawyers worked across the division to share their knowledge.

Cross-GLD cooperation was vital. Lawyers from the Statutory Instrument (SI) Hub led on drafting the implementing legislation, while lawyers from HMT, Department for Environment, Food and Rural Affairs (Defra) and the former Department for Business, Energy and Industrial Strategy (BEIS, now Department for

Business and Trade) provided key sector-specific knowledge. This pooling of expertise meant that the Government was able to design, test and implement the policy in just over a week. The result was a set of tariffs which complemented the more traditional sanctions in fundamentally weakening the Russian and Belarusian governments' ability to raise funds. The close cross-GLD working allowed ministers to make prompt decisions, while ensuring that the UK continued to uphold the international rules-based system which Russia and Belarus were attempting to undermine.

What we do

Our principal activities are delivered as follows:

Advisory - GLD has expert advisory teams specialising in the work of their client departments, providing risk-based and solution-focused legal advice. GLD lawyers are crucial throughout the lifecycle of government policy. They advise on and draft legislation and work to take it through Parliament; advising departments and ministers on the legal implications of government policy and ensuring it stands up to Parliamentary scrutiny.

Litigation - GLD's Litigation Group is comprised of 3 divisions: Defence and Security, Home Office and Immigration, and Justice and Development. Litigation

lawyers handle high profile public and private law litigation for central government departments, security agencies, and other public bodies; including UK military and security bodies. The divisions also undertake inquest, inquiry and injunctive work for GLD's clients. Our litigation teams are currently handling approximately 27,000 pieces of litigation.

Employment - As one of the largest employment law practices in the country, GLD's Employment Group advises on complex and fast-moving legal areas including: claims for unfair dismissal and relating to discrimination; pay issues; contractual issues and terms and conditions and whistleblowing claims. The TUPE (Transfer of Undertakings Protection of Employment) and Transactional Hub provides specialist advice on employment and pensions issues to help manage employment-related risks, while the Industrial Hub advises on trade union matters and industrial action. The National Security Hub manages advice work and litigation claims requiring a knowledge of security vetting or the management of protected material.

Commercial - The Commercial Law Group provides expert advice on transactional, litigation, property and advisory commercial legal matters. Transactional and advisory teams advise government departments on their commercial work, ensuring value for money in the purchase of goods and services for the public sector. The Litigation and Dispute Resolution Team

supports the government in high profile legal claims and saves taxpayer money by pursuing alternative forums (mediation, adjudication). The Property Hub provides strategic commercial property advice and supports government departments and agencies via training on property issues.

Statutory Instrument Hub - The Statutory Instrument (SI) Hub is GLD's specialist statutory instrument drafting service and Centre of Excellence for secondary legislation, with 30 lawyers drafting secondary legislation for all of GLD's client departments. The SI Hub Centre of Excellence makes a major contribution to helping lawyers across GLD improve the quality of their drafting, through its structured SI training programme, the annual SI conference and drafting guidance.

The Finance, Operations and Digital, and Strategy, People and Culture Divisions are responsible for developing the department's strategy and plans and leading and coordinating programmes of activity across the department to deliver cost effective legal and support services that address the needs of our clients and staff. This includes the provision of corporate services covering governance and strategy, communications and engagement, finance, planning and performance, human resources (HR), procurement, facilities management, security, information and communications technology (ICT), business assurance and resilience, and library and records management services.

Bona Vacantia Division, on behalf of the Crown's Nominee, administers the estates of people who die intestate and without relatives entitled to inherit and collects the assets of dissolved companies and failed trusts in England, Wales and Northern Ireland, except in the Duchies of Cornwall and Lancaster. The costs of the division are recovered from the estates and assets it administers. The proceeds of bona vacantia are accounted for in the Crown's Nominee Accounts and separately notified to Parliament as prescribed in the Treasury Solicitor (Crown's Nominee) Rules 1997 (SI.1997/2870).

The Knowledge and Innovation Division lead on developing the department's integrated Legal Knowledge, Capability and Innovation Strategy, working with legal divisions to professionalise legal knowledge and learning activity and to develop innovative and flexible approaches to meeting client needs.

GLD also has 15 Centres of Excellence; formal networks of lawyers who have recognised expertise in an area of law or legal practice that has relevance across a number of GLD divisions and teams.

Case Study: Homes for Ukraine Scheme

The Department for Levelling Up, Housing and Communities (DLUHC) Legal Advisers formed part of the team that designed and launched the Homes for Ukraine Scheme in March 2022. This is the scheme that matched Ukrainians fleeing the Russian invasion with sponsors in the UK willing to offer them somewhere to live and help them access support on arrival. The Home Office were responsible for immigration status. Matched Ukrainians would be given limited leave to remain in the UK for 3 years.

The scheme started with a simple idea – civil society coming together to help those in need. Setting it up proved to be anything but simple. There were lots of threads to the design of the scheme. We advised at pace on questions relating to landlord and tenant law – what security of tenure would Ukrainians have, would the proposed £300 thank you payment to sponsors be classed as “rent” in law, if so, what were the implications of that? There were questions around safeguarding and ensuring Ukrainians were not exploited or placed in poor or inappropriate housing.

As well as advising on scheme design we also worked on implementation. What would happen after the first 6 months commitment on the part of sponsors? We helped prepare a move on strategy and worked on

proposals for medium to longer term housing for people. We drafted regulations to ensure that Ukrainians would be eligible for housing assistance from Local Authorities.

The legal team were able to draw on their expertise and knowledge of the private rented and social housing sectors and regulation to give advice and come up with pragmatic solutions. It has been incredibly rewarding to see the real world results of our work and the scheme has been a success, helping to house over 100,000 Ukrainians.

Case Study: Social Security (Additional Payments) Act 2022

Department for Work and Pensions Legal Advisers (DWPLA) rapidly delivered primary legislation in the form of the Social Security (Additional Payments) Act 2022 which enabled payments worth £15bn to be made to millions of low-income families and disabled people.

In just 7 and a half weeks, DWPLA worked with a cross-government project team (comprising devolved administrations and 5 government departments) to design the cost of living payment policy and deliver primary legislation. The crucial legislation enabled claimants to receive vital additional financial support. The Bill was drafted with Parliamentary Counsel in just 3 weeks and DWPLA worked with the policy teams to steer the Bill through Parliament in 2 weeks. The excellent work of the multi-disciplinary team was acknowledged by all sides of both Houses during the passage of the Bill.

The project had significant national impact by delivering financial support to the most vulnerable citizens across the UK – over 8 million low-income families and 6 million disabled people have now received payments. Payments of this scale had not been attempted before. As well as short deadlines for delivering legislation, the team overcame delivery and data obstacles and complexities associated with paying millions of claimants across multiple benefits administered by different departments, while simultaneously safeguarding the public purse.

How we are funded

We are funded almost entirely through the fees we charge clients for legal services. Approval to make capital investment and spend the income generated each year is obtained through the Parliamentary Supply process and allocated in the HM Procurator General and Treasury Solicitor Main Estimate. The following table provides a more detailed analysis of how we fund our work. As agreed with HMT, we do not seek to make a surplus, although accidental surpluses may arise. The charging regime for 2022-23 reflects the mutual relationship we have with our clients.

Group/Division	Funding
Advisory	Fixed fees. A small proportion of work is charged at hourly rates
Litigation	Primarily hourly rates to client departments. A small proportion of general public interest work is funded from the Parliamentary Estimate
Employment	A mix of fixed fees and hourly rates, depending on the nature of the work
Commercial	A mix of fixed fees and hourly rates, depending on the nature of the work
Bona Vacantia	Costs are funded from the proceeds of bona vacantia

Group/Division	Funding
Corporate Services*	Recovered by the charges for our legal service to our clients

*Corporate Services includes Finance, Operations and Digital, Strategy, People and Culture and the Knowledge and Innovation Divisions

Risk management

GLD risks are aligned with the risk categories in HMT's risk management guidance – “The Orange Book”.

The risks were agreed by the GLD Board in July 2020.

We believe that our Primary Risk is that: “We cannot demonstrate the added value that GLD brings as a legal service for the benefit of government”.

GLD's strategic risks are:

- We do not have an optimised performance and assurance system to monitor the implementation of our Strategy and supporting sub-strategies.
- We do not prepare for significant external events which have the potential to have an adverse impact on the delivery of legal services to our clients or achieving full cost recovery.
- We damage the confidence and trust of our clients and/or the judiciary, by not meeting their expectations or delivering on commitments given to them.
- We do not generate sufficient income to achieve full

cost recovery and/or we breach one of our HM Treasury Control Totals.

- We do not attract, recruit and retain diverse and sufficient people to deliver the breadth and quality of legal services required by our clients.
- We have insufficient and a non-diverse leadership capability to inspire and empower our people to deliver the required levels of service and/or our strategic aims.
- We fail to provide the appropriate, cost-effective, secure and efficient IT tools on a consistent basis that enable our staff to work efficiently and productively with each other, or our clients across government.
- We do not keep pace with emerging threats, or there is a failure of compliance, which results in harm, or sanctions, or has an adverse impact on our ability to deliver legal services to our clients.

Our plans and mitigations in respect of these strategic risks are set out in the Governance Statement on page 109.

Case Study: Migration and Economic Development Partnership between the United Kingdom and Rwanda

The arrival of small boats is one of the biggest challenges the UK faces. A key response has been the Migration and Economic Development Partnership with Rwanda. GLD has been pivotal in developing, negotiating and defending in court that Partnership. This work showcases how GLD uses expertise in international law, human rights law and litigation to work in partnership with ministers and policy teams to create new ways of tackling the most pressing of today's issues.

This legal work was initially led by a small team of lawyers in Home Office Legal Advisers who were fully integrated with the Home Office policy team. Those lawyers drew on expertise on international, human rights and immigration law to design the principles behind the Partnership; drawing in support from the Foreign, Commonwealth and Development Office (FCDO). Key to this involved understanding in depth the requirements of the Refugee Convention and case law on the European Convention on Human Rights about when individuals can safely be removed to other countries. Home Office lawyers were then on the ground in Rwanda advising on the Home Office's assessment of the safety of Rwanda and negotiating the Partnership. The strength of the

links between advisory and litigation teams in GLD meant that when the first removals under the Partnership were challenged, lawyers were primed to defend those challenges both in domestic courts and – with FCDO lawyers – before the European Court of Human Rights. GLD is now working to an expedited timetable to defend the Partnership in complex judicial review proceedings.

While the litigation on the Partnership is ongoing, the High Court fully upheld the principles behind the Partnership. This example shows how GLD lawyers are at the heart of advising on some of the most interesting legal issues, working in challenging contexts and undertaking some of the most difficult litigation in the UK.

Looking to the future

As we begin to anticipate our future GLD Strategy we remain committed to realising the strategic outcomes we set in 2019 to deliver our vision. Each of our subsequent business plans has seen significant progress towards achieving these outcomes, from expanding our national footprint and introducing collaborative technology such as our knowledge management system, through to delivering our leadership framework ‘Leadership the GLD Way’ and delivery of our Diversity and Inclusion Strategy.

In 2023-24, we will complete projects and actions to fulfil our 2019 strategic vision by focusing on 3 core areas –

becoming a national GLD that provides rewarding careers for all in an environment that is fit for the future. This is how we will provide government with outstanding legal services and be a brilliant place to work.

Becoming a national GLD

- We will continue to grow our presence outside of London, in line with the Government's Places for Growth Strategy so that GLD reflects the country we serve. We will establish a new office in Salford (Manchester) and prepare for relocation of our offices within Croydon and Bristol. We will also continue work to consider our London estate while increasing the number of roles outside of London to enable our people to build sustainable career pathways wherever they work.
- We will embrace future ways of working to enable a hybrid approach that delivers inclusive and sustainable working practices for our people and continues to deliver for our clients. To make this happen, we will use the right technology and modernise our office spaces to support collaboration and make it easier for our people to perform their roles.
- We will ensure that the development of our national presence increases, reflecting the rewarding, high quality, impactful, life-changing law, attracting individuals across the UK to provide talent we need to succeed into the future.

Rewarding careers for all

- We will implement a new capability-based pay system

for our lawyers and continue to develop the experience for all working in GLD, including on development, remuneration and wider benefits.

- We will continue our strong commitment to inclusion for all, removing barriers and clearing the path to enable everyone to reach their potential through the delivery of our Diversity and Inclusion Strategy and action plan. At the heart of making GLD a brilliant place to work is creating a safe, supportive and inclusive environment where everyone's talent and contribution is recognised and where we all have a meaningful voice on matters that affect us.
- We will continue to develop and diversify our talent pipelines and build rewarding careers across the professions in GLD. We will continue to enhance and expand our legal trainee scheme and introduce new solicitor and paralegal apprenticeships.
- We will continue to invest in the professional development needs of all. We will implement our Legal Learning Framework and for corporate teams will continue our adoption of government functional and professional standards. From those new to the organisation through to experienced GLD employees, this will provide a clear development pathway throughout their career.
- We will continue to provide the right expertise in the right places at the right time to meet the most important priorities for Government. We will increase the agility and resilience of our resourcing system to deploy

our resources at pace and continue to invest in our relationships with, and strategic use of, our panel firms.

Fit for the future

- We will begin the development of a successor to our current strategy setting a course for a sustainable, future GLD which is equipped to deliver the expectations of government and aspirations of a Modern Civil Service. This will include work to consider how best we structure and utilise our collective resources to deliver legal services.
- We will embed new governance and performance systems and portfolio management to support our corporate planning and decision making. This will improve the balance between the quality and openness of decision-making that we need to achieve our strategic outcomes, with a desire for greater empowerment and a focus on delivery and accountability.
- We will continue to modernise our legal services and corporate service support to ensure they are efficiently and effectively delivered, by investing in our professional capability across all areas. This will include enhancing our corporate communications and building our project delivery capability to ensure successful delivery across our projects and programmes to continue to embed a culture of better outcomes.
- We will build the department's digital capability by introducing new ways of working across the department, enhancing the way we deliver legal services for our

clients. We will complete the rollout of Lawmaker (a web-based legislation drafting and checking tool) to GLD lawyers and undertake other legal process improvements, while continuing to deploy Office 365 tools improving productivity and collaboration. We will begin our work to improve interoperability with our client based legal teams, migrate our technology services to the cloud and develop options on our future case management system.

Case Study: Online Divorce

The Divorce, Dissolution and Separation Act 2020 came into force in April 2022 reforming the legal process for divorce and dissolution in England and Wales. It aimed to reduce conflict in divorce proceedings, for example, by removing conduct based grounds for divorce and by enabling joint applications.

Ministry of Justice (MoJ) Legal Advisers worked with HM Courts & Tribunals Service to build new online divorce services that accurately reflect the requirements of the new law while also being accessible. Two new online systems were built covering all stages of proceedings for both litigants in person and legal representatives. Use of the online system is mandatory for legal representatives.

The online system embeds the legislative requirements, including the family procedure rules which MoJ Legal Advisers drafted, in a way which is user focused and intuitive. Lawyers adopted an iterative way of working with HM Courts & Tribunals Service User Experience colleagues to achieve this. They utilised shared tools to develop the content and logic of the online system, devising solutions which worked for the online platform while fully reflecting the law and procedure, so minimising failure risk. This was achieved alongside maintaining an existing online service for cases in train begun before the new law came into force.

Over 95% of divorce applications are now made digitally and over 120,000 applications have been issued on the new platform since 6 April 2022. The majority of applicants are litigants in person and the online divorce system continues to be improved to reflect their requirements.

Performance Analysis

Performance measures

Our performance measures reflect our continued commitment to high professional standards as well as delivering client satisfaction, whilst recovering our operating costs in full by the year end.

Client satisfaction

To improve our client satisfaction rating(s)

Client satisfaction rating(s)

	2022-23	2021-22
Percentage receiving Good or Excellent rating	95%	96%
Average score (Excellent: 10, Good: 5, Acceptable: 0, Poor: -5, Unacceptable: -10)	7.96	8.06

Our aim is to achieve a 95% or above rating in our annual survey of client satisfaction and while 95% of our clients rated our services as Good or Excellent this was a percentage point reduction on last year. Using the average score, we scored 7.96, a 1% decrease from last year. This should be seen against the context of significant changes in government and pressure on our staff. As ever, the survey has highlighted some issues that need to be addressed and an action plan will be developed in response.

Lexcel

To maintain Lexcel accreditation

Lexcel is the Law Society's legal practice quality mark for practice management and client care.

2022-23	Achieved
2021-22	Achieved

Our litigators across Litigation, Employment and Commercial Law Groups were once again found to be meeting the requirements of Version 6.1 of the Lexcel Standard in the latest external assessment. The Lexcel assessor concluded that "GLD should again continue to be extremely highly commended for sustaining a very high level of compliance against the Lexcel Standard. This continues to be extremely noteworthy given the current context – both internal and external. It continues to more than amply demonstrate the inherent robustness of internal process and system. In Lexcel terms, GLD continues to very clearly demonstrate an exceptionally high degree of compliance against the Lexcel Standard."

Recovery of operating costs

To recover from clients the full operating cost of chargeable services

2022-23	Achieved
2021-22	Achieved

We are primarily funded from the fees charged to clients for our legal services. Our fee rates are set in accordance with the HMT publication - Managing Public Money - and are designed to recover the costs incurred by the department. Financial performance is monitored throughout the year, and on a quarterly basis, we undertake a formal exercise to forecast the financial outturn for the year. Our commitment to our clients is to ensure that they benefit from better than budgeted financial performance and if the forecasting exercise at the end of quarter 2 predicts a significant surplus, we evaluate the underlying reasons, consider the financial risks for the remainder of the year and assess whether a fee reduction should be made in-year.

Full cost recovery was achieved in 2022-23 and after rebates of £8.0m (2021-22 £3.8m), a surplus of £10.7m was generated (2021-22: £12.0m). The introduction of capability based pay was factored into our fees for 2022-23. The relatively large surplus primarily reflects that, following ministerial agreement, its introduction would be deferred until 2023-24. In setting fees and budgets for the year, key factors include the level of litigation demand, the level of staff turnover, the level of investment required to deliver our objectives and the use of third parties to support our legal work. In determining these and other

financial factors, we take account of the factors underlying the previous years financial performance and the likelihood of them reoccurring. We also continually review and refine our fee setting and forecasting processes to minimise the level of surplus that may arise.

Delivery of our key priorities

Leadership

Improve our leadership at all levels by developing and embedding a leadership framework with clear standards linked to progression and retention, with a shared expectation, confidence and accountability.

Priority	Progress
<p>Further embed leadership behaviours to enable inspiring, confident and accountable leadership at all levels of GLD</p>	<p>We have continued to deliver an enhanced leadership development offer for leaders at all levels within GLD aligned to our 'Leadership the GLD Way' behaviours framework. Over 500 GLD employees took part in 50 Leadership the GLD Way training sessions in 2022-23.</p> <p>GLD promoted Civil Service Accelerated Development Schemes to staff, resulting in 19 successful GLD candidates on the 2022 Future Leaders Scheme and 5 on the Senior Leaders Scheme. GLD also supported Beyond Boundaries, a cross-government talent programme for junior grades and 9 colleagues entered this cohort. We have started pilots of 2 new cross-Civil Service line manager programmes, which will continue to roll out in 2023-24.</p>

<p>Ensure open and visible leadership that enables the delivery of high quality legal services across government, maximising the benefits of our regional offices and hybrid working</p>	<p>Over the last year, we have ensured that senior leadership is visible to all in GLD, regardless of location. In the 2022 People Survey, 75% of people responded that senior managers in GLD were sufficiently visible, compared to 72% in the wider Civil Service.</p> <p>We have assigned sponsorship of each office location to a particular Director General. In 2022-23, the Law Officers and our board members have visited all our GLD locations holding staff engagement sessions. We have also embedded inclusive and sustainable working practices for our people with our Future Ways of Working programme, which emphasises leadership across all teams irrespective of where staff work or where clients are based.</p>
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Be Recognised

Be recognised across the Civil Service, and externally, as a leading employer in relation to diversity and inclusion and wellbeing.

Priority	Progress
Continue to invest in our diversity and inclusion initiatives, refreshing our strategies and ways of working to ensure we are building a strong culture of inclusion for all and an environment where everyone feels supported and able to thrive	<p>We have refreshed our Diversity and Inclusion Strategy for the next 3 years, aligning it with the new Civil Service Diversity and Inclusion Strategy. The focus is on 'Inclusion for All' with strengthened collective leadership from our diversity champions and network chairs. In the 2022 People Survey, we achieved an 83% score for inclusion and fair treatment.</p> <p>We have also launched our Culture and Behaviour Champions Network to reflect the ongoing commitment in GLD to making our aim of 'Inclusion for All' a reality and to help colleagues feel supported in addressing all work-related issues.</p>

Improved Offer

Put in place an improved offer to attract, retain, reward and develop the talented people we need to be an outstanding organisation.

Priority	Progress
Improve our pay and benefits offer to staff	We have secured an enhanced pay offer for our G7/6 lawyers which will see the introduction of a new capability-based pay system. We are currently negotiating with our trade unions on the offer which covers the next 2 pay years (2023-24 and 2024-25). The offer would see average pay increases of 8% per year for the next 2 years for Grade 6 and 7 lawyers across the department. We have established a Pay Reform Project to implement these awards and continue efforts to secure appropriate pay and reward for all GLD staff.

Improve our resourcing capacity and capability	We have delivered a significant programme of resourcing improvements. This has included a redesign of our resourcing service to enable proactive focus on customer service, the provision of new service offerings around data, supplier management and continuous improvement and the re-procurement of a third-party provider to partner GLD in the delivery of our lawyer recruitment.
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<p>Review early talent approaches, outreach activity and routes to qualification, to reach a bigger and more diverse pool of candidates</p>	<p>We have established an Early Talent Programme, focusing on delivering 3 key strands of work: Legal Trainees, Paralegals and Apprenticeships. Significant work has been undertaken through our Early Talent Programme to develop our response to the Solicitors Qualifying Examination and our wider approach to ‘growing our own’ talent in GLD.</p> <p>We have designed solicitor and paralegal apprenticeship pilots which will be implemented in 2023 to increase and diversify the pool of legal talent which we draw from. We launched our apprenticeship plan for all other GLD professions in February 2023 and will embed this in the next financial year.</p>
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	<p>We have agreed targeted outreach activities to maximise our recruitment opportunities in GLD's national offices. This includes outreach activity to grow our national presence and support recruitment outside of London, as well as building relationships with target universities and schools to raise our profile in Leeds, Manchester and Bristol. We are also launching a new Alumni Network in Spring 2023 to build awareness of our national presence.</p>
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<p>Further develop our ambition to become a national organisation, enabling employees to have rewarding and stretching career opportunities irrespective of the GLD location in which they are based</p>	<p>We have continued our work to become a national GLD to enable our employees to have rewarding career opportunities regardless of their location. We have built on our existing presence in Leeds, Bristol and Croydon with new employees being recruited into these locations.</p> <p>We will also establish a new office in Salford, Manchester, in Spring 2023 and are currently supporting colleagues who are interested in re-locating to Salford, through our Places For Growth relocation package.</p>
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<p>Continue to ensure that we respond effectively to the needs of our people</p>	<p>In response to our People Survey 2021 results, we developed and launched our People Survey Action Plan in May 2022. We have focused on developing our leadership capability through promoting the Leadership the GLD Way programme and securing places on Senior and Future Leaders Schemes.</p> <p>Network chairs and champions have continued to play a key role in providing leadership on crucial topics and we have implemented recommendations from a staff led diversity in decision making review. GLD has invested in building on our inclusive culture through launching the refreshed Culture and Behaviour Champions in the last year. We have secured an enhanced pay offer for our G7/G6 lawyers, which we are currently negotiating with our unions.</p>
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	<p>In our People Survey 2022, we achieved a 70% response rate across GLD, higher than the Civil Service average of 64%. 59% of respondents in GLD answered positively in the Survey's benchmark engagement index, compared to 65% for the wider Civil Service. The results of the survey were communicated to all staff in mid-December and an Action Plan was published in Spring 2023 to ensure we are continually improving GLD and striving to make it a Brilliant Place to Work.</p>
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Connected

Increase our numbers outside London whilst operating as a fully integrated department, connected across our many sites within and outside London and exploiting the opportunities technology provides to enhance the working experience of our staff and the quality of our service for clients.

Priority	Progress
Maximise our delivery of services to clients and the quality of experience for our colleagues, by aligning with the Government's interoperability agenda	We have been engaged with Government interoperability work to date and have put in the technical controls that have come out of this work, which puts GLD at the forefront of government in this work. We will continue to work closely with the interoperability team, with the work led by our Digital Programme Manager to ensure that, when this work matures, GLD can take full advantage.

<p>Ensure that we are capitalising on the opportunities of new technology to ensure delivery of a seamless, connected service</p>	<p>In 2022-23, we continued our efforts to retire and replace the legacy IT estate, by successfully completing our rollout of laptop docking stations and replacing the telephony service. We have completed the installation of our video conferencing setup in meeting rooms and have made significant progress towards finishing the rollout for Microsoft 365 and Teams to support hybrid working arrangements. GLD has continued to strengthen its delivery of a seamless connected service and remains on track migrate ICT infrastructure into the Microsoft Azure Cloud by August 2023.</p>
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<p>Implement our Accommodation and Location Strategy, in line with cross-government initiatives (Places for Growth and A Modern Civil Service) and our clients' estate plans</p>	<p>As part of the government's Places for Growth strategy, in January 2023, we signed an agreement with His Majesty's Revenue and Customs for GLD colleagues to move into 3 New Bailey, Salford. A key reason behind choosing Salford, Manchester is the access to a strong legal market to strengthen both our recruitment and our legal service provision to clients.</p> <p>We have expanded our existing presence in 2 Rivergate in Bristol and agreed with Government Property Agency (GPA) a larger presence in Temple Quay House after the refurbishment is completed in late 2024. We have been working with GPA to identify a suitable new long-term office location in Croydon.</p> <p>As part of our Re-imagining the Workplace programme, we have re-designed 2 floors in our London office in 102 Petty France, prioritising collaboration, meeting and task-based spaces in response to our increasingly hybrid working patterns.</p>
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<p>Embed our Greening Government commitments around sustainability into our decision-making</p>	<p>We have successfully built on the foundations of the GLD 2021-22 Sustainability Action Plan to inform the development of a fuller Sustainability Strategy which will further embed our Greening Government commitments around sustainability into our decision-making. This is due to be launched in Spring 2023.</p> <p>Our Sustainability Strategy Action Plan will be overseen by GLD's new Sustainability Lead, who will work closely with the Greener GLD Network to help report our progress in implementing the strategy. Greener GLD has over 350 members, representing 1 in 8 GLD colleagues.</p>
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Capability

Enhance the capability and capacity of our staff through the operation of a fully integrated digital knowledge management system accessible to all throughout GLD, an enhanced training offer through the use of digital delivery platforms alongside traditional techniques and the further development of gld.digital.

Priority	Progress
Improve how we create and share expertise	In June 2022, we completed the initial rollout of our eKM knowledge sharing platform, benefiting 1,958 GLD lawyers with access to 2,850 legal knowledge items. In March 2023 we completed the first (analysis) phase of our overarching knowledge and learning systems roadmap, to understand our lawyers, colleagues in the wider Government Legal Profession (GLP) and clients' needs in accessing and sharing resources, contacts and expertise.

In December 2022, we launched the initial 'Foundation' stage of GLD's Legal Learning Framework, which guides our lawyers to relevant legal and skills training to support their development.

In July 2022, we published the 6th edition of the Judge Over Your Shoulder (JOYS) guidance for civil servants on the legal principles of administrative decision-making and judicial review procedure.

In 2022-23, GLD adopted the wider government Digital, Data and Technology (DDaT) Profession Capability Framework, which recognises the professional technical capabilities DDaT professionals bring to the wider civil service workplace. We have also focused on building capability, to implement and deliver the wider DDaT standards, through appointing full-time civil servants into leadership roles.

	<p>As part of our ongoing work to improve our business management support to legal teams, we have developed a blueprint for career pathways for business managers, supporting their professional development and delivering standardisation across the work that they do to support legal teams across government. This strengthens our professional service, which in turn supports our legal teams to operate effectively and focus on core legal work.</p>
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<p>Enhance the way we deliver legal services to our clients, including where appropriate further engagement with the private sector</p>	<p>In June 2022 we launched the updated Attorney General's Guidance on Legal Risk, which explains the common GLP framework to assess risk. We have embedded the use of the new guidance with training for our lawyers and clients. 85% of respondents to our new lawyers' induction survey in December 2022 confirmed they felt very confident or confident in providing advice on legal risk to clients.</p> <p>During 2022 we rolled out to GLD lawyers who draft statutory instruments, Lawmaker, the web-based legislation drafting and checking tool developed in partnership with The National Archives.</p> <p>We have made significant progress in building our internal specialist legal knowledge and innovation capability and pro-actively drawing in external expertise to drive improvements in the quality and efficiency of our legal work.</p>
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We have embedded new governance structures for the strategic management of the central government legal panels, improving the way we work with the private sector to provide the legal work that government requires in a cost-effective way.

As part of our Centres of Excellence programme, we launched in 2022 a new Treaties Centre of Excellence under Foreign, Commonwealth & Development Office leadership and established an Artificial Intelligence legal working group.

Our third annual GLD Innovation Challenge in November 2022 generated 85 entries from all GLD locations and almost all staff grades. Our progress in developing GLD's innovation capability and culture was recognised when we were shortlisted for a 2022 'Financial Times Europe Innovative Lawyers' Award.

Professionalise

Professionalise and modernise all aspects of our service, both corporate and legal services, using a 'fail fast/learn quickly' approach to encourage innovation.

Priority	Progress
Legal Quality Assurance: ensure that consistent and professional systems are in place across GLD to assure the legal quality of the services we provide	In May 2022 we launched a refreshed Legal Quality Assurance approach, which is being embedded through the creation of divisional action plans coordinated by nominated Senior Civil Service (SCS) leads and monitored by GLD's Legal Quality and Innovation Committee. Whilst all the controls are not yet in place, we continue to develop this work.

<p>Develop a renewed Corporate Services approach, ensuring that our legal colleagues are well supported by professionals from other functions, in all GLD locations</p>	<p>We restructured our Business Management teams embedded with legal colleagues to provide core business services such as finance, HR and business continuity. This has improved resilience, bringing together 15 teams working successfully as one community and standardising the quality of service to enable our legal teams to focus on their core work providing excellent legal services across government.</p> <p>In 2023-24, we will continue to professionalise our service, including how we deliver our business management services in Leeds, Bristol and across our Corporate Resourcing Group to provide a consistent and efficient service across the whole department.</p>
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<p>Governance, Performance and Risk Management Review: develop systems to ensure our governance delivers effective decision-making for GLD</p>	<p>This year we launched a review of the department's governance system. This underpins decision-making and accountability within GLD. The aim of this review was to ensure that our governance system balanced the quality and openness of decision-making that GLD needs to achieve our strategic ambitions, with a desire for greater empowerment and a heightened emphasis on delivery and accountability throughout the department. These changes are part of the Executive Team's commitment to ensuring that, as we begin work to develop a successor to GLD's current strategy, we have the systems and cultures to ensure we can confidently deliver a new strategy and a modernised vision for GLD.</p>
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	<p>Our non-executive directors continue to engage with our clients to help us assure the quality and value of our legal services, through different activities, including periodic deep dives.</p> <p>GLD’s annual Client Satisfaction Survey is a key data source for supporting continuous improvement in GLD’s client service. In 2022 we refreshed and extended the survey approach and results presentation. Of the 780 client respondents, 95% rated GLD’s performance as Good or Excellent.</p>
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<p>Set out a renewed vision for the Government Legal Profession, demonstrating the excellent work that we do together on behalf of our fellow citizens and in support of government priorities</p>	<p>We renewed our vision and approach for the Treasury Solicitor and GLD's leadership of the GLP setting out our offer to the GLP. We are enhancing cross-GLP knowledge-sharing and learning activities in current, emerging and new legal areas, building on existing resources such as LION (Legal Information Online Network) the cross-government legal information site.</p> <p>GLD hosted the first GLP conference, attended by over 80 legal professionals from across government, to explore leadership challenges in the legal profession and ways to improve collaboration within our community.</p> <p>We have developed new methods of communication across the GLP, including improving the GLP website on gov.uk to better promote the excellent work that goes on across the profession and the exciting careers on offer to potential members.</p>
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<p>Collaborate to raise our profile across the Civil Service and throughout the legal sector</p>	<p>We have ensured that GLD's purpose has been clearly communicated across the wider legal sector and Civil Service. We have increased GLD's presence in legal publications, securing coverage in: The Times Legal, The Lawyer, Law Society Gazette, Legal Cheek, Law360, the Manchester Evening News and Civil Service World.</p> <p>We have also enhanced our social media activity covering the new Bar Council Chair inaugural speech, announcing bills gaining Royal assent and highlighting key legal cases being led on by GLD. Increased activity has resulted in the number of Twitter followers increasing by 11% over the financial year and by nearly 20% on LinkedIn.</p> <p>Through press notices we have promoted key milestones for GLD such as the acquisition of office space in Salford in January 2023 and regional visits from the Attorney General and Solicitor General, both creating wider awareness about our offices outside London.</p>
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	<p>In attending Civil Service Live and holding a number of sessions with senior leaders, GLD promoted the pivotal work of lawyers on COP26 to a large number of colleagues from across the Civil Service.</p> <p>We continue to publicise and celebrate GLD's work through award nominations from across the legal sector, including the Employed Bar Awards, LexisNexis and Financial Times awards.</p>
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Financial performance

Income

Total operating income (excluding disbursement income) for the year was £264.6m (2021-22: £251.3m), an increase of 5%. Our income from legal fees and charges to clients increased this year to reflect demand for our services. Our other income includes income from secondments, subscriptions for the Legal Information Online Network (LION) and the recovery of the costs of administering bona vacantia from the Crown's Nominee.

Expenditure

Our administration costs (excluding disbursements) this year were £250.1m (2021-22: £235.9m), an increase of 6%.

Staff costs represent 86% of non-disbursement expenditure (2021-22: 87%) and have increased by £12.0m in line with the increased demand for our legal services. The ratio of staff costs to legal fees and charges income is 84% (2021-22: 84%).

We continue to employ agency and contract staff where there is a need for specialist skills and where for practical business reasons the Board has agreed there should be a mixed economy of permanent and contract staff to provide some flexibility to cope with changes in demand. We also employ agency staff in lieu of recruitment, to support our

resourcing where we have not been able to attract as many permanent staff as required to deliver our work. Spend this year was £21.6m (2021-22: £19.9m). Agency staff accounted for 10% of average staff costs for the year (2021-22: 10%).

Non-staff costs (excluding operational disbursements) have increased by 7% to £34.0m (2021-22: £31.8m). This increase mainly relates to increased accommodation costs and investment in software.

Expenditure on legal disbursements varies from year to year depending on the number, type and complexity of cases. The majority of this expenditure is passed on directly to clients. The cost for 2022-23 was £48.0m (2021-22: £43.3m).

Net operating income

The net operating income for the year was £10.7m (2021-22: £12.0m). The surplus reflects lower than anticipated staff costs due to revision and deferral of capability based pay and better than expected income from the GLD Litigation Group in the final quarter of 2022-23.

Capital expenditure

Capital investment was £2.9m (2021-22: £1.6m) mainly relating to the annual cycle of investment in ICT equipment. Additions made to leasehold right of use assets was £0.4m.

Financial position

Taxpayers' equity is £19.6m at 31 March 2023 comprising total assets of £93.3m (non-current assets of £33.4m, trade and other receivables of £47.5m, and cash of £12.5m) and current and non-current liabilities of £73.7m (trade and other payables and provisions). Further details are in the Notes to the Accounts. Cash flow and debtors are both closely monitored throughout the year to ensure that we have sufficient cash to meet our liabilities and pay our creditors promptly; we rely on receipts from our clients for the bulk of our cash flow. We ended the year with cash of £12.5m (2021-22: £27.0m) and a trade receivables balance of £20.7m (2021-22: £23.5m).

The financial statements and notes are set out on pages 176 to 207.

Community and social matters

Our Pro Bono and Volunteering Network has continued to support and encourage pro bono and volunteering activity within GLD, including awareness of GLD's policy of allowing staff to spend 6 days a year undertaking volunteering activity (subject to business need).

We continued our regular support for Pro Bono Week and hosted a panel discussion and Q&A on undertaking pro bono in the public sector. This event was attended by lawyers from a range of public sector organisations and our panel included GLD's Pro Bono and Volunteering Champion, a member of the In-House Pro Bono Group and the Financial Conduct Authority.

GLD members have continued to engage in a wide range of volunteering activities either individually or with their GLD colleagues. This has included helping with the Supreme Court debate days and supporting advice centres, as well as acting as school governors and charity trustees and undertaking many other very worthwhile charitable activities.

It's clear that GLD's support for volunteering and pro bono work has a positive impact on staff engagement and wellbeing, in addition to the benefits to society that it also brings.

Sustainability

All departments are required to report their performance against the Greening Government Commitments (GGC). GLD's sustainability performance can be found at Annex A (page 208).

Susanna McGibbon

Accounting Officer

1 June 2023

Accountability Report

Accountability Report

The Accountability Report includes a corporate governance report, a remuneration and staff report and a parliamentary accountability and audit report. These sections reflect financial reporting and parliamentary accountability reporting requirements.

Corporate Governance Report

Directors' Report

Directors

The Governance Statement includes the composition of the GLD Board on page 97.

Register of interests

No directorships or other significant interests, which may have caused a conflict with their management responsibilities, were held by any Board members. Note 16 to the Accounts confirms that no members of the Board, including non- executive directors, has any related party interests.

Personal data related incidents

All government departments are required to publish information about any serious personal data related incidents, which have to be reported to the Information Commissioner. There were no personal data incidents requiring notification to the Information Commissioner's Office.

Statement on Information Risk

Assurance on information handling is provided by the Senior Information Risk Owner, Nick Price CBE, Operations Director and Senior Security Advisor, supported by the Security Working Group led by the Security Adviser, Head of Cyber Security and Data Protection Officer. GLD Directors provide an annual end of year Assurance Report highlighting any risks that crystallised during the year. These assurances have been reviewed by the Audit and Risk Assurance Committee (ARAC).

GLD holds personal data relating to GLD employees and keeps data owned by other government departments in relation to its role as the principal legal adviser to government. It continues to work with delivery partners and third parties to manage effectively the risk of any loss of personal data held by these other bodies.

During 2022-23, the framework for handling data and to provide assurance over the management of information held within GLD has included but not limited to:

- maintaining oversight of data handling practices in accordance with current departmental policies;
- reviewing current guidance and awareness updates, promoting best practice within GLD, including the mandatory completion by all staff of the Civil Service Learning – 'Security and Data Protection Training' course and 2 newly revised General Data Protection

Regulations (GDPR) related e-learning courses; - ongoing review of information assets and their associated risks, including assessments of the third party delivery chain, and the incorporation of information risks within the risk management policy and processes; and

- maintaining certification against the ISO 27001:3013 information security standard.

The department also adheres to Cabinet Office Minimum Security Standards relating to cyber security, personnel security, physical security and incident management. We have also maintained our Cyber Essentials Plus certification, in support of the current Lexcel Standard.

Audit

GLD's Accounts are audited by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General. The NAO also audit the Crown's Nominee Accounts administered by the department's Bona Vacantia Division. The auditors provide no further assurance or other advisory services.

Remuneration to auditors for non-audit work

We did not pay any remuneration to the NAO for non-audit work. The notional audit fee for the GLD audit was £79k (2021-22: £72k).

Statement of Accounting Officer's Responsibilities

Under the Government Resources and Accounts Act 2000, HMT has directed GLD 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 GLD and of its income and expenditure, statement of financial position 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 HMT, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgments and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government Financial Reporting Manual have been followed, and disclose and explain any material departures in the Accounts;
- prepare the Accounts on a going concern basis; and
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and

the judgments required for determining that it is fair, balanced and understandable

HMT has appointed the Treasury Solicitor and Chief Executive as Accounting Officer of GLD. 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 department's assets, are set out in Managing Public Money, published by HMT.

As Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that GLD's auditors are aware of that information. As far as I am aware, there is no relevant audit information of which the auditors are unaware.

Governance Statement

The Office of the Solicitor for the affairs of His Majesty's Treasury (the Treasury Solicitor) was incorporated as a corporation sole by the Treasury Solicitor Act 1876.

The Government Legal Department (GLD) is a non-ministerial department and was established as an Executive Agency on 1 April 1996. Ministerial oversight and accountability to Parliament lies with the Attorney General. HM Procurator General and Treasury Solicitor

leads the department, in the roles of Permanent Secretary and Chief Executive.

The Treasury Solicitor is accountable to the Attorney General for the running of GLD; and as Chief Legal Adviser to government, the Attorney has a close interest in the legal advice and legal services being provided to government by GLD and the wider Government Legal Profession. An interim Framework Agreement governs the relationship between GLD and the Law Officers and the Attorney General's Office.

GLD Board and sub-committees

In Autumn 2021, the GLD Board commissioned a review of the department's governance and decision-making, to ensure that GLD's governance system balanced the quality and openness of decision-making that GLD needs to achieve its strategic ambitions, with a desire for greater empowerment at committee-level and a heightened emphasis on delivery and accountability.

As an outcome of the 2022 GLD Governance Review, the GLD governance structure underwent changes at the end of the 2022-23 reporting period. Changes are listed below, under each committee heading. An organogram of the previous GLD governance structure, together with the new organogram for January 2023 onwards, is set out at the end of this section.

GLD Board

Chair: Susanna McGibbon, Permanent Secretary, Treasury Solicitor and Chief Executive and Accounting Officer of GLD.

The Board focuses on strategic matters for the department. It supports the Treasury Solicitor in providing leadership of GLD. It sets GLD's vision and strategic direction. The Board reviewed its own effectiveness through a Board Effectiveness Evaluation this year; the full report will be sent to the Government Internal Audit Agency (GIAA). There will also be an internal audit conducted 6 months post implementation of the 2022 Governance Review outcomes.

Changes made during the reporting period

The Board previously met at least 6 times a year, meeting 7 times in 2022-23. In the next reporting year, GLD Board meetings will be quarterly (including 2 away days), the frequency having been reviewed as part of the Governance Review.

Audit and Risk Assurance Committee

Chair: Mike Green, Non-Executive Director

The Audit and Risk Assurance Committee reports directly to the Board. The Committee supports the Principal Accounting Officer by monitoring and reviewing the Department's risk, control and governance processes and the associated assurance processes, including external and internal audit.

The Committee meets at least quarterly and met 4 times in 2022-23 with 2 additional meetings to delve into GLD strategic risks to ensure that risks are appropriately managed. The Committee reviewed its own effectiveness as well as the effectiveness of the internal and external audit functions. In addition, the Committee oversaw the audit process and advised the Accounting Officer on 3 sets of accounts: Agency accounts, Departmental accounts and the Crown's Nominee account for 2021-22, including the External Auditors' opinion. The Committee was satisfied with the quality of the external auditors' work and their approach to their responsibilities.

The Committee also considered the findings contained in the external auditor's management letters and reports prepared by the Head of Internal Audit, based on an Internal Audit Plan agreed in advance by the Committee and monitored the implementation of internal audit recommendations. During the financial year, the Committee reviewed GLD's position on physical and

cyber security, fraud and whistleblowing.

No changes were made in the reporting period.

Shadow Board

Chair: Rotating chair

The Shadow Board reports into the Board. The Shadow Board is an advisory staff forum, comprised of representatives from a range of divisions/groups, grades, and professions, to scrutinise and contribute to strategic decisions in order to deliver GLD's Strategy. Its specific focus is on ensuring that the GLD strategic outcomes are incorporated into the decisions being made by the Board.

The Shadow Board met 6 times in 2022-23; (4 times ahead of the Board meetings, to discuss and provide feedback on Board papers and their strategies, and twice before Board Away Days). During these meetings, the Shadow Board acted as a feedback mechanism helping to connect the Board with the wider Department, across the spectrum of divisions, grades, professions, and the diversity networks, ensuring that views from these areas are reflected in the work being done to support GLD to deliver its Strategy whilst simultaneously enhancing staff engagement.

Changes made during the reporting period

In tandem with the changes made to the frequency of the GLD Board, the Shadow Board will meet on a quarterly basis during the next reporting year.

Executive Committee

Chair: Susanna McGibbon, Permanent Secretary, Treasury Solicitor, and Chief Executive and Accounting Officer of GLD

The Executive Committee consists of Executive Team members (and Lee John-Charles, a co-opted member, up until December 2022 when he retired). It provides the executive leadership of GLD, overseeing the delivery of the department's core service delivery and performance.

The Committee met 16 times in 2022-23 (12 formal, planned meetings and 4 exceptional meetings; the topics for the latter were: Civil Service 2025, the Pay Business Case and Performance Report, and the Pay Business Case, respectively).

Changes made during the reporting period

The Executive Committee previously met every 2 weeks; however, this was changed to once a month in Autumn 2022, following recommendations from the 2022 Governance Review.

Until January 2023, the Executive Committee had 3 sub-Committees which provided assurance, challenge and support to the strategic outcomes and key priorities for GLD. These were the Legal Delivery Committee, Operations Committee, and the People Committee.

Post January 2023, a more empowered structure reflecting GLD's ambitions, agreed by the Executive

Committee, was implemented as follows:

1. The dissolution of the Operations Committee. The role and scope of work that was undertaken by this committee has been being redistributed across the governance spectrum.
2. The dissolution, redistribution and expansion of the role and scope the Legal Delivery Committee. This has been replaced by 2 newly created Committees; a Legal Quality and Innovation Committee, and a Clients and External Relations Committee.
3. The establishment of an Investment and Portfolio Assurance Committee.

Thus, from March 2023, the new sub-Committees that will support the Executive Committee are the Client and External Relations Committee, the Legal Quality and Innovation Committee, the People Committee and the Investment and Portfolio Assurance Committee. An organogram of the previous GLD governance structure, together with the new organogram for January 2023 onwards, is set out at the end of this section.

Operations Committee

Chair: Jessica de Mounteney, Legal Director General, Litigation with Justice and Security

The Operations Committee reported to the Executive Committee. The Committee provided oversight and assurance in relation to the delivery of non-legal priorities, including Corporate Services and Bona Vacantia. The Committee monitored performance and supported

the development of strategic priorities within its remit, including the Accommodation and Location Strategy, the Digital and Technology Strategy, and the Management Information Strategy.

The Committee met 3 times in 2022-23 in addition to dealing with a significant number of papers by correspondence over the course of the year. The members undertook a variety of work, including a deep dive into GLD ICT and endorsed the move to adopt the cross UK Government Digital Data and Technology Profession Framework and Approach, a natural outcome of which would be the replacement of current interim resource with full time civil servants who would provide more continuity and accountability to the department. The Committee also endorsed work being undertaken to clarify principles and improve systems for the purpose of greater resilience and sustainability in the ICT space. This is in furtherance of GLD's ambition to transition to a unified IT system.

Under the guidance of GLD's Accommodation and Location Strategy and in conjunction with the department's Future Ways of Working initiative, the Committee endorsed proposals for the redesign of the department's office at 102 Petty France, London. The department will provide appropriate, high quality, accommodation in the right places as well as a work environment that promotes greater collaboration and interaction between staff.

Changes made during the reporting period

The Operations Committee was formally dissolved at its final meeting in December 2022. A lessons learnt exercise took place, and a summary of the key points was tabled at an Executive Committee meeting for consideration.

Members reflected that they valued the opportunity to get involved with the committee, especially the insights into the Corporate Services and Operations spaces that were afforded to them as a result. Lessons learnt about the importance of clear remits and responsibilities for committees (and their terms of reference) was fed back, as well as committee empowerment within the structure. The outcomes of the exercise were considered during the implementation and set up phase for the new committees. Diversity of voice and of thought in the new structure will continue to be a focus, as well as a more empowered culture and delivery-focused approach in the department.

Legal Delivery Committee

Chair: Elizabeth Hambley, Legal Director General, Commercial with Trade and International

The Legal Delivery Committee reported to the Executive Committee. The Committee provided oversight and assurance in relation to the quality and efficiency of the legal work undertaken by GLD and oversaw relationships with clients. The Committee also oversaw arrangements for the delivery of external legal services, relationships with the legal professional bodies and supported the development of strategic priorities for activities in these areas.

The Committee met 6 times in 2022-23, with 2 additional meetings to refine and review the bi-annual reports provided to it. The Committee specifically focused on matters including:

- **Legal Delivery Excellence:** Launched the Attorney General's guidance on legal risk and implemented training, implemented an enhanced model for GLD quality assurance alongside the existing Lexcel accreditation for Litigation, and further developed GLD's 15 legal Centres of Excellence. The Committee provided oversight for a new GLD Legal Learning Framework, commissioned a review of knowledge sharing across the Government Legal Profession, and provided oversight for the launch of the eKM knowledge sharing system and the development of a cohesive knowledge and learning systems roadmap
- **Client Relationships:** Implemented the co-ordination and quality assurance of GLD's law firm's panels and panel counsel and delivered GLD's annual client satisfaction survey and other client feedback mechanisms

Changes made during the reporting period

The Committee was dissolved, and replaced by 2 newly created legal committees, the Client and External Relations Committee, and the Legal Quality and Innovation Committee. The final Legal Delivery Committee meeting took place in January 2023.

Client and External Relations Committee

Chair: Elizabeth Hambley, Legal Director General,
Commercial with Trade and International

The Client and External Relations Committee reports directly to the Executive Committee. The Committee is one of the 2 Committees which were established following recommendations from the 2022 Governance Review.

The Committee will have a greater focus on client relationships, allowing for a more thorough and efficient procurement of legal services. This Committee will provide oversight and assurance for the fostering of relationships within the Government Legal Profession, supporting the delivery of the Business Plan. Additionally, the Committee will develop client care initiatives, which will help to monitor the quality of service provided to ensure effective engagement with the legal professional and regulatory bodies.

The Committee will meet quarterly (commencing from March 2023).

Changes made during the reporting period
The committee was established in March 2023.

Legal Quality and Innovation Committee

Chair: Jessica de Mounteney, Legal Director General, Litigation with Justice and Security (until April 2023)
Incoming Legal Director General, Caroline Croft (from June 2023)

The Legal Quality and Innovation Committee reports directly to the Executive Committee. The Committee is one of the 2 Committees which were established following recommendations from the 2022 Governance Review. The Committee will provide strategic direction, oversight, and assurance for: the quality and effectiveness of GLD's legal work; the design, delivery and effectiveness of GLD's legal knowledge resources, legal training and legal induction; quality accreditation and recognition processes and legal quality and innovation priorities in GLD's Business Plans. The Committee will meet quarterly (commencing April 2023).

Changes made during the reporting period
The committee was established in April 2023.

People Committee

Chair: Mel Nebhrajani CB, Legal Director General, Employment with Economic Recovery and UK Governance

The People Committee reports directly to the Executive

Committee. The Committee exercises strategic oversight of the People Strategy and the underpinning strategies within its remit, including the Diversity and Inclusion Strategy. The Committee also reviews GLD's key workforce risks, and the action being taken to address them, particularly around legal resourcing, capacity, capability, and pay and reward.

Members have a role in certifying that GLD promotes health and wellbeing activities, supports activities to build leadership amongst staff, and actively reviews the skills and capabilities needed to deliver outstanding legal and corporate services. This includes driving improvements in response to the People Survey.

The People Committee met 7 times in the financial year 2022-23. Over the past year, the Committee has overseen an array of work, including GLD's People Strategy and the Outreach Strategy. Members also looked at 'Leadership the GLD Way', intending to improve the capacity and capability at all levels within GLD. Furthermore, members considered the effectiveness of the ranges of GLD's resourcing approaches, including Agile resourcing. The Committee also discussed the progress of the pay business case, as well as the Diversity and Inclusion Strategy refresh.

The People Committee also considers the bi-annual Health and Wellbeing Report to monitor and identify any risks related to activities within the Committee's remit.

Changes made during the reporting period

The People Committee was due to meet 6 times per year, actually meeting 7 times in the financial year 2022-23. In the next reporting year, meetings will be quarterly.

Investment and Portfolio Assurance Committee

Chair: Jon Fundrey, Finance, Operations and Digital Director

The Investment and Portfolio Assurance Committee is a newly established Committee following recommendations from the 2022 Governance Review, which will report to the Executive Committee. The Committee will consider investment decisions on behalf of the Executive Committee, providing assurance that those investments deliver value for money, meet regularity and propriety considerations and are affordable and sustainable. The Committee will also provide oversight of GLD Portfolio projects from inception through to implementation, ensuring they remain strategically aligned, affordable and deliverable. The Portfolio Delivery Group is a sub-committee of the Investment and Portfolio Assurance Committee. The Committee will meet quarterly, or more frequently if the project pipeline requires.

Changes made during the reporting period

The committee was established in April 2023.

Talent and Succession Committee

Chair: Catherine Berney, Non-Executive Director

The Talent and Succession Committee provides the GLD Board with assurance on senior executive appointments within the Department. This includes succession planning, talent management and consideration of diversity and inclusion throughout, to meet the current and future needs and priorities of GLD.

The Committee met 3 times in 2022-23, with one interim meeting in between. The meetings predominantly comprised of identifying the future leadership requirements of GLD and scrutinising the talent and development processes. The Talent and Succession Committee meets quarterly, with interim SCS Resourcing and Development meetings, as required.

No changes have been made during the reporting period.

SCS Pay Committee

Chair: Catherine Berney, Non-Executive Director

The SCS Pay Committee sets the pay strategy each year for SCS members of staff, ensuring it reflects the needs and priorities of the department. When setting the strategy, the Committee takes account of all relevant guidance and then oversees the process, to ensure recommendations are moderated and that awards are consistent and fair across the SCS. The Committee

met once in 2022-23 and the meeting predominately comprised of ensuring the strategy is transparent, easily understood and shared with SCS members. The SCS Pay Committee usually meets 2-3 times a year.

No changes have been made during the reporting period.

Committee membership

Membership of each committee is drawn from GLD's legal director cadre, and each has one of the non- executive directors as a member (Mike Green, Catherine Berney, and Erica Handling).

Board members

Membership of the Board as at 31 March 2023 was as follows:

Executive members:

- **Susanna McGibbon** - Permanent Secretary and Chief Executive
- **Jessica de Mounteney** - Legal Director General, Litigation with Justice and Security
- **Elizabeth Hambley** - Legal Director General, Commercial with Trade and International
- **Mel Nebhrajani CB** - Legal Director General, Employment with Economic Recovery and UK Governance
- **Damian Paterson** - Strategy, People and Culture Director
- **Jon Fundrey** - Finance, Operations and Digital Director

Caroline Croft joins the Board as Legal Director General in June 2023, following the departure of Jessica de Mounteney. Caroline Croft was appointed Legal Director General for Employment with Economic Recovery and UK Governance with Mel Nebhrajani CB moving to the Legal Director General post for Litigation with Justice and Security.

Ex-officio member:

- **Douglas Wilson OBE** - Director General, AGO

Co-opted board member:

- **Lee John-Charles CBE** - Deputy Legal Director, Litigation Group (co-opted member until December 2022)

Non-executive members:

Catherine Berney took up her appointment as Strategy, People and Culture Non-Executive Director (NED) on 15 October 2018 and is Chair of both the SCS Pay and Talent and Succession committees. Catherine is a qualified organisational psychologist and solicitor, with a background in private practice and international finance. She has held a previous NED role for Arts Inform, an organisation that seeks to build links between the creative and cultural industries and the London schools' system, in addition to chairing a local community association. Catherine leads a consultancy firm and brings

considerable experience to GLD in leadership, strategic direction, communications and talent development. Catherine departed GLD as a non-executive director at the end of April 2023; succession planning is underway.

Erica Handling joined on 29 October 2018 as non-executive director for Legal Quality. Erica brings experience and expertise to GLD having worked as head of large legal departments in private practice and in-house. Her previous roles have included General Counsel for Europe at BlackRock and Barclays Investment Bank and Head of Securities and Structured Finance at Ashurst LLP. Erica combines her role at GLD with working as an executive coach and being a non-executive director on the Board of Petershill Partners plc (a listed company investing in private equity partnerships, managed by Goldman Sachs) and a trustee and chair of charities with a focus on women and/or criminal justice, including Spark Inside, St Giles Trust and previously Working Chance. Erica's term as a non-executive director is due to end in October 2023.

Mike Green joined GLD in January 2022 and is Chair of the Audit and Risk Assurance Committee. Mike is a Fellow of the Institute of Chartered Accountants in England and Wales and a graduate of the London School of Economics. He qualified as a chartered accountant with what is now KPMG and spent 11 years with the audit practice before a 20-year career in commercial television. Currently Mike is a Director, Audit Committee Chair and a member of the Service Quality Committee at Anchor

Hanover, a housing association specialising in older people's housing and operating over 100 care homes. Mike also spent 10 years as a non-executive director at an NHS Foundation Trust.

Board attendance

The Board met 7 times between April 2022 and March 2023, with attendance as follows*:

Executive members	Eligible to attend	Attended (to end March)
Susanna McGibbon	6	6
Jessica de Mounteney	6	5
Elizabeth Hambley	6	6
Mel Nebhrajani CB	6	6
Damian Paterson	6	6
Jon Fundrey	6	5
Ex-officio member - Douglas Wilson OBE	6	4
Co-opted member - Lee John-Charles CBE** (until December 2022)	5	4
Non-executive members		
Catherine Berney	6	6
Erica Handling	6	6
Mike Green	6	6

* The GLD Board met 7 times between April 2022 and

March 2023. However, there is no recorded attendance for the GLD Board meeting dated 26 May 2022. The table of attendance will only reflect meetings with recorded attendance.

**** Lee John-Charles CBE** (Deputy Legal Director, Litigation Group) was co-opted onto the Board in response to the increased nationwide and global focus on issues around ethnic minority representation and social justice, occasioned by a number of significant newsworthy events during the course of 2020. His appointment to the Board was an interim measure and ended in December 2022.

The Board's work covers the 5 main areas expected by the Corporate Governance in Central Government Departments: Code of Good Practice:

- **Strategy** – setting the vision;
- **Commercial focus** – scrutinising the allocation of resources to achieve plans; ensuring controls are in place to manage risk;
- **Talented people** – the Board has a People Strategy to help ensure that GLD has the capability to deliver and to meet current and future needs;
- **Results focus** – the Board agrees the annual business plan and monitors and manages performance against the plan; and
- **Management information** – the Board receives a bi-monthly dashboard containing clear, consistent and

comparable performance information.

The Board's performance

GLD adheres to centrally set standards of good governance practice for government departmental boards and follows the Board Effectiveness Evaluation process where applicable, recommended in guidance produced by the Cabinet Office.

The Board reviewed its own effectiveness through a Board Effectiveness Evaluation this year with the key outcomes focusing on refreshing the Board Terms of Reference and the Board Operating Framework (in line with the refreshed governance structure); clarifying and strengthening roles and responsibilities and the relationships between committees; looking at the composition of the Board and continuing efforts on diversity and inclusion; implementing a more effective risk and performance management system, focusing on data and its presentation (this includes reporting and tracking risks); improving flows of information, papers and presentations; and finally coaching, induction and training on both the Board and committees. Many of the areas identified for improvement in the report were picked up as part of continuous improvement and/or the 2022 Governance Review and as a result, work is already underway to help GLD to meet its strategic aims. The full report including annexes and raw data will be sent to the Government Internal Audit Agency (GIAA). There will be an internal audit conducted 6 months post implementation of the 2022 Governance Review outcomes.

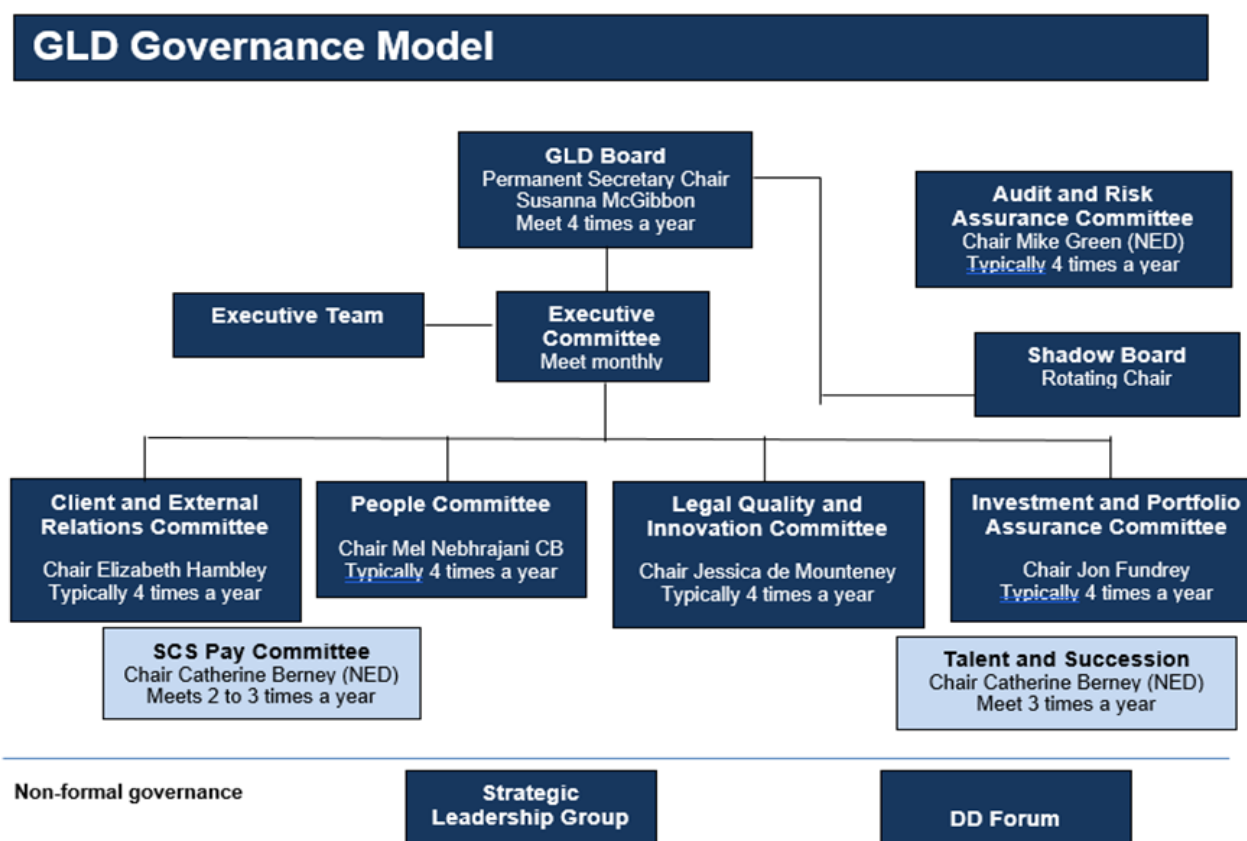
Compliance with the Corporate Governance in Central Government Departments: Code of Good Practice

The Corporate Governance in Central Government Departments: Code of Good Practice (2017) applies primarily to ministerial departments. This means that the key provisions relating to the composition of Boards do not apply to GLD; specifically, the involvement of ministers and the requirement to have roughly equal numbers of ministers, senior civil servants, and non-executive directors.

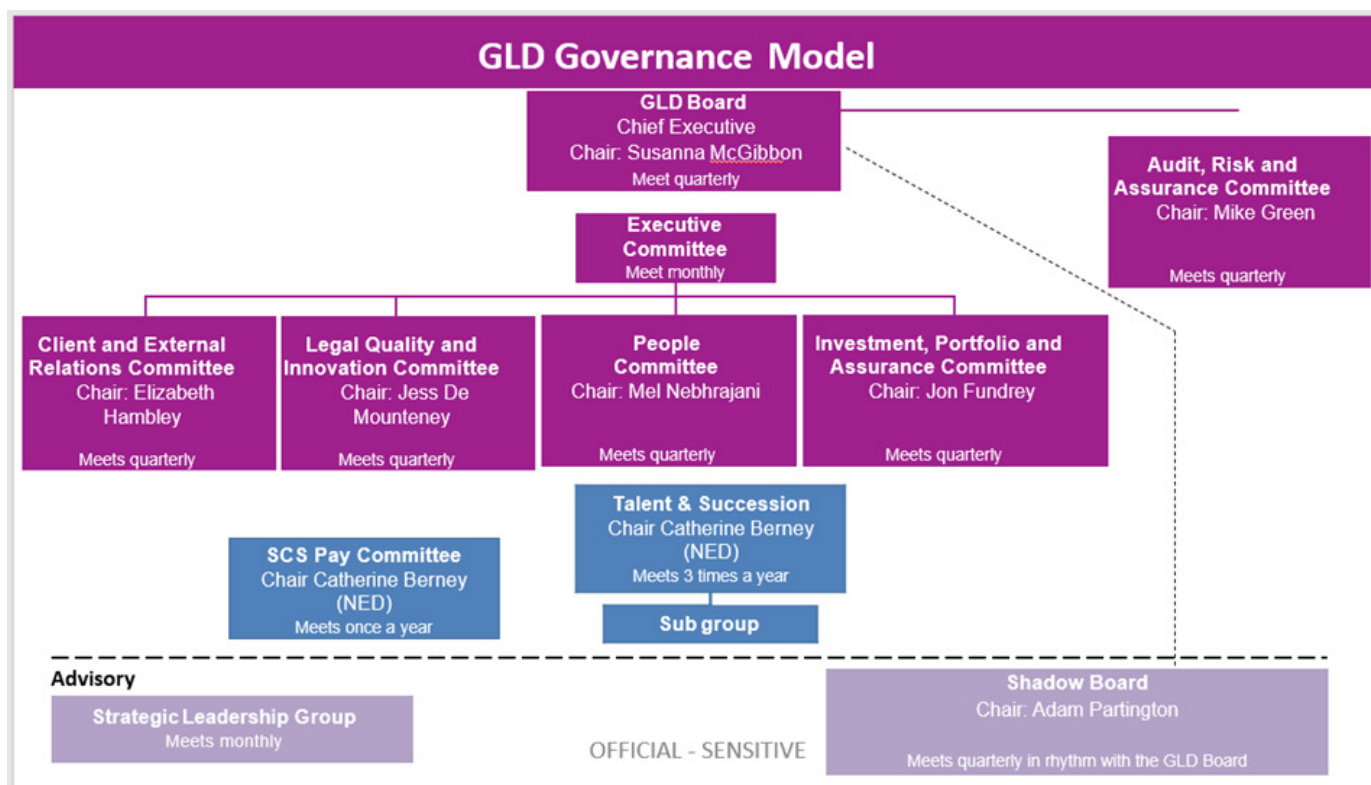
The Governance Model

An organogram of the previous GLD governance structure, together with the new organogram for January 2023 onwards, is set out below.

Governance structure until January 2023



Governance structure from January 2023 onwards



Management of interests and Business Appointments

GLD has a policy, published in our Staff Handbook, on outside activities and employment. The general principles are that official time must not be spent on any outside activity without the approval of the Head of Division. Individuals must not engage in any outside activity, which would in any way tend to impair their effectiveness in their official duties or be inconsistent with their position as civil servants, or as members of GLD.

No member of staff may carry out private legal work except, and subject to permission of the Treasury Solicitor, in relation to non-contentious family matters, or pro bono work.

Individuals must seek permission from the Head of HR, via a senior manager in their business area to ensure there is no risk in respect of conflict of interest with, or potential damage to the credibility of, GLD before:

- taking any job or position, which might affect their official work directly or indirectly; or
- undertaking any outside work involving official information; or
- undertaking any work involving payment by another government department or agency on their own account.

Where permission is granted the relevant documentation is filed in the individual's personnel folder.

There are strict rules in place for those responsible for procurement or management of contracts and on an annual basis all directors are asked to complete a Declaration of Related Party Interests.

We have a policy on business interests and shareholdings, also published in our Staff Handbook. This states that there is no objection to civil servants investing in shareholdings unless the nature of their work is such as to require constraints on this. Individuals must not be involved in any work, which could affect the value of their private investments, or the value of those on which they give advice to others; nor must staff use information acquired in the course of their work to advance their

private financial interests or those of others.

Individuals must declare to the Finance Director any business interests or shareholdings (including directorships) which they or members of their immediate family (spouse/partner and children) hold - to the extent to which they are aware of them - which they would be able to further as a result of their official position. They must comply with any subsequent instructions from the Finance Director regarding the retention, disposal or management of such holdings.

In line with Cabinet Office guidance, GLD will ensure that:

- All senior civil servants are required to routinely declare any relevant interests to the Permanent Secretary. This will include providing a 'nil return' should they have no relevant outside interests.
- Senior civil servants continue to declare any outside interests on appointment, or if their circumstances change, in real time.
- These returns are scrutinised within GLD by the Audit and Risk Assurance Committee, with assurance of this process set out in the Annual Report and Accounts, and a return is provided to the Cabinet Office, providing assurance that all outside interests are being managed appropriately.

- As part of or alongside our Annual Report and Accounts we will publish a register of relevant interests for all members of the Departmental Board, including senior civil servants.
- When a civil servant is appointed, as part of the recruitment process the hiring manager is satisfied they can comply with the requirements of the Civil Service Code. The individual must ensure that any interests they do have are compliant with their obligations as a civil servant. If their employer considers there is any real or perceived conflict from their outside interests, the individual must resolve that conflict - for example, by giving up any outside employment
- After a civil servant is appointed, they declare relevant private interests in real time to their line manager and, if necessary, senior management. They will be required to comply with any instructions from GLD relating to those interests. They will also be required to seek permission before taking up any outside engagement which might affect their work.

Business appointments

The Audit and Risk Assurance Committee monitor compliance with the Business Appointment Rules, receiving an annual report from HR.

In compliance with Business Appointment Rules, the

department is transparent in the advice given to individual applications for senior staff, including special advisers. A summary of advice given is published at: <https://www.gov.uk/government/publications/ago-gld-and-hmcpsi-business-appointment-rules>.

Risk management

Risk management is carried out in accordance with HM Treasury risk management guidance – “The Orange Book”. Our strategic risks are also aligned to the risk categories in the Orange Book.

The Audit and Risk Assurance Committee provides a challenge function to the department’s risk management arrangements, including deep dive reviews, internal audit reviews and the assurance of processes.

Risk management is embedded at every level in the department by encouraging empowerment and delegation so that risks can be managed proactively by those with the local knowledge and experience, and who are held accountable for the effective management of those risks.

The process is to identify and evaluate a risk, determine an appropriate response, and actively manage the response to ensure that GLD’s exposure is limited to an acceptable level.

Strategic risks are agreed by the GLD Board and monitored by the Audit and Risk Assurance Committee, and each key strategic risk is owned by a board member.

The risks and actions to mitigate them are reported monthly to the Executive Committee, and quarterly to the Board. The strategic risks and the actions to mitigate them are detailed in the GLD business plan.

Risk profile

GLD's key strategic risks and mitigating actions are:

Risk Category: Strategy

Risk Description: We do not have an optimised performance and assurance system to monitor the implementation of our Strategy and supporting sub-strategies.

Plans and Mitigations: An overarching Strategic Plan is in place with updates provided to the Executive Committee on a monthly basis. Sub-strategies have been developed and responsibilities have been assigned for agreed actions. The Committees monitor progress on relevant sub-strategies and actions.

Risk Category: Strategy

Risk Description: We do not prepare for significant external events which have the potential to have an adverse impact on the delivery of legal services to our clients or achieving full cost recovery.

Plans and Mitigations: We have a highly developed

Business Continuity Plan which includes plans for critical systems and operations at a local divisional level. The plans include an ICT Disaster Recovery Plan and are supported by an Incident Management Team and our remote working capability. In addition we have succession plans for critical roles to ensure our legal service is maintained.

Risk Category: Reputation

Risk Description: We damage the confidence and trust of our clients and/or the judiciary, by not meeting their expectations or delivering on commitments given to them.

Plans and Mitigations: We use a multi-aspect approach to managing this risk by ensuring the capability of our staff through appropriate training programmes, the development of general and specialist legal skills, utilisation of legal technologies and have appropriate legal quality assurance processes. In addition we have worked closely with the Attorney General's Office to update the approach to advising on legal risk in government and we have an overall client approach supported by local client care plans to help build and maintain the trust and confidence of clients. To manage demand for our services we have procured external panel firms and panel counsel.

Risk Category: Financial

Risk Description: We do not generate sufficient income to achieve full cost recovery and/or we breach one of our

HM Treasury Control Totals.

Plans and Mitigations: Each year we undertake a comprehensive planning and budgeting process to determine the fee rates we need to charge to clients. The income, expenditure and activity trends are monitored throughout the year and this enables prompt action to be taken to bring spending in line with HM Treasury Control Totals.

Risk Category: People

Risk Description: We do not attract, recruit and retain diverse and sufficient people to deliver the breadth and quality of legal services required by our clients.

Plans and Mitigations: We are working to enhance our workforce planning process including regular meetings with senior management to ensure effective deployment of staff.

There is ongoing resourcing activity to improve our recruitment processes and the candidate experience, and we have commissioned an external review of our resourcing approach. We continue to explore the creation of alternative routes to legal qualification via apprenticeships.

We are working on the following initiatives to enhance attraction and improve retention: explore ways to improve pay and conditions; leadership work to ensure that

managers engage their employees so that they see GLD as a great place to work; ensuring that staff have access to a range of learning and development opportunities; and implementing our Diversity and Inclusion Delivery Plan, Health and Wellbeing Action Plan and our Talent and Succession Framework.

We are continuing to ensure access to external expertise via external counsel and panel firms.

Risk Category: People

Risk Description: We have insufficient and a non-diverse leadership capability to inspire and empower our people to deliver the required levels of service and/or our strategic aims.

Plans and Mitigations: Our leadership framework, supported by a programme of learning and development, sets out clear leadership expectations. All managers have leadership objectives and are held to account through the Performance Management Framework. Our recruitment and promotion processes have been reviewed and updated to ensure we create a diverse leadership cadre.

Risk Category: Technology

Risk Description: We fail to provide the appropriate, cost-effective, secure and efficient IT tools on a consistent basis that enable our staff to work efficiently

and productively with each other, or our clients across government.

Plans and Mitigations: We are developing a Digital and Technology Strategy and are implementing the findings of the Legal Work Activity Analysis, which has informed the technology aspects of our Legal Knowledge, Capability and Innovation Strategy. These strategies are being developed in conjunction with the technology strands of our change programme. We are strengthening our innovation capability and culture and will adhere to our business case approval process to ensure appropriate prioritisation and value for money.

Risk Category: Security

Risk Description: We do not keep pace with emerging threats, or there is a failure of compliance, which results in harm, or sanctions, or has an adverse impact on our ability to deliver legal services to our clients.

Plans and Mitigations: We comply with the requirements of our Information Security Management System and meet minimum government security standards. We ensure all staff are appropriately security cleared and communicate securely with counsel and other third parties. In addition all staff complete mandatory annual information security and related training, and assurance is obtained through maintaining various ICT related certifications and accreditations.

Security and business continuity

Information is one of our main assets and as such GLD is committed to maintaining the appropriate level of information security to protect information (including personal information). This level of security is assured by GLD's adherence to the Government Functional Security Standard (GovS 007: Security).

In addition, GLD maintains ISO 27001 and Cyber Essential Plus Certifications. Cyber resilience is maintained through comprehensive penetration testing, vulnerability management and protective monitoring policies, with our IT services on, or connected to the GLD network, being monitored by the Security Incident Event Management appliance.

All staff are required to complete the 'Security and Data Protection' and GDPR training, to ensure they are fully aware of their responsibility to keep information secure.

GLD maintains and reviews an Information Security Management System, which is supported by relevant and appropriate policies and procedures. It also maintains a Security Working Group, co-chaired by the Head of Cyber Security and the Head of Physical and Personnel Security, to monitor and manage security risks and issues.

GLD reviews and revises all policies and procedures in

relation to physical and personnel security, ensuring that all assets are protected from all threats, whether insider or otherwise, deliberate or accidental.

GLD maintains a robust command and control structure for the management of business resilience and disaster recovery in order to assure the continued delivery of vital services to clients in the event of disruption. GLD ensures that these processes are relevant and reflect the guiding principles set out in BS65000. It has carried out a review of its business continuity processes and plans in light of new ways of working in a post-Covid-19 environment and the move towards greater diversity in office-based locations. 2023 will focus on testing and exercising these plans and processes to ensure that they are viable and fit for purpose.

Whistleblowing

Responsibility for the operation of an effective whistleblowing policy and process within GLD is vested at Board level in the Director of Strategy, People and Culture (SPC) Damian Paterson. He is supported in this role by 2 Nominated Officers (with plans to appoint 2 further individuals). Nominated Officers act as a point of contact for GLD staff, outside their line management chain, for raising concerns. They also offer impartial support and advice to anyone raising a Whistleblowing concern.

Assurance of GLD's whistleblowing policy and processes is provided by ARAC which reviews whistleblowing cases,

identifying the lessons to be learned from them. ARAC considers bi-annual reports on whistleblowing, with the Board receiving a verbal report from the Director of SPC annually. In 2022-23 there have been no cases raised under GLD's Whistleblowing policies and procedures.

GLD is committed to nurturing an environment where staff are aware of how to raise concerns about something they see or experience at work. This includes ensuring they feel able and supported in expressing concerns through the channels available to them, including where an issue may be classed as Whistleblowing. At the start of this reporting period a review was conducted to assess how effectively and confidently staff in GLD are able to raise concerns under the department's Whistleblowing process. The scope of this review extended to all routes available to staff to raise concerns. The review found that generally GLD has effective routes for staff to raise whistleblowing issues and concerns. This conclusion is supported by GLD's 2022 People Survey scores with 91% of staff indicating a positive level of awareness of the Civil Service Code and what it means for both their conduct and how to raise concerns under the Code. This is 2% higher than the Civil Service benchmark score, showing that GLD has one of the highest levels of understanding across the Civil Service. However the review did make a number of recommendations for continuous improvement to strengthen GLD's approach to raising a concern. These were agreed and implemented, for example publishing an updated raising a concern policy and support guidance

documents.

Effectiveness of the risk management and governance framework

Assurance is obtained from a range of sources, including the work of the Internal Auditors. In their Annual Assurance Report, which offers an opinion on the adequacy and effectiveness of risk management, control and governance, the Head of Internal Audit gave a moderate level of assurance. In her opinion, some improvements are required to enhance the adequacy and effectiveness of the framework of governance, risk management and control.

Assurance on information handling is provided by the Senior Information Risk Owner, Nick Price CBE, Operations Director and Senior Security Advisor, supported by the Security Team.

GLD directors provide an annual end of year Assurance Report highlighting any risks that crystallised during the year. These assurances have been reviewed by ARAC.

At the end of each quarter, GLD conducts a formal forecasting exercise. GLD directors are asked to review their resourcing priorities and relevant income and expenditure against budget, and to forecast their year-end position. This information enables the Executive Committee and the Board to identify areas of concern and, if necessary, to review and consider the allocation

of resources in meeting GLD objectives. From quarter 2, it also enables consideration of potential in-year fee reductions and rebates/refunds, where a surplus is forecast, or increases if a deficit is forecast.

External assurance of GLD's litigation activities is provided by the Law Society against the Lexcel Standard, and GLD's information systems are assured against the Lloyd's Register Quality Assurance Ltd standard ISO27001.

These processes highlighted no issues of significance to the corporate health or operations of GLD in 2022-23.

Remuneration and Staff Report

Remuneration Report

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. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

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

Civil Service Compensation Scheme.

Further information about the work of the Civil Service Commission can be found at: <https://civilservicecommission.independent.gov.uk/>

Remuneration policy

The Prime Minister, following independent advice from the Senior Salaries Review Body, sets the remuneration of senior civil servants. 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, 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 has regard to the following considerations:

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

- Government's departmental expenditure limits; and
- the Government's inflation target.

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

Further information about the work of the Review Body can be found at: <https://www.gov.uk/government/organisations/office-of-manpower-economics>

Permanent Secretaries are paid within the Permanent Secretaries pay range. The exact position on the pay range is set individually for each Permanent Secretary by the Government on the recommendation of the Permanent Secretaries Remuneration Committee (which the Government normally expects to accept). The Committee comprises members of the Senior Salaries Review Body, the Head of the Home Civil Service and the Permanent Secretary of HMT.

Senior Civil Service (SCS) Pay Committee

The function of the SCS Pay Committee is to determine the department's SCS pay strategy and after performance appraisals have been completed, to assess the relative contribution of the department's SCS members in achieving the department's strategic outcomes and key priorities, before determining non-consolidated

performance related pay awards, and to make final pay decisions.

The SCS Pay Committee at the relevant time (September 2022) comprised: Catherine Berney – non-executive director and Chair, Susanna McGibbon, Jessica De Mounteney, Elizabeth Hambley, Mel Nebhrajani CB and Douglas Wilson OBE, AGO Director General, with Flora Huskisson, HR Director.

Consolidated awards (salary increase)

In 2022-23, 3.0% of the SCS paybill was available for distribution to Group 1 and Group 2 performers. The department was bound by SCS Cabinet Office Practitioner Guidance to award a 2.0% across the board salary increase for eligible staff. An additional 1.0% of the SCS paybill was available to raise staff to the new pay band minima where the across the board 2.0% increase did not bring individual's pay to the new minimum; and to address pay anomalies subject to the criteria set out in the Practitioner Guidance. It was for individual SCS Pay Committees to determine how to distribute the 1.0%, dependent on demonstration of sustained high performance, increased effectiveness and deepened expertise and the position in the pay range. The decision of the SCS Pay Committee was to address an overlap between Grade 6 and SCS Pay Band 1 salaries by increasing all eligible Pay Band 1 jobholders to a salary above the Grade 6 maximum.

Non-consolidated performance related pay awards

An end-of-year non-consolidated amount was available for jobholders who were assessed as “Top” performers in the 2021- 22 performance year.

In-year non-consolidated awards for performance during 2022-23 were made using the overall budget for non-consolidated SCS payments. The criteria used to award these were:

Level 1 and/or Team Award (within division)
Has developed and led the implementation of an idea and/or (corporate) initiative that has demonstrably achieved a strategic aim(s), across their wider division.
Has developed collaboratively across the division and lead the implementation of an idea and/or (corporate) initiative that has demonstrably achieved a strategic aim(s), across the wider division.
Has demonstrably contributed to the improvement of capability, resilience, wellbeing and performance in their work area.
Has demonstrably improved diversity, including social mobility, in their work area/division.
Has led a piece of work that has demonstrably secured significant savings or efficiency gains in their work area/division.

Leading as a subject expert, demonstrably building capability within their division.

Level 2

(across multiple divisions/government)

Can also be awarded for achievement in division where the task was significantly complex

Has developed and led the implementation of an idea and/or (corporate) initiative that has demonstrably achieved a strategic aim(s), across the multiple divisions/government.

Has developed collaboratively across multiple divisions and led the implementation of an idea and/or (corporate) initiative that has demonstrably achieved a strategic aim(s), across the multiple divisions/government.

Has demonstrably contributed to the improvement of capability, resilience, wellbeing and performance across multiple divisions/government.

Has demonstrably improved diversity, including social mobility, across multiple divisions/government.

Has led a piece of work that has demonstrably secured significant savings or efficiency gains across multiple divisions/ government.

Leading as a subject expert, demonstrably building capability with an impact across multiple divisions/ government.

Note: SCS jobholders who were awarded both an in-year payment for performance in 2021-22 and end-of-year payment had their total non-consolidated payments for the year capped at the amount for the annual performance award.

Remuneration (including salary) and pension entitlements

This information has been subject to audit. The following sections provide details of the remuneration and pension interests of the senior management (i.e. board members) of the department.

Single total figure of remuneration

Officials	Salary £000		Bonus Payments £000		Pension Benefits to nearest £1,000 ¹		Total £000	
	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Susanna McGibbon Permanent Secretary	160-165	160-165	-	5-10	-41,000	177,000	120-125	345-350
Elizabeth Hambley Legal Director General	130-135	120-125	-	-	22,000	119,000	150-155	235-240

Mel Nebhrajani CB Legal Director General from 1 October 2021	130-135	65-70	-	-	70,000	68,000	200-205	135-140	Performance Report
Jessica de Mounteney Legal Director General from 7 February 2022	180-185	25-30	-	-	-	-	180-185	25-30	Accountability Report
Damian Paterson Director of Strategy, People and Culture from 26 July 2021	95-100	60-65	-	-	42,000	64,000	140-145	125-130	Financial Statements
Jon Fundrey Director of Finance, Operations and Digital from 3 May 2022	130-135	-	-	-	47,000	-	175-180	-	

Lee John-Charles CBE Co-opted board member from July 2020 to December 2022	75-80	100-105	0-5	0-5	-36,000	19,000	40-45	120-125
Douglas Wilson OBE Ex-Officio Board Member from 12 July 2021	140-145	100-105	-	-	17,000	41,000	160-165	140-145
Stephen Braviner Roman Legal Director General until 26 January 2022	-	105-100	-	5-10	-	22,000	-	135-140

Wendy Hardaker CB Legal Director General from 17 March 2021 to 30 September 2021	-	60-65	-	5-10	-	18,000	-	85-90	Performance Report
Anna Sanders Director of Strategy, People and Culture to 30 June 2021	-	20-25	-	5-10	-	7,000	-	40-45	Accountability Report
Nick Payne Finance, Operations and Digital Director to 11 February 2022	-	115-120	-	-	-	19,000	-	135-140	Financial Statements

1 The value of pension benefits accrued during the year

is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increase excludes increases due to inflation or any increase or decrease due to transfer of pension rights. Where prior year pension figures have changed this is due to updated information.

2021-22 notes:

Stephen Braviner Roman - full year equivalent salary was £130k-£135k

Wendy Hardaker - full year equivalent salary was £120k-£125k

Mel Nebhrajani - full year equivalent salary was £120k-£125k

Jessica de Mounteney - full year equivalent salary was £175k-£180k (one year loan from Office of the Parliamentary Counsel)

Anna Sanders - full year equivalent salary was £95k-£100k

Damian Paterson - full year equivalent salary was £90k-£95k

Nick Payne - full year equivalent salary was £125k-£130k

Douglas Wilson - full year equivalent salary was £140k-£145k, paid by the Attorney General's Office

2022-23 notes:

Jon Fundrey - full year equivalent salary was £140k-£145k

Lee John-Charles - full year equivalent salary was £90k-£95k

Douglas Wilson - is paid by the Attorney General's Office

The non-executive directors were paid salaries in the following bands

	Contract end	Salary £000		Benefits-in-kind to nearest £100		Total £000	
		2022-23	2021-22	2022-23	2021-22	2022-23	2021-22
Catherine Berney	April 2023	15-20	15-20	-	-	15-20	15-20
Erica Handling	October 2023	15-20	15-20	-	-	15-20	15-20
Mike Green	January 2025	15-20	0-5	600	-	15-20	0-5
Thomas Taylor	September 2021	-	5-10	-	-	-	5-10

The department's non-executive directors necessarily

incur travelling and other expenses to attend departmental meetings. The tax liability arising on their reimbursement by GLD is met by GLD and is shown in the table above as a benefit in kind. Full year equivalents for Thomas Taylor and Mike Green are £15k-£20k for 2021-22 salary.

Salary

‘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. This report is based on payments made by the department and thus recorded in these Accounts.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by the department and treated by HM Revenue and Customs as a taxable emolument. The estimated monetary value of benefits in kind which relate solely to the provision of interest free loans for the purchase of season tickets for home to office travel is not included. The amounts involved are disclosed in the salary, allowances and taxable benefit table.

Bonus payments

Performance related pay awards (non-consolidated) are based on an individual’s performance and are moderated as part of the SCS appraisal process. Bonuses disclosed may relate to performance in the previous financial year.

Pay multiples

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

	2022-23 £	2021-22 £	Percentage change %
Remuner- ation of the highest-paid director	182,500	177,500	3%
25th percen- tile of pay and benefits	45,234	43,916	-
Highest-paid director's re- muneration as a multiple of the 25th percentile	4.0	4.0	0%
Median re- muneration of the workforce	52,788	52,042	1%

Highest-paid director's remuneration as a multiple of the median remuneration	3.5	3.4	3%
75th percentile of pay and benefits	66,621	66,294	
Highest-paid director's remuneration as a multiple of the 75th percentile	2.7	2.7	0%

Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value (CETV) of pensions. The median, 25th and 75th percentiles are salary only, there were no bonuses or benefits. There were also no bonuses or benefits for the highest paid director in either year.

The pay ratios for the 25th, median and 75th percentiles have changed by 0%, 3% and 0% respectively. The increase in the median pay ratio is mainly attributable to the absolute change in pay for the highest-paid director

being higher than that for the median. The average percentage change from the previous financial year in respect of pay for employees of the department taken as a whole was 3%.

The median pay ratio is consistent with the pay, reward and progression policies for the department, where a 3% pay award was applied for most members of staff in line with the Civil Service Pay Remit.

In 2022-23 no (2021-22: no) employees received remuneration in excess of the highest-paid director.

Remuneration ranged from £19k-£183k (2021-22: £22k-£178k).

This information has been subject to audit.

Pension Benefits

Officials	Accrued pension at pension age at 31/03/23 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31/03/23	CETV at 31/03/22	Real increase in CETV	Employer contribution to partnership pension accounts
	£000	£000	£000	£000	£000	Nearest £100
Susanna McGibbon Permanent Secretary	65-70 plus lump sum of 130-135	-	1,267	1,181	-60	-
Elizabeth Hambley Legal Director General from 7 December 2020	50-55 plus lump sum of 100-105	0-2.5	982	877	3	-
Mel Nebhrajani CB Legal Director General from 1 October 2021	50-55	2.5-5	861	727	48	-

Jessica de Mounteney Legal Director General from 7 February 2022	-	-	-	873	-	29,400	Performance Report
Damian Paterson Director of Strategy, People and Culture from 26 July 2021	25-30	0-2.5	355	298	18	-	Accountability Report
Jon Fundrey Director of Finance, Operations and Digital from 3 May 2022	55-60	2.5-5	1,036	954	42	-	Financial Statements
Lee John-Charles CBE Co-opted board member from July 2020 to December 2022	40-45 plus lump sum of 105-110	-	936	908	-46	-	

Douglas Wilson OBE Ex-Officio board member from 12 July 2021	45-50	0-2.5	616	555	-2	-
Stephen Braviner Roman Legal Director General until 26 January 2022	-	-	-	970	-	-
Wendy Hardaker CB Legal Director General from 17 March 2021 until 30 September 2021	-	-	-	619	-	-

Anna
Sanders
Director of
Strategy,
People and
Culture to
30 June
2021

- - - 355 - -

Performance Report

Nick Payne
Finance,
Operations
and Digital
Director
to 11
February
2022

- - - 1,324 - -

Accountability Report

This information has been subject to audit.

Financial Statements

Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date, all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has 4 sections: 3 providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

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, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into alpha sometime between 1 June 2015 and 1 February 2022. Because the government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course,

eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switch to alpha have their PCSPS benefits ‘banked’, with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the 2 schemes.) 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 salary-related and range between 4.6% and 8.05% of pensionable earnings for members of classic, premium, classic plus, nuvos and alpha. 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 3 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 Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. 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 an occupational defined contribution pension arrangement which is part of the Legal & General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach 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, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the 2 schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website: www.civilservicepensionscheme.org.uk

Cash Equivalent Transfer Values

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

The figures include the value of any pension benefit in another scheme or arrangement which the 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 Pensions 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.

CETV figures are calculated using the guidance on discount rates for calculating unfunded public service pension contribution rates that was extant at 31 March 2023. HM Treasury published updated guidance on 27 April 2023; this guidance will be used in the calculation of 2023-24 CETV figures.

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.

Staff Report

Staff costs

This information has been subject to audit.

			2022-23	2021-22
	Permanently employed staff £000	Others £000	Total £000	Total £000
Wages and salaries	140,058	-	140,058	132,887
Social security costs	16,789	-	16,789	15,136
Other pension costs	37,430	-	37,430	35,772
Sub Total	194,277	-	194,277	183,795
Agency and contracted staff	-	21,553	21,553	19,896
Inward Secondments	-	255	255	416
Total	194,277	21,808	216,085	204,107
Less recoveries in respect of outward secondments	(532)	-	(532)	(164)
Total Net Costs	193,745	21,808	215,553	203,943

No staff costs have been charged to capital.

The Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) - known as 'alpha' are unfunded multi-employer defined benefit schemes but GLD is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2016. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation: www.civilservicepension-scheme.org.uk

For 2022-23, employers' contributions of £37,085k were payable to the PCSPS (2021-22: £35,504k) at one of 4 rates in the range of 26.6 to 30.3% of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every 4 years following a full scheme valuation.

The contribution rates are set to meet the cost of the benefits accruing during 2022-23 to be paid when the member retires and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £341k (2021-22: £327k) were paid to the appointed stakeholder pension provider. Employer contributions are age-related and range from 8 to 14.75% of pensionable pay. Employers also match

employee contributions of up to 3% of pensionable pay. In addition, employer contributions of £14k (2021-22: £13k), 0.5% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees. Contributions due to the partnership pension providers at the reporting date were £nil. Contributions prepaid at that date were £nil.

No members of staff retired early on ill health grounds (2021-22: 1); the total additional accrued pension liabilities in the year amounted to £nil (2021-22: £nil).

Average number of persons employed

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

			2022-23	2021-22
	Permanent Staff	Others	Total	Total
GLD	2,318	504	2,822	2,769

"Others" relates to agency staff and staff employed on a fixed term basis.

This information has been subject to audit.

Reporting of Civil Service and other compensation schemes - exit packages

	2022-23			2021-22		
Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
<£10,000	-	-	-	-	-	-
£10,000 - £25,000	-	-	-	-	-	-
£25,000 - £50,000	-	-	-	-	2	2
£50,000 - £100,000	-	1	1	-	1	1
£100,000-£150,000	-	-	-	-	-	-
£150,000-£200,000	-	-	-	-	-	-
£200,000-£250,000	-	-	-	-	-	-
£250,000-£300,000	-	-	-	-	-	-
Total number of exit packages by type	-	1	1	-	3	3
Total resource cost/£	-	70,000	70,000	-	135,147	135,147

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

This information has been subject to audit.

Staff turnover

The staff turnover percentage for 2022-23 for GLD was 14.0% (2021-22: 13.0%). This has been calculated as the number of leavers within that period divided by the average of staff in post over the period (headcount) in accordance with the definition for 'Departmental Turnover' (staff leaving the Civil Service or a particular department) provided by the Cabinet Office.

SCS by payband

The number of SCS staff by payband in GLD as at 31 March was as follows:

GLD	31 March 2023	31 March 2022
SCS 4	1	1
SCS 3	3	3
SCS 2	25	28
SCS 1 and 1A	189	176
Total	218	208

Staff composition

We continue to promote equality and inclusion for all and in particular, we continue to maintain a strong gender profile and work to improve the representation of ethnic minority and disabled staff at SCS level and in feeder grades to the SCS.

We are bound by the Civil Service Commission's recruitment principles on fair and open competition and selection on merit. Adjustments for candidates with disabilities are provided at all stages of the recruitment process. All interviewers are trained in GLD's recruitment policy, processes and procedures, which covers, amongst other things, unconscious bias, to ensure the process is fair, objective and inclusive. GLD is a Level 3 Disability Confident Leader and has an active Disability and Wellness Network.

The gender breakdown of our headcount as at 31 March was as follows:

	31 March 2023		31 March 2022	
	Male	Female	Male	Female
Officials as disclosed in the Remuneration Report	3	4	3	4
Non-Executive directors	1	2	1	2
SCS (excluding officials disclosed in the Remuneration Report)	76	132	82	120
Employees	830	1,664	848	1,577
Total	910	1,802	934	1,703

The proportion of ethnic minority staff (based on those who have self-declared) at SCS is 15.4% (2021-22: 13.9%). The proportion of all staff is 24.5% (2021-22: 23.4%). Levels of staff with disabilities (based on those who have self-declared) are 9.8% in the SCS (2021-22: 9.1%) and 7.9% for all staff (2021-22: 7.9%). Individuals are supported by efficient arrangements for assessments and the implementation of workplace adjustments for those who require them.

Sickness absence

Overall sickness absence was an average of 4.9 working days lost per staff year (2021-22: 5.2 days). This compares favourably with the Civil Service average of 7.9 days lost per staff year for the year ended 31 March 2022 (most recent available figures). 63% of staff had no sickness absences (2021-22: 68%).

Managers are encouraged to actively manage sickness absence in their area, ensuring that people are supported during any illness, and that any underlying causes are identified and addressed, where possible, through workplace adjustments.

Expenditure on consultancy and temporary staff

Expenditure on consultants in 2022-23 has been £417k (2021-22: £342k). The spend mainly relates to work on reviewing GLD's recruitment and resourcing processes and development of the department's pay business case.

Expenditure on temporary staff was £21.6m (2021-22: £19.9m). We continue to employ agency and contract staff where there is a need for specialist skills, and where for practical business reasons the Board has agreed there should be a mixed economy of permanent and contract staff to provide some flexibility to cope with changes in demand. We also employ agency staff in lieu of recruitment, to support our resourcing where we have not

been able to attract as many permanent staff as required to deliver our work.

Trade Union Facility Time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. These regulations place a legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation.

Table 1: Relevant Union Officials

Total number of employees who were relevant union officials between 1 April 2022 and 31 March 2023.

	2022-23 No.	2021-22 No.
Employees who were relevant union officials during the relevant period	30	32
Full-time equivalent number	29.7	31.6

Table 2: Percentage of time spent on facility time

For employees who were relevant union officials employed between 1 April 2022 and 31 March 2023, percentage of their working hours spent on facility time.

	2022-23 No.	2021-22 No.
0%	-	5
1% - 50%	30	26
51% - 99%	-	1
100%	-	-

Table 3: Percentage of pay bill spent on facility time
For employees who were relevant union officials employed between 1 April 2022 and 31 March 2023, percentage of pay bill spent on facility time.

	2022-23	2021-22
The total cost of facility time (£k)	133	126
The total annual pay bill for GLD (£k)	194,757	185,435
The percentage of total pay bill spend on facility time (%)	0.07	0.07

Table 4: Paid trade union activities
For employees who were relevant union officials employed between 1 April 2022 and 31 March 2023, percentage of time spent on paid trade union activities.

	2022-23	2021-22
Time spent on paid trade union activities as a percentage of total paid of facility time hours (%)	-	-

Partnership

GLD has continued to maintain a positive working relationship with the trade unions (the FDA and the Public and Commercial Services Union). HR regularly meet the unions on an informal basis to discuss a range of issues that have an impact on union members, and there are also regular formal partnership meetings, which include representatives from across GLD, and departmental and national union representatives. Business managers are also encouraged to meet trade union colleagues at an early stage where resourcing levels or workloads may be changing.

Consultation with employees: 2022 People Survey

The annual People Survey is a key measure of our success in delivering GLD's vision to be the 'best employer for our people'. In the 2022 Survey, we achieved an Engagement Index of 59% (with a response rate of 70%), this represented a 3-point drop on 2021 and is 6 points below the Civil Service average.

Of the 9 main engagement areas, 8 have gone down (Organisational objectives and purpose, My work, My manager, Learning and development, Inclusion and fair treatment, Resources and workloads, Pay, Engagement) on 2021 and one (My team) has stayed the same. None increased. Colleagues reporting experience of discrimination dropped 2% compared to 2021 and is down 4 points compared to 2020. Bullying and harassment dropped 1% for the second year in a row.

An Action Plan in response to the People Survey was set out to staff in April 2023.

High paid off-payroll appointments

Following the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2013, departments must publish information on their high paid and/or senior off-payroll engagements.

For GLD, these engagements are principally made up of 2 categories of individual:

- In the ICT area, the GLD Board has agreed that there should be a mixed economy of permanent and temporary staff for practical business reasons. During 2022-23, GLD continued to manage a number of temporary agency ICT staff to undertake specific IT tasks, in addition to some who have been there for longer periods
- Temporary agency lawyers, via the Contingent Labour contract, who are filling business critical posts and help manage the fluctuation in demand for legal services. During 2022-23, GLD ran a number of external recruitment exercises including the continuous recruitment of Grade 7 lawyers to bring in permanent staff, and to consequentially reduce the dependency on temporary agency legal staff.

Details are as follows:

Table 1: For all off-payroll engagements as of 31 March 2023, for more than £245 per day

	No.
No. of existing engagements as at 31 March 2023	99
Of which	
No. that have existed for less than one year at time of reporting	37
No. that have existed for between one and 2 years at time of reporting	23
No. that have existed for between 2 and 3 years at time of reporting	7
No. that have existed for between 3 and 4 years at time of reporting	7
No. that have existed for 4 or more years at time of reporting	25
(2021-22: the number of existing engagements as at 31 March 2022 which were over 6 months in duration was 75.)	

Table 2: For all off-payroll appointments engaged at any point between 1 April 2022 and 31 March 2023 for more than £245 per day

	No.
No. of temporary off-payroll appointments engaged between 1 April 2022 and 31 March 2023	160
Of which	

Not subject to off-payroll legislation	50
Subject to off-payroll legislation and determined as in-scope of IR35	108
Subject to off-payroll legislation and determined as out-of-scope of IR35	2
No. of engagements reassessed for compliance or assurance purposes during the year	88
Of which: No. of engagements that saw a change to IR35 status following review	0

(2021-22: the number of new engagements, or those that reached 6 months in duration, between 1 April 2021 and 31 March 2022 was 37.)

All board members, and/or senior officials with significant financial responsibility, between 1 April 2022 and 31 March 2023 were on payroll. (2021-22: all Board members on payroll).

Parliamentary Accountability and Audit Report

This information has been subject to audit.

Fees and charges

An analysis of the department's income and associated costs is shown below. Charges for the provision of legal services and administration services to Bona Vacantia Division are set to recover full costs in accordance with HMT's guidance on fees and charges set out in Managing Public Money. This analysis is not for IFRS 8 purposes.

	2022-23				2021-22			
	Income funding £000	Vote £000	Full Cost £000	Surplus/ (deficit) £000	Income funding £000	Vote £000	Full Cost £000	Surplus/ (deficit) £000
Legal fees and charges to clients	300,689	-	290,331	10,358	283,180	-	271,551	11,629
Bona Vacantia	4,717	-	4,717	-	4,865	-	4,865	-
Other income	3,456	-	3,456	-	3,188	-	3,188	-
Non-chargeable work	-	249	249	-	-	290	290	-
Total	308,862	249	298,753	10,358	291,233	290	279,894	11,629

'Bona Vacantia' relates to income charged for administering bona vacantia (ownerless assets in respect of dissolved companies and intestate estates). 'Other income' is primarily related to recoveries for subscription costs and ICT services provided to other government departments. Vote funding relates to Public Interest legal work. In accordance with HMT's guidance a notional cost of capital charge £618k (2021-22: £676k) is included for setting fees and charges and is also reflected in full cost figures for this analysis. The notional cost of capital is not recognised in the financial statements. The cost of capital charge is calculated at the real rate set by HMT (currently 3.5%) on the average carrying amount of all assets less liabilities, except for cash balances held with the Government Banking Service.

Remote contingent liabilities

The department has no contingent liabilities that need to be disclosed under Parliamentary reporting requirements.

Losses and special payments

HMT's publication - Managing Public Money - requires a statement showing losses and special payments by value and by type to be shown where they exceed £300k in total, and those individually that exceed £300k. There are no significant losses and special payments that need to be reported in accordance with Managing Public Money.

Long term expenditure trends

This information is not subject to audit.

Our planned net expenditure as agreed with HMT is as follows. This covers the costs that are not recovered from our clients, but which are met from the Parliamentary Estimate.

£m	2023-24	2024-25
DEL Resource	2.18	2.10
DEL Capital	2.00	2.68

The Departmental Expenditure Limit (DEL) Resource funding for 2022-23, 2023-24 and 2024-25 is to cover the costs of public interest casework (Letters of Request and Vesting Orders in Chancery). The DEL Capital funding allows us to invest in improving and developing systems to support our operations and to meet our accommodation requirements.

Susanna McGibbon
Accounting Officer
1 June 2023

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

Opinion on financial statements

I certify that I have audited the financial statements of the Government Legal Department for the year ended 31 March 2023 under the Government Resources and Accounts Act 2000.

The financial statements comprise: the Government Legal Department's:

- Statement of Financial Position as at 31 March 2023;
- Statement of Comprehensive Net Income, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Government Legal Department's affairs as at 31 March 2023 and its net operating income for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure 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.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2019. I am independent of the Government Legal Department in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Government Legal Department's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Government Legal Department's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Government Legal Department is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the Chief Executive's Report, Performance Report, Accountability Report and Annex A: Sustainability Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000.

In my opinion, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000;
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Government Legal Department and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Report.

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 by the Government Legal Department or returns adequate for my audit have not been received from branches not

- visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Treasury Solicitor and Chief Executive as Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Government Legal Department from whom

the auditor determines it necessary to obtain audit evidence;

- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- ensuring that the financial statements give a true and fair view and are prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000;
- ensuring that the annual report, which includes the Remuneration and Staff Report, is prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000; and
- assessing the Government Legal Department's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Government Legal Department will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations, including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Government Legal Department's accounting policies, key performance indicators and performance incentives.
- inquired of management, the Government Legal Department's internal audit function and those charged with governance, including obtaining and reviewing supporting documentation relating to the Government Legal Department's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Government Legal Department's controls relating to the Government Legal Department's compliance with the Government Resources and Accounts Act 2000, Managing Public Money and Treasury Solicitor Act 1876;
- inquired of management, the Government Legal Department's internal audit function and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud,
- discussed with the engagement team how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Government Legal Department for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions and bias in estimating accrued income. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Government Legal Department's framework of authority and other legal and regulatory frameworks in which the Government Legal Department operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Government Legal Department. The key laws and regulations I considered in this context included Government Resources and Accounts Act 2000, Managing Public Money, Supply and Appropriation (Main Estimates) Act 2022, Treasury Solicitor Act 1876, employment law, pensions legislation and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess

compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;

- I enquired of management and the Audit and Risk Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board; and internal audit reports;
- in addressing the risk of fraud through management override of controls, I tested the appropriateness of journal entries and other adjustments; assessed whether the judgements on estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- in addressing the risk of fraud in revenue recognition, assessing controls over preparation of accruals for unbilled time and disbursements; testing the accuracy and cut-off of unbilled time and disbursements including tracing to post year-end invoices and subsequent cash receipts where appropriate; and undertaking procedures to test the recoverability of the unbilled elements.

I also communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

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

Other auditor's responsibilities

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

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

Date: 6 June 2023

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

Financial Statements

Statement of Comprehensive Net Income for the year ended 31 March 2023

		2022-23	2021-22
	Note	£000	£000
Income from sale of goods and services	5	(302,193)	(284,664)
Other operating income	5	(6,669)	(6,569)
Total operating income		(308,862)	(291,233)
Staff costs	2	216,085	204,107
Purchase of goods and services	3	23,300	19,593
Rentals under operating leases	3	133	9,256
Non-cash costs	3	10,596	2,914
Disbursements	4	48,021	43,348
Total operating expenditure		298,135	279,218
Net operating income		(10,727)	(12,015)
Total comprehensive income for the year		(10,727)	(12,015)

All income and expenditure is derived from continuing operations.

The notes on pages 183 to 207 form part of these Accounts.

Statement of Financial Position as at 31 March 2023

	Note	31 March 2023		31 March 2022	
		£000	£000	£000	£000
Non-current assets					
Property, plant and equipment	6	6,296		5,457	
Intangible assets	7	172		351	
Right of use assets	8	26,893		-	
Total non-current assets		33,361		5,808	
Current assets					
Trade and other receivables	10	47,463		45,730	
Cash and cash equivalents	11	12,465		27,045	
Total current assets		59,928		72,775	
Total assets			93,289		78,583
Current liabilities					
Trade and other payables	12	(47,559)		(62,473)	
Lease liabilities	13	(6,686)		-	
Provisions	14	(520)		-	
Total current liabilities			(54,765)		(62,473)
Non-current assets plus net current assets			38,524		16,110

Non-current liabilities			
Lease liabilities	13	(18,651)	-
Provisions	14	(268)	(388)
Total non-current liabilities		(18,919)	(388)
Total assets less liabilities		19,605	15,722
Taxpayers' equity			
General fund		19,605	15,722
Total Taxpayers' equity		19,605	15,722

The notes on pages 183 to 207 form part of these Accounts.

Susanna McGibbon
Accounting Officer
1 June 2023

Statement of Cash Flows for the year ended 31 March 2023

		2022-23	2021-22
	Note	£000	£000
Cash flows from operating activities			
Net operating income		10,727	12,015
Adjustments for non-cash transactions arising in the year	3	10,596	2,914
(Increase) / Decrease in trade and other receivables		(1,733)	1,130
Increase/(Decrease) in trade and other payables*		(327)	4,531
IFRS 16: impact of adoption		(1,024)	-
Net cash (outflow)/inflow from operating activities		18,239	20,590
Cash flows from investing activities			
Purchase of property, plant and equipment	6	(2,926)	(1,332)
Purchase of intangible assets	7	-	-
Net cash outflow from investing activities		(2,926)	(1,332)
Cash flows from financing activities			
Net financing from the Consolidated Fund		5,732	6,109
IFRS 16: payment of lease liabilities		(8,580)	-
Contingencies Fund advance (to support working capital)		25,000	25,000
Repayment of Contingencies Fund advance		(25,000)	(25,000)
Net financing		(2,848)	6,109

Net increase in cash and cash equivalents in the period	11	12,465	25,367
Payment of amounts due to the Consolidated Fund		(27,045)	-
Cash and cash equivalents at the beginning of the period	11	27,045	1,678
Cash and cash equivalents at the end of the period	11	12,465	27,045

*The movement on payables excludes movements in payables relating to items not passing through the Statement of Comprehensive Net Income such as departmental balances with the Consolidated Fund, or lease liabilities.

The notes on pages 183 to 207 form part of these Accounts.

Statement of Changes in Taxpayers' Equity for the year ended 31 March 2023

		General Fund	Total Reserves
	Note	£000	£000
Balance at 1 April 2021		22,893	22,893
Changes in taxpayers' equity for 2021-22			
Net financing		6,109	6,109
Net parliamentary funding: deemed	11	1,678	1,678
Excess cash surrenderable to the Consolidated Fund	12	(27,045)	(27,045)
Comprehensive net income for the year		12,015	12,015
Non-cash adjustments:			
Auditors' remuneration	3	72	72
Total recognised expenditure for 2021-22		(7,171)	(7,171)

		General Fund	Total Reserves
	Note	£000	£000
Balance at 31 March 2022 (as previously reported)		15,722	15,722
Impact of IFRS 16 adoption		(190)	(190)
Balance at 1st April 2022		15,532	15,532
Changes in taxpayers' equity for 2022-23	Note	General Fund	Total Reserves
Net financing		5,732	5,732
Net parliamentary funding: deemed	11	27,045	27,045
Payment to Consolidated Fund		(27,045)	(27,045)
Supply payable/ (receivable) adjustment	12	(12,465)	(12,465)
Comprehensive net income for the year		10,727	10,727
Non-cash adjustments:			
Non-cash charges – auditors' remuneration	3	79	79
Total recognised expenditure for 2022-23		4,073	4,073
Balance at 31 March 2023		19,605	19,605

The General Fund represents the total assets less liabilities of the entity, to the extent that the total is not

represented by other reserves and financing items.

The notes on pages 183 to 207 form part of these Accounts.

Notes to the Accounts

1. Statement of accounting policies

The financial statements have been prepared in accordance with the 2022-23 Government Financial Reporting Manual (FReM) issued by HMT. 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 Government Legal Department (GLD) for the purpose of giving a true and fair view has been selected. The particular policies adopted by GLD are described below. They have been applied consistently in dealing with items considered material in relation to the Accounts.

In common with other government departments, the future financing of the department's liabilities is to be met by future grants of Supply and the application of future income, both to be approved annually by Parliament. After making enquiries, the Accounting Officer has a reasonable expectation that the department has adequate

resources to continue in operational existence for a period of at least 12 months from the date the financial statements are authorised for issue.

The going concern basis of accounting for the department is adopted in consideration of the requirements set out in HM Treasury's Government Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future. For the above reasons it has been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

1.1 Accounting convention

These Accounts have been prepared under the historical cost convention and where material modified to account for the revaluation of property, plant and equipment and intangible assets at their value to the business by reference to their current costs.

1.2 Significant judgments and estimates

The judgments applied to non-current asset balances with regard to asset lives and impairment reviews are set out in the separate accounting policies on these assets.

Most of the larger accruals included in the accounts within the working capital balances are routine and are based on system data rather than being the result of estimates or judgments applied by management. The main exception

to this is the accrual included for legal disbursement costs yet to be invoiced to the department. As most of these costs are recharged to the department's clients both an expenditure and income accrual are included in the financial statements (£6.5m and £6.4m respectively), so the overall impact on net operating income is largely neutral. The accrual is based on an estimate of the level of outstanding disbursements costs at the financial year-end using historical transaction data. Actual results may differ from these estimates.

Provision balances are also subject to management estimates on the level of leasehold dilapidations. These balances are not currently significant. The value of untaken annual leave is also estimated on the basis of HR records and staff cost averages.

1.3 Income

Income relates directly to the operating activities of the department. It principally comprises fees and charges for legal services provided during the year by GLD to the other central government departments, agencies and arm's length bodies and recovery of disbursements incurred on their behalf. Fees and charges are set in accordance with HMT guidance set out in Managing Public Money.

In addition, it includes other income such as charges for the administration costs of the Bona Vacantia Division,

rental income and service charge, recovery of costs for recruitment and training services provided to other government departments.

This income has been recognised as follows in line with IFRS 15 principles:

Fees for legal services which are charged as a fixed annual fee for the service provided in that year have been recognised in full for that financial year on the basis that when the year comes to an end the service has been fully provided.

Fees for legal services which are charged on an hourly basis for provision of advice/casework have been recognised in line with the hours recorded by staff on chargeable work.

Fees charged to recover costs incurred by GLD where it has been agreed that these will be passed straight onto customers are recognised in line with when those costs have been recognised by GLD.

Work in progress is recognised as operating income as incurred. This represents unbilled time charges which are valued at the appropriate rate, for the financial year in which the work was undertaken and the accrued cost of disbursements.

1.4 Property, plant and equipment

Assets are carried at current value in existing use using depreciated historic cost as a proxy. The need for impairment is considered on an annual basis. Expenditure

on plant, property and equipment over £5,000 is capitalised on an individual or group basis. On initial recognition they are measured at cost including any costs (such as installation) directly attributable to bringing them into working condition.

The policy on right of use assets is disclosed in Note 1.10.

1.5 Depreciation

Plant, property and equipment are depreciated at rates calculated to write them down on a straight-line basis over their estimated useful lives. Leasehold improvements are depreciated over the term of the lease.

Assets under construction are not depreciated until they are in use. Once in use they are depreciated over their expected useful life.

Asset lives are normally within the following ranges:

- Leasehold improvements - limited to period remaining on lease (up to five years)
- Right of use leasehold buildings- limited to period remaining on lease (up to five years)
- Furniture and fittings - 3, 5 or 10 years
- ICT network - 3 to 5 years

1.6 Intangible assets

Purchased and internally developed software, purchased

software licences and website costs are capitalised as intangible assets and are valued at depreciated historic cost as a proxy for fair value. The need for impairment is considered on an annual basis.

Intangible assets under construction are not amortised until they are in use. Once they are in use, they are amortised over the life of the associated project or their expected useful economic life. Asset lives are normally within the following ranges:

- Software development 3 to 5 years
- Software licences 3 to 5 years
- Website costs 5 years

1.7 Debt recovery

All aged debt is regularly reviewed to ascertain the continuing prospect of recovery and that it remains economical to continue to pursue recovery. Where recovery is considered doubtful or uneconomic, the department will provide for or write-off the debt by reducing the value of debtors within the Statement of Financial Position.

1.8 Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). This is a multi-employer scheme and it is not possible to separate the assets and liabilities, and is therefore accounted for in the same manner as defined contribution schemes. The defined benefit schemes are

unfunded and are non-contributory except in respect of dependants' benefits. The department recognises the expected cost of providing pensions on a systematic and rational basis over the period during which it benefits from employees' services by payment to the PCSPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution schemes, the department recognises the contributions payable for the year.

1.9 Contingent liabilities

Contingent liabilities are disclosed, where applicable, in the notes to the Accounts in accordance with IAS 37. Remote contingent liabilities that are not required to be disclosed by IAS 37 but are required to be reported to Parliament, where applicable, are included in the Accountability Report.

1.10 Leases

IFRS 16 "Leases" introduces a single lessee accounting model, removing the distinction between operating and finance leases and requiring a lessee to recognise 'right of use' assets and liabilities for all leases (apart from the exemptions included below). For government bodies reporting under the FReM, IFRS 16 was implemented on 1 April 2022 and replaces IAS 17 (Leases).

The department's leasing activities relate to being a lessee in respect of buildings occupied for operational

purposes.

Implementation and assumptions

The department has applied IFRS 16 using the modified retrospective approach and therefore the comparative information has not been restated and continues to be reported under IAS 17 “Leases” and IFRIC 4 “Determining whether an arrangement contains a lease”. The cumulative effect of adopting IFRS 16 is included as an adjustment to taxpayers' equity at the beginning of the current period. IAS 17 operating leases are now included within the Statement of Financial Position as a lease liability within payables and right of use assets within non-current assets.

The option to reassess whether a contract is, or contains, a lease at the date of initial application has not been used, the group has used the practical expedient detailed in IFRS 16.

The definition of a contract is expanded to include intra-UK government agreements where non-performance may not be enforceable by law. This includes, for example, Memorandum of Terms of Occupation (MOTO) agreements.

The department has elected not to recognise right of use assets and lease liabilities for the following leases:

- intangible assets;
- non-lease components of contracts where applicable;

- low value assets (these are determined to be in line with capitalisation thresholds on Property, Plant and Equipment); and
- leases with a lease term of 12 months or less.

Policy applicable from 1 April 2022

At inception of a contract, the department assesses whether a contract is, or contains, a lease. A contract is, or contains a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, including whether:

- The contract involves the use of an identified asset;
- The department has the right to obtain substantially all of the economic benefit from the use of the asset throughout the period of use; and
- The department has the right to direct the use of the asset.

The department assesses whether it is reasonably certain to exercise break or extension options at the lease commencement date. The department reassesses this if there are significant events or changes in circumstances that were not anticipated.

As a lessee

Right of use assets

The department recognises a right of use asset and lease liability at the commencement date. The right of use asset is initially measured at cost, which comprises the initial

amount of the lease liability. The right of use assets are subsequently measured at current value in existing use in line with property, plant and equipment assets, using cost as a proxy for fair value as significant market fluctuations are not anticipated. The right of use asset is depreciated using the straight line method from the commencement date to the end of the lease term. The department applies IAS 36 Impairment of Assets to determine whether the right of use asset is impaired and to account for any impairment loss identified.

Lease liabilities

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that cannot be readily determined, the rate provided by HM Treasury (HMT). All leases in the department account have been discounted using the HMT discount rate. Leases in the department's accounts that commenced and were adopted into IFRS 16 before 1st January 2023 are discounted using the HMT discount rate of 0.95%. Leases entered into after 1 January 2023 are discounted using the HMT discount rate of 3.51%.

The lease payment is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments or if the department changes its assessment of whether it will exercise an extension or break option.

As a lessor

The department does not act as a lessor.

Impact on financial statements

On transition to IFRS 16, the department recognised an additional £34.3m of right of use assets and £33.5m of lease liabilities, representing an increase in equity of £0.8m. The department also wrote back a prepayment for rent recognised under IAS 17 which represented a decrease in equity of £1.0m. The net impact of these two adjustments was a reduction of £190k and was recognised as an adjustment to the General Fund.

1.11 Taxation

Where VAT is recoverable by the department, amounts are included net of VAT. Irrecoverable VAT is included in operating costs and capital additions. The amount due to or from HM Revenue and Customs in respect of VAT is included within debtors or creditors as appropriate. Operating income is stated net of VAT.

1.12 Third party assets

The department holds various funds on behalf of its clients. These relate to ongoing legal processes. These balances are not recognised in the Statement of Financial Position but are disclosed in Note 17 to these Accounts.

1.13 IFRS issued but not yet effective

IFRS 17 Insurance Contracts is effective for periods beginning on or after 1 January 2023. It is not expected to have an impact on the financial statements of the department.

1.14 Operating segments

GLD's income primarily relates to fees and charges for legal services provided during the year to clients from central government departments, agencies and ALBs. Government is treated as a single customer and therefore is treated as a single operating segment for reporting purposes.

2. Staff costs

			2022-23	2021-22
	Permanently employed staff £000	Others £000	Total £000	Total £000
Wages and salaries	140,058	-	140,058	132,887
Social security costs	16,789	-	16,789	15,136
Other pension costs	37,430	-	37,430	35,772
Sub Total	194,277	-	194,277	183,795
Agency and contracted staff	-	21,553	21,553	19,896
Inward Secondments	-	255	255	416
Total	194,277	21,808	216,085	204,107

No staff costs have been charged to capital.

3. Other expenditure

	2022-23 £000	2021-22 £000
Rentals under operating leases		
Hire of plant and machinery	3	127
Other operating leases	130	9,129
	133	9,256
Non-cash items		
Depreciation	9,582	2,454
Amortisation	179	388
Increase in provisions	400	-
IFRS 16: Interest expense	330	
IFRS 16: loss on disposal of lease	26	-
External auditors' remuneration*	79	72
	10,596	2,914
Purchase of goods and services		
IT and communications costs	7,277	5,740
Accommodation	4,926	4,092
Library information services	3,286	3,309
Training	2,016	1,759
Recruitment	1,807	1,435
Professional and external HR services	1,104	834
Travel and subsistence	431	88
Consultancy	417	342
Postal services	214	255
Records management	188	149
Welfare supplies and consumables	129	149
Other	1,505	1,441
	23,300	19,593
Total other expenditure	34,029	31,763

*External auditors' remuneration represents the notional audit fees of £79k (2021-22: £72k) for the Government Legal Department Account. No non-audit services were provided during the financial year.

4. Disbursements

	2022-23 £000	2021-22 £000
Recoverable from client departments	44,297	39,921
Funded from Supply	355	474
Disbursements recovered from fixed fees	3,369	2,953
Gross expenditure	48,021	43,348

5. Income

	2022-23 £000	2021-22 £000
Income from sales of goods and services:		
Legal fees and charges to clients	256,392	243,259
Disbursement income	44,297	39,921
LION Subscription	1,504	1,484
	302,193	284,664
Other operating income:		
Recovery of costs Bona Vacantia	4,717	4,865
Recovery of secondments out	532	164
Rental income	127	127
Other income	1,293	1,413
	6,669	6,569
Total income	308,862	291,233

6. Property, plant and equipment

	Leasehold improvements	ICT Network	Furniture and Fittings	2022-23 Total
	£000	£000	£000	£000
Cost or Valuation				
At 1 April 2022	3,783	8,268	2,087	14,138
Additions	-	2,670	249	2,919
Disposals	(103)	(2,195)	-	(2,298)
At 31 March 2023	3,680	8,743	2,336	14,759
Depreciation				
At 1 April 2022	1,745	6,028	908	8,681
Charge in year	429	1,374	277	2,080
Disposals	(103)	(2,195)	-	(2,298)
At 31 March 2023	2,071	5,207	1,185	8,463
Carrying amount at 31 March 2023	1,609	3,536	1,151	6,296
Asset financing				
Owned	1,609	3,536	1,151	6,296
Leased	-	-	-	-
At 31 March 2023	1,609	3,536	1,151	6,296

	Leasehold improvements	ICT Network	Furniture and Fittings	2021- 22 Total
	£000	£000	£000	£000
Cost or Valuation				
At 1 April 2021	3,774	6,689	2,087	12,550
Additions	9	1,579	-	1,588
At 31 March 2022	3,783	8,268	2,087	14,138
Depreciation				
At 1 April 2021	1,195	4,478	554	6,227
Charge in year	550	1,550	354	2,454
Disposals	-	-	-	-
At 31 March 2022	1,745	6,028	908	8,681
Carrying amount at 31 March 2022	2,038	2,240	1,179	5,457
Asset Financing				
Owned	2,038	2,240	1,179	5,457
At 31 March 2022	2,038	2,240	1,179	5,457

	2022-23	2021-22
Cash flow analysis for property, plant and equipment	£000	£000
Property, plant and equipment additions	2,919	1,588
Movement in accruals for property, plant and equipment	7	(256)
Cash flows for property, plant and equipment	2,926	1,332

7. Intangible assets

	Software licences	2022-23 Total
	£000	£000
Cost or Valuation		
At 1 April 2022	1,602	1,602
Disposals	(831)	(831)
At 31 March 2023	771	771
Amortisation		
At 1 April 2022	1,251	1,251
Charge in year	179	179
Disposals	(831)	(831)
At 31 March 2023	599	599

Carrying amount at 31 March 2023	172	172
	Software licences	2021-22 Total
	£000	£000
Costs or Valuation		
At 1 April 2021	1,602	1,602
Additions	-	-
At 31 March 2022	1,602	1,602
Amortisation		
At 1 April 2021	863	863
Charge in year	388	388
At 31 March 2022	1,251	1,251
Carrying amount at 31 March 2022	351	351

8. Right of use assets

	Right of use building	2022-23 Total
	£000	£000
Cost or Valuation		
At 1 April 2022 adoption	34,329	34,329
Additions	343	343
Disposals	(393)	(393)
At 31 March 2023	34,279	34,279
Depreciation		
At 1 April 2022	-	-
Charge in year	7,502	7,502
Disposals	(116)	(116)
At 31 March 2023	7,386	7,386
Carrying amount at 31 March 2023	26,893	26,893

9. Financial instruments

As the cash requirements of the department are primarily met from income from clients (other government departments) and a limited amount through the Estimates process, financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts to buy in non-financial items in line

with the department's expected purchase and usage requirements and the department is therefore exposed to little credit, liquidity or market risk.

10. Trade receivables and other current assets

Analysis by type	31 March 2023 £000	31 March 2022 £000
Amounts falling due within one year:		
Unbilled time	8,304	7,659
Unbilled disbursements	11,997	10,433
Trade receivables	20,749	23,513
Deposits and advances	267	198
Prepayments and accrued income	6,146	3,927
	47,463	45,730

11. Cash and cash equivalents

	2022-23 £000	2021-22 £000
Balance at 1 April	27,045	1,678
Payments of amounts due to Consolidated Fund	(27,045)	-
Net change in cash and cash equivalents	12,465	25,367
Balance at 31 March	12,465	27,045

All balances were held with the Government Banking Service.

12. Trade payables and other current liabilities

Analysis by type	31 March 2023 £000	31 March 2022 £000
Amounts falling due within one year:		
VAT	9,194	9,826
Other taxation and social security costs	4,250	4,133
Trade payables and other payables	218	161
Accruals and deferred income	21,432	21,308
	35,094	35,428
Excess cash surrenderable to the Consolidated Fund	12,465	27,045
Total current payables and other liabilities	47,559	62,473

13. IFRS 16 Lease Liability

	2022-23 £000	2021-22 £000
Balance at 1 April on adoption	33,495	-
Lease additions	343	-
Lease disposals	(251)	-
Lease payments made	(8,580)	-
Interest expense	330	-
Balance at 31 March	25,337	-
Obligations for the following periods comprise:		
Not later than one year	6,686	-
Later than one year and not later than 5 years	18,651	-

Later than 5 years	-	-
Current	6,686	-
Non-current	18,651	-
Reported IAS 17 commitments under leases at 31 March 2022	34,503	
Adjustment for discounting of future cashflows	(1,008)	
IFRS 16 lease liability at 1st April 2022	33,495	

14. Provisions for liabilities and charges

	2022-23			2021-22
	Other £000	Dilapidations £000	Total £000	Total £000
Balance at 1 April	-	388	388	388
Provided in the year	400	-	400	-
Balance at 31 March	400	388	788	388

Analysis of expected timing of cash flows	2022-23 Total £000	2021-22 Total £000
Not later than one year	520	-
Later than one year and not later than five years	268	388
Later than five years	-	-
	788	388

15. Contingent liabilities

There were no contingent liabilities as at 31 March 2023 (31 March 2022: £nil).

16. Related party transactions

The department has had a significant number of material transactions with other government departments and public agencies since the nature of the department's business is to provide legal services to central government.

The Treasury Solicitor, by virtue of the Treasury Solicitor Act 1876, is also the Crown's Nominee.

None of the Board Members, or key managerial staff has undertaken any material transactions with GLD during the year. Board Members' remuneration is disclosed in the Remuneration Report.

17. Third party assets: client monies

Funds are required in advance from clients to enable settlement of awards for damages and contributions toward the cost of court proceedings. The department places these funds on deposit until the final costs of a case have been calculated and settled. These are not departmental assets, as the funds are held on behalf of third parties and as a consequence do not appear in these Accounts. As at 31 March 2023, these amounted in total to £12,996k (31 March 2022: £14,654k). An analysis of the movements on these funds is shown in the below:

	2022-23 £000	2021-22 £000
Opening balance at 1 April	14,654	12,183
Gross inflows	187,501	163,274
Gross outflows	(189,159)	(160,803)
Closing balance at 31 March	12,996	14,654

These balances are held with the Government Banking Service.

18. Events after the reporting period

In accordance with the requirements of IAS 10, events after the reporting period are considered up to the date on which the Accounts are authorised for issue. This is interpreted as the date of the Certificate and Report of the Comptroller and Auditor General. There are none to report.

Annex A: Sustainability Report for the year ended 31 March 2023

Overall Greening Government Commitment Performance

GLD's strategy for sustainability is to improve our performance against the Greening Government Commitments (GGC) 2021-25, and more broadly to play our part in the wider civil service initiatives that contribute to meeting the UK's carbon neutral targets by 2050.

In January 2021, the Board adopted a 10-point Action Plan proposed by staff-led network Greener GLD, which included actions to meet and exceed our Greening Government Commitments and to consider a sustainability audit.

In March 2022, the Government Internal Audit Agency produced a sustainability report following a review of sustainability within GLD. The report recommendations included: the recruitment and appointment of a sustainability lead; the development and adoption of a long-term sustainability strategy, and; regular sustainability reporting outside of the annual reporting cycle. GLD has since recruited a sustainability lead, there is work underway on improving and instituting regular sustainability reporting, and the Board has adopted a Sustainability Strategy 2023-2024 to mainstream sustainability into decision-making in GLD and enable GLD to do its utmost to be part of the solution to the climate and biodiversity loss crises in line with the

Government's commitment to be net zero by 2050.

GLD recognises that taking action related to sustainability is not only crucial to ensure that the Government meets its net zero objectives, but that it is a key priority for colleagues at every level. The staff-led Greener GLD Network is the largest staff network, whose aim is to work to instigate positive change at an individual, organisational and institutional level to combat the climate and biodiversity loss crises. GLD values and supports the work of the Greener GLD Network, and will continue to work closely with the Greener GLD Network to ensure that colleagues' sustainability-related concerns are taken into account as it works towards improving the sustainability of the organisation.

Scope of reporting

Performance reported is in line with the minimum reporting requirements for Greening Government Commitments (data for previous 4 years plus the 2017-18 baseline). Where a GGC measure is not applicable to GLD, this has been stated.

GLD is a minor tenant in all buildings occupied and therefore is not the key decision maker with regard to most areas covered by GGC. However, as in previous years, in excess of minimum reporting requirements, we have attempted to report data for the department's share of occupied buildings where that data is available.

Most data included is only available at a building level as there is not separate meterage in place for sub-tenants, so the data has been apportioned based on our occupation percentage. The only data included which is based on departmental actuals rather than an apportionment, is in respect of Scope 3 Emissions (expenditure on business travel) and paper consumption where records from our internal print room have been used.

The data reported covers occupancy at the GLD central London office 102 Petty France. Data hasn't been included for the GLD conference centre at Queen Anne's Gate, the GLD office space in Bristol, Croydon or our occupancy at Wellington Place in Leeds. GLD is a minor tenant in these buildings and therefore the major occupier/leaseholder should report data for these sites.

The following reporting areas set out in the minimum reporting requirements are not applicable to the department:

- Nature Recovery and Biodiversity action planning - no significant natural capital or landholdings are held.
- Sustainable Construction - no construction or refurbishment projects have been undertaken during the reporting period.
- Scope 1 Emissions (Direct) – GLD occupies shared buildings so energy usage is indirect under Scope 2.
- Travel Car Fleet – GLD does not own, hire or lease car fleets.

Waste minimisation and management		Baseline 2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Non-Financial Indicators (tonnes)	Non recycled	-	-	-	-	2	7
	Reused/recycled	105	88	164	35	6	45
	Energy recovery	25	25	36	6	1	1
	Total waste	130	113	200	41	9	53
Financial Indicators (£)	Total disposal cost	28,606	24,877	28,742	6,560	4,399	8,480

Performance commentary:

The GGC waste target is to reduce the overall amount of waste generated by 15% from the 2017-18 baseline.

Overall waste has been lower for 2022-23 primarily due to the reduced occupancy at our sites. Most waste is recycled.

Single Use Plastics: GLD does not run any catering establishments or consumer venues selling products which may include single use plastics; however, staff are able to use catering facilities provided in shared buildings. Recycling facilities are provided in GLD buildings.

Reducing Environmental Impacts from ICT and Digital: In 2022-23, GLD issued a 2 year contract with a contractor for ICT disposal, who are compliant with ISO14001 and WEEE directive 2006, and have also been accredited for their recycling facility which is fully accredited by the Environmental Agency and awarded a Distinction from

ADISA for the safe recycling of broken obsolete and unusable IT equipment. Since the contract has been let, GLD has disposed of 120 broken or obsolete monitors, numerous faulty keyboards, and mice, and had 476 items of IT equipment collected. Of this, the plastic material recycled was the equivalent of 67,000 plastic bottles, and recycling recovered 794 grams of lead and 1,340g of cadmium.

In 2022 GLD decided to offer retired laptops for resale to staff rather than issue for recycling and have already provided over 200 to staff. The department also embarked on regular business reviews with the managed printer service provider who now provide the department with sustainability reporting on items such as the number of toner cartridges sent for recycling, avoiding waste print and how that equates to water saved and CO2 saved.

Greenhouse Gas Emissions		Baseline					
		2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Non-Financial Indicators (tCO ₂ e)	Gross Emissions						
	Scope 2 - Energy	1,562	1,555	1,781	636	427	195
	indirect						
	Gross Emissions						
	Scope 3 - Official Business Travel	104	149	167	30	3	13
	Total Greenhouse Gas Emissions	1,666	1,704	1,948	666	430	208
Related Energy Consumption (KWh)	Electricity	2,572,766	2,615,646	4,086,100	2,206,899	1,211,498	1,005,904
	Gas	-	-	629,159	418,448	416,681	383,016
	Oil	826,235	688,232	219,684	-	-	-
	Total Expenditure on Energy	306,133	568,725	672,193	333,033	442,355	346,497
Financial Indicators (£)	Expenditure on official business travel	494,053	605,029	539,944	125,501	60,711	318,963

Performance commentary:

The GGC is to:

Reduce the overall greenhouse gas emissions from a 2017-18 baseline and also reduce direct greenhouse gas emissions from estate and operations from a 2017-18 baseline, working towards net zero by 2050.

Overall emissions (tCO₂e) have fallen 88% below baseline.

Finite Resource Consumption	Baseline 2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	
Non Financial Indicators	Water consumption (m³)	7,683	6,895	6,057	2,124	618	1,793
	Paper Consumption (A4 Reams)	27,881	31,365	12,255	1,949	2,785	5,829
Financial indicators (£)	Water Supply and Disposal Cost	17,511	15,759	10,916	5,642	3,944	1,228

Performance commentary:

The GGC targets are to:

- Reduce water consumption by at least 8% from the 2017-18 baseline
- There is a sub-target to reduce government's paper use by at least 50% from a 2017-18 baseline.

Paper consumption is 79% below the baseline due to staff making greater use of digital formats.

Water consumption is 77% below the baseline for 2017-18.

Sustainable procurement

The GGC also promotes the procurement of sustainable and efficient products whilst, reducing the impact of the supply chain on the environment. This includes embedding efficient procurement practices and improving and publishing data on supply chain impact.

The overall procurement strategy principally includes the use of Crown Commercial Service framework contracts and the department is subject to the Sustainability Policy that it operates.

GLD promotes sustainability in procurement by:

- working closely with its suppliers to improve sustainable processes and the use of products;
- buying products and services which are less environmentally damaging; for instance, the use of 'thin client' units which use less energy than conventional 'base unit' desktop computers;
- complying with environmental legislation and regulatory requirements including relevant environmental conditions or criteria in specifications and tender documents, and evaluating supplier offers accordingly; and
- raising awareness of environmental issues within the department, and amongst suppliers and contractors.

Glossary

AGO	Attorney General's Office
ARAC	Audit and Risk Committee
CETV	Cash Equivalent Transfer Value
CO	Cabinet Office
Defra	Department for Environment, Food and Rural Affairs
DEL	Departmental Expenditure Limit
DfT	Department for Transport
DHSC	Department for Health and Social Care
DIT	Department for International Trade
eKM	eKnowledge Management
FCDO	Foreign, Commonwealth and Development Office
GDPR	General Data Protection Regulations
GGC	Greening Government Commitments
GLD	Government Legal Department
GLP	Government Legal Profession
HMCPSP	His Majesty's Crown Prosecution Service Inspectorate
HMG	His Majesty's Government
HMRC	His Majesty's Revenue and Customs
HMT	His Majesty's Treasury
HR	Human Resources
ICT	Information and communications technology
Lexcel	Law Society's Practice Quality Mark
LION	Legal Information Online Network
MoJ	Ministry of Justice
NAO	National Audit Office
NED	Non-Executive Director

PSCPS	Principal Civil Service Pension Scheme
SCS	Senior Civil Service
SI	Statutory Instrument
WEEE	Waste Electrical and Electronic Equipment