

ANNUAL REPORT 2009/10

INDEPENDENT SELECTION
OF A MODERN JUDICIARY



JUDICIAL APPOINTMENTS COMMISSION
ANNUAL REPORT
AND ACCOUNTS
2009/10

Presented to Parliament pursuant to paragraphs 31(7) and 32(4) of Schedule 12 of the
Constitutional Reform Act 2005

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FOREWORD

This annual report shows that during 2009/10 the Judicial Appointments Commission (JAC) has consolidated its work and made progress on a number of fronts. During the year we handled over 3,000 applications, launched more selection exercises than last year and made almost 450 recommendations for appointment to the Lord Chancellor. We continue to receive few formal complaints and have maintained our record of none being fully upheld by the Judicial Appointments and Conduct Ombudsman. We have maximised efficiency in our operation and used limited resources effectively, reducing our spending by 7 per cent compared to last year.

We continue to refine our selection process in response to comments we receive from candidates and others. For example, we have improved the information provided to those who sit our qualifying tests this year by publishing general reports on our website with reasons why some do not succeed. Almost fifty per cent more candidates sat our tests in 2009/10 than last year. While there is widespread recognition that qualifying tests are a fairer, more evidence based and more efficient form of shortlisting compared to paper sifts, some continue to have reservations about their use.

We have maintained progress with regard to diversity. For example, our first set of Official Statistics showed that women comprised 54 per cent of those selected as fee paid Employment Judges this year, compared to



37 per cent in the eligible pool. 75 per cent of those selected in that exercise were solicitors, and the same proportions of those applying and successful were disabled people (6 per cent). 14 per cent of candidates selected for Recorder on the South Eastern Circuit this year were from a black or minority ethnic background – again, well above the eligible pool.

This year we have worked with the Ministry of Justice to produce a statistical analysis of the diversity of appointments over the last ten years. This is an important piece of work, providing a shared basis for future analysis and comparison. The results confirm an upward trend in the proportion of women applying and being successful for most posts since the creation of JAC, and good progress in the number of minority candidates applying, with appointments holding steady.

Barriers to greater judicial diversity are systemic and there are no silver bullets. This was confirmed by the report of the Lord Chancellor's Advisory Panel on Judicial Diversity. We are working with others to implement the report's recommendations. Joint working between the members of the JAC Diversity Forum, which comprises JAC Commissioners, the Ministry of Justice, the judiciary, the Bar Council, the Law Society and the Institute of Legal Executives (ILEX), the Attorney General's Office and the Legal Services Board, has led to effective collective action this year. It has also laid foundations for the future by identifying respective areas of responsibility and who needs to do what in order to speed up progress. The JAC's own work to raise awareness of opportunities for appointments, through targeted outreach, continues.

The JAC has a strong and cohesive Board, with effective joint working between its judicial, legal and lay members. A higher proportion of our staff are now employed directly by the JAC and we have achieved very positive staff survey results this year. This provides a strong platform for continuing progress and improvement, and for meeting the challenges of the next financial year. We have already reduced the cost of the selection

process, with a 20 per cent reduction in the cost of handling each application compared to the then Department for Constitutional Affairs (DCA), and also improved timeliness, achieving a 20 per cent reduction in the time taken to run a selection exercise, compared to the DCA.

The JAC has also brought other perhaps less tangible, but equally important benefits such as openness and accountability, which has enhanced the legitimacy of the selection process. This in turn reinforces the independence of the judiciary and enhances public confidence in the justice system. While such benefits are not easy to measure, against the background of economic austerity they can be easily underestimated.

All these achievements would not have been possible without the support and dedication of all the Commissioners and the staff. I should like to thank Heather Hallett, JAC Vice Chairman, and all the Commissioners for their deep commitment to the work of the JAC. I am grateful to the Chief Executive and all the staff for their hard work. I should also like to thank the Lord Chancellor, the Lord Chief Justice, the Senior President of Tribunals, the Bar Council, the Law Society and ILEX for their continued support.



Baroness Prashar
Chairman
Judicial Appointments Commission

PART 1: INTRODUCTION



THE COMPOSITION OF THE JUDICIAL APPOINTMENTS COMMISSION

The Judicial Appointments Commission (JAC) commenced operation in April 2006. It is an independent commission that selects candidates for judicial office in courts and tribunals in England and Wales, and for some tribunals whose jurisdiction extends to Scotland or Northern Ireland.

The JAC is an executive non-departmental public body, sponsored by the Ministry of Justice. Its aims and objectives are agreed with the Lord Chancellor and set out in its business plan.

As set out in the Constitutional Reform Act 2005 (CRA), the Commission must consist of a lay Chairman and 14 Commissioners. Of the Commissioners, there are five judicial members, one barrister, one solicitor, five lay members, one tribunal member and one lay justice member. Each Commissioner is appointed in his or her own right, not as a delegate or representative of his or her profession. Twelve Commissioners, including the Chairman, were selected through open competition and three by the Judges' Council.

The Commission has responsibility for ensuring that the JAC fulfils its role, achieving its aims and objectives and for promoting the efficient and effective use of staff and other resources. The Commissioners work closely with JAC staff, the Chief Executive and the four Directors. The JAC is the organisation as a whole and the Commission, comprising the 15 Commissioners, its board.

“The JAC has been a much needed change for the good. It has introduced modern, transparent methods of application and assessment for the judiciary. The changes have not always been easy, and there are improvements yet to be found, but the progress to date is to be applauded and should be nurtured by all those with an interest in creating an effective, open and independent judiciary.”

Grahame Aldous, Bar Council

The Commissioners



Baroness Prashar CBE (lay), Chairman

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



Lady Justice Hallett DBE (judicial), Vice-Chairman

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



Lady Justice Black DBE (judicial)

Jill Black was educated at Penrhos College, Colwyn Bay and the University of Durham. She was called to the Bar at Inner Temple in 1976 and appointed a QC in 1994. In 1999 she was appointed a Recorder, and later that year a Justice of the High Court, assigned to the Family Division. She served as Family Division Liaison Judge for the Northern Circuit from 2000 to 2004. Jill Black was Chairman of the Family Committee of the Judicial Studies Board from 2004 until she joined the JAC in 2008. She was appointed a Lord Justice of Appeal in June 2010.



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

Lorna Boreland-Kelly is a presiding magistrate at the City of Westminster Magistrates' Court, where she has been a magistrate since 1991. She is employed by the London Borough of Croydon as the Strategic Adviser of the Social Work Academy, Children, Young People and Learners. She is also the Chair of Governors at Lambeth College.



Professor Dame Hazel Genn DBE (lay)

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



Sir Geoffrey Inkin OBE (lay)

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



Judge Frances Kirkham (judicial)

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



Mr Edward Nally (professional – solicitor)

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



Ms Sara Nathan OBE (lay)

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



District Judge Charles Newman (judicial)

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



Judge David Pearl (tribunal)

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



Mr Francis Plowden (lay)

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



Ms Harriet Spicer (lay)

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



Mr Jonathan Sumption OBE QC (professional – barrister)

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



Lord Justice Toulson (judicial)

Roger Toulson was appointed a Lord Justice of Appeal in January 2007. He was Chairman of the Law Commission from 2002 to 2006.

THE ROLE OF THE JUDICIAL APPOINTMENTS COMMISSION

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

The Commission may be required to select a candidate for immediate appointment,¹ or to identify candidates for vacancies which will arise in the future.²

The JAC is sponsored by the Ministry of Justice and, when requested by the Lord Chancellor, makes selections for vacancies in courts and tribunals identified by Her Majesty's Courts Service and the Tribunals Service. A small number of selection exercises are run for tribunals that do not come within the Tribunals Service but are instead sponsored by a government department other than the Ministry of Justice.

The JAC selects one candidate for each vacancy and recommend that candidate to the Lord Chancellor. Because of the importance of judicial independence, Parliament limited the discretion of the Lord Chancellor. He can accept or reject a JAC recommendation, or ask the Commission to reconsider it. The reasons why the Lord Chancellor can reject a recommendation or ask for reconsideration are limited and he must provide an explanation if he takes this course.

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

In addition to its responsibility for making selections for judicial appointments, the JAC's concurrence is also required for appointments made by the Lord Chief Justice to the role of Deputy High Court Judge under section 9(1) of the Senior Courts Act 1981. In 2009/10 the Commission concurred with the nominations of 59 individuals.

The JAC's strategic objectives are:

- to select high quality candidates based on the selection exercise programme agreed with business partners;
- to develop fair, open and effective selection processes and to keep them under continuous review;
- to encourage a wider range of eligible candidates to apply; and
- to ensure that the JAC is fully equipped to carry out its statutory objectives and achieve continuous improvement.

Appendix A reports on performance against these objectives.

¹ Under section 87 of the CRA

² From lists created by the JAC under section 94 of the CRA

THE VALUES OF THE JUDICIAL APPOINTMENTS COMMISSION

Fairness We are objective in promoting equality of opportunity and we treat people with respect.

Professionalism We are committed to achieving excellence by working in accordance with the highest possible standards.

Clarity and openness We communicate in a clear and direct way.

Learning We strive for continuous improvement and welcome and encourage feedback.

Sensitivity We are considerate and responsive in dealing with people.

“The history of constitutional reform over the last thirteen years is a reminder that institutional innovation is never easy; yet, in so many ways, and within only four years, the Judicial Appointments Commission is already a success story.”

Graham Gee, University of Birmingham

OVERVIEW OF THE SELECTION PROCESS

The JAC selects candidates for judicial office on merit, through fair and open competition, from the widest range of eligible candidates.

Prior to October 2006 selections were made on the basis of the definition of merit applied by the former Department for Constitutional Affairs. The JAC made it an early priority to devise its own merit criteria and, since 31 October 2006, all selection exercises up to and including High Court level, have been based on the JAC's definition of merit.

The JAC defines merit in terms of qualities and related abilities. A core set was agreed following discussion with key interested parties and these are used as the basis on which recommendations are made.

The JAC's core qualities and abilities are set out below, these are adjusted as appropriate for different appointments.

Qualities and abilities

Intellectual capacity:

- High level of expertise in a chosen area or profession
- Ability to absorb and analyse information quickly
- Appropriate knowledge of the law and its underlying principles, or the ability to acquire this knowledge where necessary

Personal qualities:

- Integrity and independence of mind
- Sound judgement

- Decisiveness
- Objectivity
- Ability and willingness to learn and develop professionally

An ability to understand and deal fairly:

- Ability to treat everyone with respect and sensitivity, whatever their background
- Willingness to listen with patience and courtesy

Authority and communication skills:

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

Efficiency:

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

There is an increasing emphasis on the importance of leadership and management within a number of judicial roles. While leadership and management skills are currently assessed under the existing 'efficiency' quality, the JAC believe it is important for these now to be identified as a new, additional quality. This will provide candidates with a clearer picture of the skills required for a particular post, and provide an improved system for gathering evidence. This proposal has been discussed with key interested parties and has been well received.

Transferable skills

The JAC is committed to recommending candidates on merit and believes that transferable skills should form an important part of that judgement. A transferable skill is one which is relevant to the post being applied for but developed and demonstrated in a different (but relatively similar) context to that of the judicial office in question.

Those with transferable skills often come from backgrounds currently under-represented in the judiciary and can bring skills and experiences different from those offered by more traditional candidates. For example, a person who has displayed the ability to inspire respect and confidence as Chair of a Board may give examples drawn from chairing difficult meetings. To be successful in their applications individuals who have transferable skills should be able to import them into a new setting, although there may still be a need for some training to provide the candidate with the necessary information and support to adapt to the new environment.

The JAC wishes to encourage applications from suitably qualified candidates with transferable skills. It is working with key interested parties to identify these skills and is establishing a working group including representatives from the Ministry of Justice, HM Courts Service, the Tribunals Service and the Judicial Studies Board, to review how best to facilitate the successful appointment and deployment of such candidates.

“I am a Chartered Fellow of the Chartered Institute of Personnel and Development, and have worked on recruitment in the commercial, public and charity sectors. I have always been pleased to work for the Commission. I am always impressed by the degree of care and interest that is taken to consider all aspects of the work by selection exercise team members and Commissioners. I do not know of an organisation that has so utterly professional approaches to recruitment work.”

John Hinze, Independent member of a selection panel

What is the process for selecting candidates?

Early stages

The selection process typically starts when a vacancy request is received from the Lord Chancellor who must have consulted the Lord Chief Justice or the Senior President of Tribunals.

This includes minimum eligibility requirements for appointment laid down by statute and any non-statutory criteria applied additionally by the Lord Chancellor.

The JAC ensures the application form and accompanying information pack provide all that is required for each selection exercise. Prospective candidates can obtain a copy of the application form and information pack, which includes guidance on the selection process, by downloading them from the website or contacting the JAC.

Candidates can now submit their application forms online, as well as by email and in hard copy. Each application is checked to see whether the candidate meets the eligibility requirements.

Shortlisting

A shortlist of candidates who will go forward to the next stage of the selection process is made. Shortlists are created following either a qualifying test or a paper-based sift.

Qualifying tests provide objective evidence of candidates' abilities, whatever their specialism. The JAC uses qualifying tests for most selection exercises below the level of Senior Circuit Judge. Processes are tailored to each post, so a paper-based sift may be used if the number of vacancies or expected applicants

is small, or in other limited circumstances. For appointments made above Circuit Bench level, shortlisting is normally carried out by a paper sift based on self assessments and references.

- Qualifying test – this consists of a written paper which tests a number of the qualities and abilities required for judicial office, such as intellectual capacity and efficiency. Shortlisting is a competitive process, so the tests are designed to be challenging and include an element of time pressure. Qualifying tests do not have a pass mark; rather they identify those people to be invited to selection day. The JAC normally invites candidates to selection day in a ratio of between two and three candidates per vacancy.
- Paper-based sift – a panel typically consisting of a panel chair, judicial member and independent member assesses written evidence supplied by the candidate, and their references. The information is assessed against the qualities and abilities framework, and the candidates who best demonstrate these are invited to the next stage of the application process.

Experienced judges generally prepare, mark and moderate qualifying tests to ensure appropriateness and consistency. Tests are usually piloted both with people recently appointed to the role and people representative of likely suitable applicants. Before they are used in a live exercise, tests are equality proofed by independent experts and diversity representatives from the Law Society, Bar Council and the Institute of Legal Executives, to ensure that they are fair for all candidates.

“At every stage...people have provided assistance with good humour, patience and a fine balance of impartiality and encouragement.”

Anon, candidate District Judge selection exercise

References

The JAC uses references to gain a view of a candidate's past performance, experience, track record and suitability for appointment. The JAC uses two types of reference: JAC nominated and candidate nominated. The JAC nominated referees are tailored for each selection exercise. The generic title of the JAC nominated referee (either judicial or professional) is listed and the candidate is asked to supply the name and contact details. For example, if existing tribunal members apply, the JAC may ask the Chair or President of the relevant tribunal for a reference for those candidates. Candidate nominated referees are expected to have direct knowledge of either the professional or voluntary work of the candidate.

If a paper sift is used to shortlist candidates, references are normally taken up before the sift and are used in deciding the shortlist. If qualifying tests are used references are normally taken up after the test but before the selection day; they do not form a part of the shortlisting process.

Selection day

Shortlisted candidates are invited to a selection day, which may consist of an interview only (possibly including a presentation), or an interview and role-plays. These are conducted and assessed by a panel usually consisting of a panel chair, judicial member and independent member.

The role-plays, which are usually devised by judges or tribunal members, typically simulate a court or tribunal environment.

The candidate is asked to take on the role of the judicial office-holder. This gives candidates the opportunity to demonstrate that they have the required qualities and abilities, and whether they can perform under pressure.

Panel assessment

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

Statutory consultation

For all candidates likely to be considered for selection, the summary reports are sent to the Lord Chief Justice and to one other person who has held the post or has relevant experience – this is a requirement under the CRA. These 'statutory consultees' are asked to give a view on the suitability of each candidate so referred.

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

“ [The JAC] has been successful in developing a respected and independent method of appointing judges and has taken significant strides in its four years of existence.”

Robert Heslett, President of the Law Society

Selection

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

Checks

In accordance with the JAC's statutory duty the good character of the candidates is also assessed. Guidance to enable candidates to decide whether there is anything in their past conduct or present circumstances that would affect their application for judicial appointment is on the JAC website.

If the recommended candidate is an existing judicial office holder, the Office for Judicial Complaints is asked to check whether there are complaints outstanding against them. For other recommended candidates financial, criminal and professional background checks are carried out.

Quality assurance

Quality assurance measures are applied throughout the process to ensure that the proper procedures are applied and the highest standards are maintained.

The quality checks include:

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

Developments in the selection process

The development of the selection process included wide consultation with representatives of the legal profession, partners in the judiciary and the Ministry of Justice, including HM Courts Service and the Tribunals Service.

During 2009/10, the JAC has continued to improve the selection process, ensuring that the vast majority of exercises are completed to schedule. For example, it now undertakes an assessment of good character following selection day in parallel with the statutory consultation, rather than at the beginning of the process. This change was piloted on a number of exercises, before being introduced for all exercises during 2009/10.

Feedback report on the qualifying test

The JAC has responded to the comments it received from candidates following qualifying tests and, in particular, that they would welcome feedback on the tests. While the

number of applications received means that individual feedback cannot be provided to all those who sat a qualifying test, an overall feedback report has been published for candidates in the Recorder (Civil) qualifying test and the Deputy District Judge (Civil) qualifying test taken in December 2009 and January 2010, respectively.

This report is designed to help candidates understand what characterised a successful paper, and to consider that against their experience. The report provides general comment on how candidates performed. It includes identification and analysis of common problems and comment on each question as well as giving a broad indication of the general standard of test papers and the range and distribution of marks awarded.

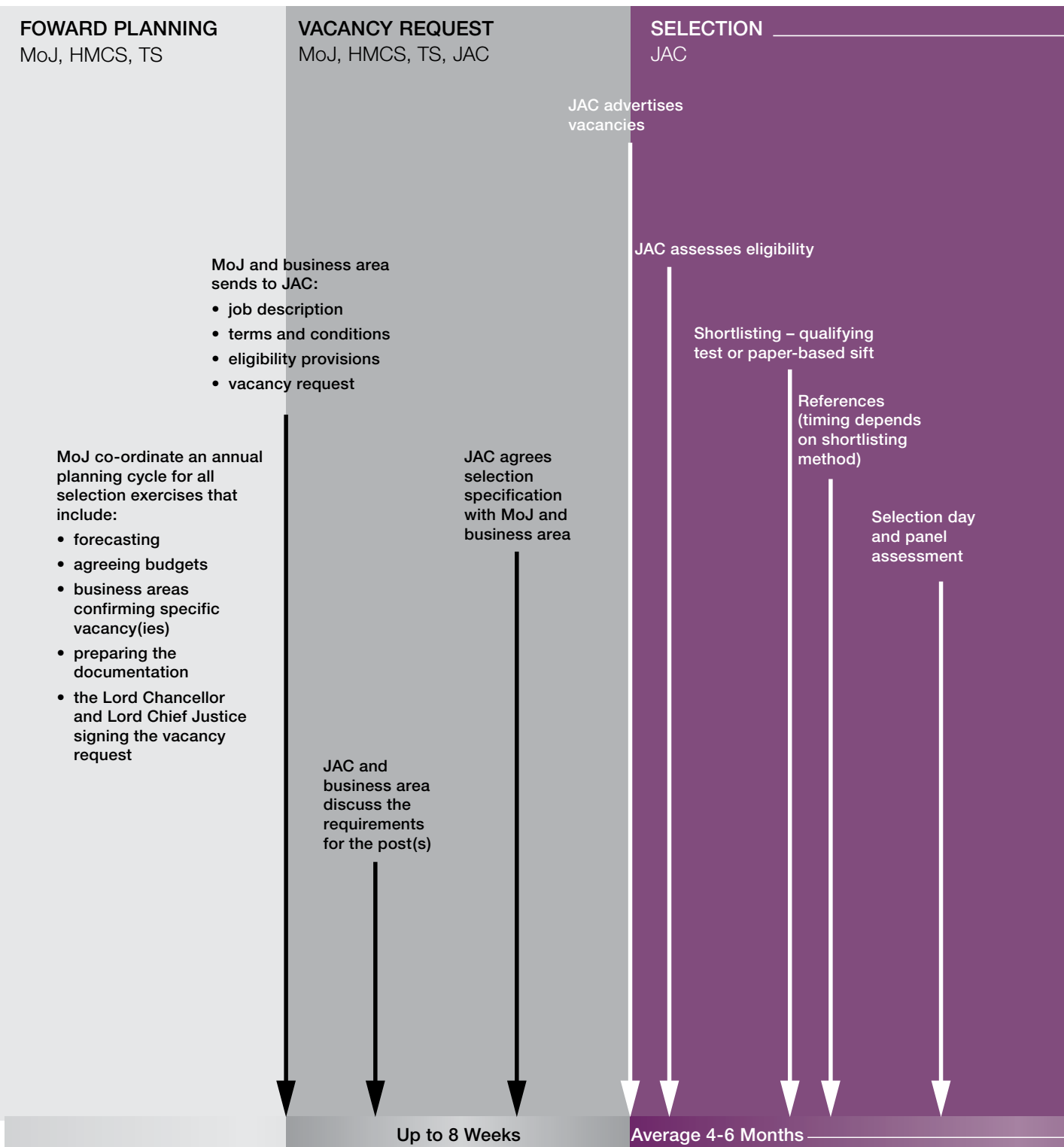
The reports produced so far have been well received and in future will be produced for all qualifying tests.

“This year’s intake of fee paid employment judges have been some of the best, and perhaps the very best we have ever had.”

David Latham (President of Employment Tribunals, England and Wales)

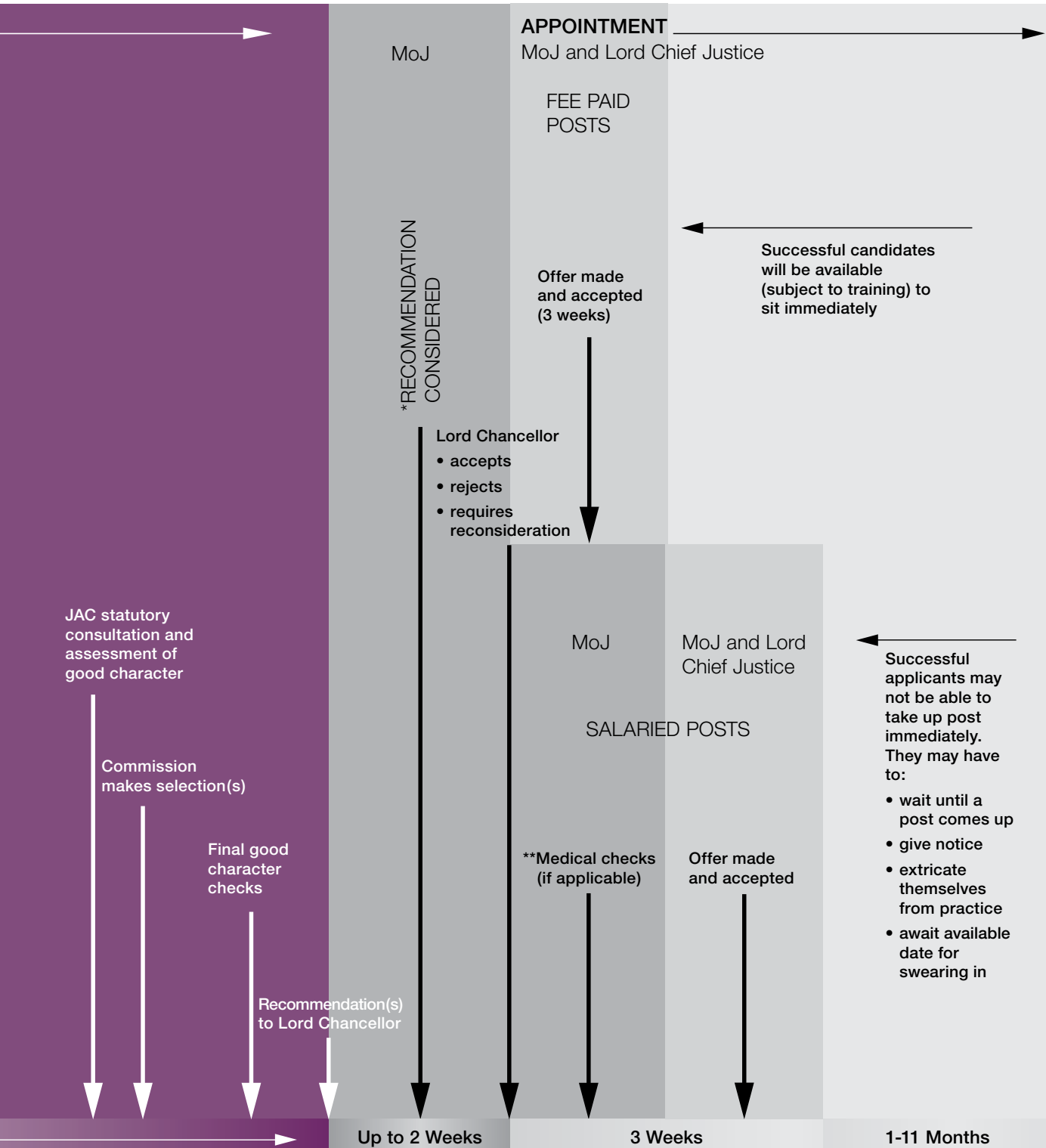
TIMELINE OF THE JUDICIAL APPOINTMENTS PROCESS

General guide to processes used in 2009/10 with indicative timeframes



* For some jurisdictions consultation with other Ministers will be required

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



PART 2:
PROGRESS AND
IMPROVEMENTS IN 2009/10



THE SELECTION EXERCISE PROGRAMME

The selection exercise programme is agreed with the Ministry of Justice at the start of every year. It is made up of selection exercises needed to fill the majority of judicial vacancies forecast by HM Courts Service, the Tribunals Service and a small number of other tribunals which are not overseen by the Ministry of Justice.

In addition to the 13 exercises in progress on 1 April 2009, the initial Ministry of Justice requirement at the beginning of 2009/10 planned for 20 exercises to launch during the year. By the end of 2009/10, two of the 20 new exercises were not required, four exercises had been rescheduled, and eight additional exercises had been added to the programme. Some of the exercises increased in size. In total, 26 exercises were launched in 2009/10.

The JAC worked closely with the Ministry of Justice, HM Courts Service and the Tribunals Service to respond to their emerging requirements, recognising that some changes during the year are inevitable. The Tribunals, Courts and Enforcement Act 2007 continues to have a significant impact on the work of the JAC and exercises have been adapted to select candidates for members of the Tribunals Service's new Chamber structure.

The JAC also conducted the first exercises open to applications from Fellows of the Institute of Legal Executives and worked with the Institute to encourage applications from candidates who judged themselves ready to apply.

Between 1 April 2009 and 31 March 2010, 25 selection exercises had been completed. On 1 April 2010, 14 were in progress for vacancies at High Court level and below. A total of 3,084 valid applications were received for the exercises completed in the year and 446 recommendations were sent to the Lord Chancellor for these exercises.

A three year programme

In consultation with the Ministry of Justice the JAC has developed a longer term programme of future selection exercises, which has now been published on the website, along with the detailed programme for the current year. This longer term programme provides an outline of the main exercises that will run over a three-year period beyond the current year. Producing this programme enables the JAC, the Ministry of Justice, HM Courts Service and the Tribunals Service to plan further ahead. It is also hoped that knowledge of the cycle of major selection exercises will help candidates plan the timing of their application for a judicial appointment with more certainty.

"I am delighted to hear that you will be publishing the selection exercises for the next three years. While I concur that there will sometimes be changes, I think this is an excellent opportunity for those candidates to prepare themselves for various selection exercises."

Judith Gordon-Nicholls, President, Institute of Legal Executives

SELECTION EXERCISES IN 2009/10

This table lists all the selection exercises that were completed during 2009/10 or were in progress at the end of the year.

In progress on 1 April 2009	Completed in 2009/10	In progress on 31 March 2010
Fee paid Deputy Chairman of the Copyright Tribunal	Fee paid Deputy Chairman of the Copyright Tribunal	
Fee paid Vice-President of the Valuation Tribunal for England	Fee paid Vice-President of the Valuation Tribunal for England	
District Judge (Civil)	District Judge (Civil)	
Regional Chairmen of Employment Tribunals	Regional Chairmen of Employment Tribunals	
Fee paid Legal Chairman of the Employment Tribunals	Fee paid Legal Chairman of the Employment Tribunals	
Salaried Legal Chairman of the Employment Tribunals	Salaried Legal Chairman of the Employment Tribunals	
Recorder (South Eastern Circuit)	Recorder (South Eastern Circuit)	
President of the War Pensions and Armed Forces Compensation Chamber and President of the Lands Chamber (Tribunals)	President of the War Pensions and Armed Forces Compensation Chamber and President of the Lands Chamber (Tribunals)	
Senior Circuit Judge (Resident Judge) Western Circuit and Midland Circuit	Senior Circuit Judge (Resident Judge) Western Circuit and Midland Circuit	
Senior Circuit Judge (Resident Judge) Western Circuit (Salisbury)	Senior Circuit Judge (Resident Judge) Western Circuit (Salisbury)	
Salaried Judge of the First-tier Tribunal (Social Entitlement Chamber)	Salaried Judge of the First-tier Tribunal (Social Entitlement Chamber)	
Deputy Chamber Presidents of the Health, Education and Social Care Chamber	Deputy Chamber Presidents of the Health, Education and Social Care Chamber	
Fee paid Member (Disability) of the Social Entitlement Chamber of the First-tier Tribunal	Fee paid Member (Disability) of the Social Entitlement Chamber of the First-tier Tribunal	
	Fee paid Member of the Social Entitlement Chamber – (Medically Qualified: Expert)	
	Fee paid Member of the Social Entitlement Chamber – (Medically Qualified: Non-Specialist)	
	Fee paid Chairman of the Competition Appeal Tribunal	
	Agricultural Land Tribunals, England (Lay Panel Member: Drainage)	
	Agricultural Land Tribunals, Wales (Lay Panel Member: Drainage)	

■ Selection exercises in 2009/10

In progress on 1 April 2009	Completed in 2009/10	In progress on 31 March 2010
	Agricultural Land Tribunals, England (Lay Panel Member: Landowner)	
	Agricultural Land Tribunals, Wales (Lay Panel Member: Landowner)	
	Agricultural Land Tribunals, England (Lay Panel Member: Farmer)	
	Agricultural Land Tribunals, Wales (Lay Panel Member: Farmer)	
	First-tier Tribunal, Health, Education and Social Care Chamber, Salaried Judge	
	Master of the Queen's Bench Division	
	First-tier Tribunal, Health, Education and Social Care Chamber, Salaried Tribunal Member (Specialist Medical)	
		Deputy District Judge (Civil)
		Recorder (Civil)
		Fee paid Deputy Judge of the Upper Tribunal, Asylum and Immigration
		Taxing Masters of the Senior Courts (known as Costs Judges)
		Fee paid Tribunal Member (Specialist Medical) of the First-tier Tribunal Health, Education and Social Care Chamber (Mental Health)
		Fee paid Tribunal Member of the MHRT for Wales (Specialist Medical)
		Salaried Immigration Judge, Immigration and Asylum Tribunal of the First-tier Chamber
		Senior Circuit Judge: Specialist Senior Circuit Judge (Chancery), Midland Circuit; Designated Civil Judge, North Eastern Circuit; and Designated Civil Judge, Northern Circuit
		Fee paid Employment Judge of the Employment Tribunal
		Specialist Circuit Judge – Judge of the Patents County Court
		Fee paid Chairman of the Copyright Tribunal
		High Court Judge
		Regional Employment Judge of the Employment Tribunals
		Circuit Judge

RUNNING THE SELECTION EXERCISES IN 2009/10

The number of exercises completed in 2009/10 for positions at High Court level and below was higher than the previous year (25 completed in 2009/10 compared with 24 in 2008/09), although the total number of applications for exercises completed during the year decreased slightly, from over 3,500 in 2008/09 to 3,084 in 2009/10. The number of recommendations made remained steady with 449 made in 2008/09 and 446 made in 2009/10.

Work on selection exercises this year included:

- Recorder (South Eastern Circuit) exercise – 982 applications for 128 posts;
- District Judge (Civil) exercise – 505 applications for 81 posts;
- Fee paid Judge, Employment Tribunal - 624 applications for 36 posts.

The number of applications received for an exercise is a major factor determining activity and cost for the JAC. The candidates' details are entered into a database and their eligibility for the post is checked. Every eligible candidate then proceeds to shortlisting stage.

During 2009/10, the JAC ran qualifying tests for seven exercises (including some ongoing at the end of the year), which involved administering tests for almost 3,900 candidates, a 50% increase on 2008/09.

The JAC has continued to improve the running of its selection processes. This has been done by adopting new arrangements for the qualifying test and using resources more flexibly. The JAC conducted a successful tendering process to use private sector testing facilities for selection exercises that involve a large number of candidates sitting a test. This enabled the JAC to provide tests in more locations, offering candidates a greater choice

of location and timing, and the ability to run the tests on a single day, which increases certainty around the security of the test material. Provided sufficient resources are available, the JAC wishes to move towards online testing to increase flexibility and confidentiality for candidates.

During the year, the Lord Chancellor asked for reconsideration of one recommendation. On reconsideration the recommendation was confirmed and was subsequently accepted by the Lord Chancellor.

Senior appointments

The CRA prescribes the membership of the panels for selection for offices above High Court level. For the posts specified below, when a vacancy arises the Lord Chancellor must consult the Lord Chief Justice before making a request to the Commission to convene a panel (as a committee of the Commission) to make a selection. Membership of the panels convened to make selections for senior appointments this year are outlined below.

Senior appointments selection panels determine the processes they will follow, make a selection, and report to the Lord Chancellor, who can then accept the selection, reject it or require the panel to reconsider. If practicable, the panel must consult the current holder of the office for which a selection is being made.

There were a number of selections made for senior appointments during 2009/10 and these are listed below:

Court of Appeal

The membership of the panel for selecting members for the Court of Appeal is specified in section 80 of the CRA. Three Lords Justices of Appeal were appointed in 2009/10. For these appointments, the panels comprised the Lord Chief Justice as chairman, a second senior judicial member designated by the Lord Chief Justice, the JAC Chairman and a lay Commissioner of the JAC.

Heads of Division

The membership of the selection panel for Heads of Division is laid down in section 71 of the CRA. Two appointments were made in 2009/10, for which the panels comprised the President of the Supreme Court, the Lord Chief Justice, the JAC Chairman and a lay Commissioner of the JAC.

Complaints

The JAC complaints procedure is set out fully on its website. The procedure is intended to be clear and provide an efficient service to those who contact the organisation with a complaint. The information explains to candidates how they can make a complaint, the timescales and how to proceed if they wish to take matters further. Applicants are told that, if they are invited to a selection day but are then unsuccessful, they may wish to request a written explanation of their performance before deciding whether or not to complain.

All complaints are acknowledged in writing within two working days of receipt and the complainant is informed that the JAC aims to respond within 20 working days. If this deadline cannot be met, the complainant is informed of the reasons why and told when they can expect to receive the full reply.

The Director of Operational Services arranges for all complaints to be investigated by a member of staff who was not involved in the matter. Decisions are based on all the available evidence and responses include the nature, background and facts of the complaint, and the results of the investigation. The conclusions and reasoning behind the decision are clearly laid out.

Since the JAC began operation, 1.13 per cent of applications received for selection exercises have led to a complaint. During 2009/10, 53 complaints were received. Of these 45 were responded to within 20 working days, the others requiring investigation over a longer time frame. Three complaints were partially upheld by the JAC and an apology was issued to the candidates. All three related to the standard of service. For example, on one occasion there was a long delay in issuing a written explanation following the selection day. One complaint was fully upheld and the decision not to invite the complainant to a selection day was reversed.

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

Investigations by the Ombudsman are taken very seriously. The JAC has a commitment to review procedures or policies in the light of any recommendation for improvement identified in an Ombudsman's report. 24 complaints relating to JAC selection exercises were referred to the Ombudsman in 2009/10. At the year end eight were still under investigation but of the other 16, none were upheld. Since the creation of the JAC in 2006 one complaint has been partially upheld by the Ombudsman.

Information and data security

Candidate and referee confidentiality are very important to the JAC and the organisation has taken steps to try to make sure that information given to it remains secure. All staff undertake mandatory training on how to handle information and data as part of their induction and annually thereafter.

The Cabinet Office set out core mandatory measures in their data handling review in 2008. The JAC ensures it complies with these through rigorous procedures which are reported in the Statement on Internal Control and in the Chief Executive's report to the Ministry of Justice, which are approved by the JAC's Audit and Risk Committee.

SUCCESSFUL CANDIDATE EXPERIENCES

Keith Cutler



Senior Circuit Judge

Senior Circuit Judges are expected to carry out the full duties of a Circuit Judge together with additional leadership and administrative duties. They are also expected to hear particularly demanding or specialist cases.

'I didn't think about becoming a judge until quite a way into my career – as a barrister it was always my ambition to be a QC! But my family and I live just north of Salisbury and I didn't want to be in London and away from them. I became a Circuit Judge at 46 and when the Winchester and Salisbury circuits joined last year, my post became a Senior one and had to be advertised through the JAC. A qualifying test wasn't part of the recruitment process for this post but I had an interview with Baroness Prashar and two others where I had to talk about the challenges that would face the new Senior Circuit Judge.

Preparing for that interview took me a good two or three days. There are 25 miles between the two cities and two separate Criminal Justice Agencies to deal with, so there were plenty of challenges to talk about. There's a big leap between being a Circuit Judge and a Senior Circuit Judge – it's not just the difference between being called 'my Lord' and 'your Honour'. With murder cases come complications and sadness. It wasn't something I'd done before so I had nothing to prove I would do a good job, but I think I have.

Being a judge is a great privilege and fantastically rewarding. As well as my day job I am Junior Vice President of the Council of Circuit Judges, a member of the Judges Council and a member of the European Network of Judges' Councils. As chair of the Judges' Council media panel I also have to be available to be called on by the Judicial Communications Office at short notice. The other day I had a BBC car outside my house at 8am waiting to interview me! Luckily though I like being so busy and thoroughly enjoy my life.'

Mark Hinchliffe



Deputy President of the Health, Education and Social Care Chamber of the First-tier Tribunal

The Health, Education and Social Care Chamber of the First-tier Tribunal brings together the former jurisdictions of the Mental Health Review Tribunal for England, the Special Educational Needs and Disability Tribunal for England and the Care Standards Tribunal.

'I became a judge because I wanted to make the right decisions, based on evidence. It is very different to being an advocate, where every situation is win or lose.

I remember my first interview in 1990 (in the pre-JAC days), for a part time immigration adjudicator position. It was in a little room in a tower at the Houses of Parliament and I'd found out about the job by simply writing to the Lord Chancellor and asking! I was 34 at the time and my first sitting day was on my 35th birthday, which was the minimum age to be a judge at the time. After that I gradually took on more part-time fee-paid positions until I started my present role as Deputy Chamber President for the Health, Education and Social Care Chamber.

The JAC does what it says on the tin – judges are now appointed solely on merit. Five years ago I don't think I'd have got a look in to be a judge. Now it's a much more egalitarian process and a level playing field. Because of my background of starting out as a solicitor, in the North of England, I felt like an outsider but was never treated as one.

To prepare for my presentation as part of my selection process I read everything the JAC produced on how to give yourself the best chance. It was very clear that what was wanted was practical, example based lines so that's what I thought about. I had also been director of tribunals training at the Judicial Services Board for two years so I had lots of experience in public speaking.

I'd like other people from non-conventional backgrounds to have faith in the system and apply. I am so pleased that I decided to 'give it a go' because I love my job. No-one can take appointment for granted any more and that's how it should be.'

Sherrilyn Warren



Salaried Employment Judge

Employment Judges sit throughout England and Wales, and are assigned by the President to sit in a particular region. The Employment Tribunals determine disputes between employers and employees over employment rights.

'I've wanted to be a judge since I was a child, but joining the Crown Prosecution Service meant that being a criminal judge was no longer an option – working as a solicitor for the CPS precluded it. I did some thinking in my thirties and realised that my position as a team leader dealing with management and HR issues may make me eligible to be an employment judge. I did that part-time for six years and then applied for and was appointed to the role I have now.'

The guidance for the selection process was very clear on what to expect. I took time to prepare, and treated the test like an exam. I gave myself about six days to look at statutes and case law. I went back to basics and it was hard work.

My tip for getting through would be not to assume that just because you're an experienced lawyer, you will be appointed. Show that you can think objectively, quickly and fairly and communicate in straightforward terms. Think outside of your current role – as an advocate you use your personality and as a judge you don't – you need to be 100 per cent objective. Also, you're dealing with people and their feelings, so compassion and a degree of empathy are essential.

Right now, I couldn't be happier! I work in three different hearing centres as part of a team of 18 Employment Tribunal judges in Birmingham. The atmosphere is supportive and collegiate and we get on well. It's more than a job and everything I dreamed of. It's intellectually challenging, not only from a legal perspective but from a human one. I'm where I want to be.'

Nicholas Parfitt



District Judge

District Judges are full-time judges who deal with the majority of cases in the county courts. The work of district judges involves a wide spectrum of civil and family law cases such as claims for damages and injunctions, possession proceedings against mortgage borrowers and property tenants, divorces, child proceedings, domestic violence injunctions and insolvency proceedings.

'I had been a barrister for about 16 years when I decided to apply for judicial appointment. I realised that being a judge could be a role I would enjoy when I was doing jury service, this gave me the experience of listening to advocates rather than being one. At the same time I happened to see the JAC's advert for a role as District Judge.

After submitting my application I was invited to sit a qualifying test. There was a lot to cover in the time available but I found it enjoyable. Considering and answering the test questions confirmed my interest in becoming a judge. Before my interview I discussed it with someone who had recently been in a similar situation as the last interview I did was for pupillage. I found the whole selection process very engaging.

I started sitting in March and so far it has been everything I was hoping for. It is different to my role in practice and I enjoy the exposure I get to a much wider range of people and problems, all of which make it a very rewarding position.'

Gabrielle Jan Posner



Crown Court Recorder

The position of Recorder is a fee paid post sitting for between 15 and 30 days a year. The post is broadly similar in jurisdiction to that of a Circuit Judge, but generally handling less serious and complex cases. Recordership has often been the first step on the judicial ladder to appointment to the Circuit Bench.

'I've practised as a barrister specialising in family law for over twenty years, and have always wanted to be a judge. When some family Recorderships opened up for the first time a few years ago, I applied and although I made it to the last stage, I wasn't appointed.

I was quite disheartened and felt that if I couldn't make it now, at this point in my career, I would never make it. But my friend, who is a Circuit Judge, told me that I shouldn't be put off from applying again and that I should consider applying to sit in crime and treat this as a new challenge.

When some further appointments came up I applied for a criminal Recordership. I spent a week work shadowing at Wood Green Crown Court in order to improve my understanding of what is involved.

I got together with a friend who was also applying and we sat the past test papers which we had downloaded from the JAC website, under proper examination conditions. We were really strict with ourselves and had to dredge up our exam skills from our A-levels thirty years previously. For the application form itself, I used as many practical examples as I could and because I was applying in a different field from my own, I focused on my capacity to learn as well as my experience.

Everybody at the JAC was helpful, approachable and willing to give advice. I had a number of questions about the mechanics of the application form and everyone I spoke to was very happy to help me.

I was absolutely delighted to get my appointment. I'm glad that I broadened my aspirations and tried for something out of my own area. The training I received was excellent. I was apprehensive about sitting in court for the first time alone, but my adrenaline kicked in and everything seemed to come together. I'd say that as long as you think clearly and prepare well, you'll be fine!

Krishan Aggarwal



Rajeev Aggarwal



Medical Members, Social Entitlement Chamber of the First-tier Tribunal

The Social Entitlement Chamber was set up as a part of the restructured Tribunals Service in November 2008. Registered medical practitioners sit as judicial members to help determine appeals against decisions of government departments relating to disability, capability for work, industrial accident and disease benefit claims.

'My brother and I are newly appointed Medical Members of the Social Entitlement Chamber of the First-tier Tribunal.

My father has been involved with medical tribunals as far back as I can recall and he has always thoroughly enjoyed his work. The work is extremely important. Individuals must be given the opportunity to appeal against the decision given by the Department for Work and Pensions. The appeals service is independent and has a fresh look at that decision. It is crucial for the panel to reach a fair verdict in the interest of justice.

With regards to the application and selection process, I found it a very fair process and the training courses since have been excellent.

Being a GP is a very rewarding profession. I think my work as a medical member will be equally enjoyable and satisfying. I look forward to embarking on this new career.'

'I chose medicine as I feel I can make a difference to people's lives. General Practice was an obvious career choice, as I enjoy the variety of work, the patient contact and I love the autonomy.

As a medical member, I have the opportunity to improve patients' quality of life through helping them to receive the Disability Living Allowance they deserve. An award can supplement their lifestyle, allowing them to be a little 'more comfortable' and I feel privileged to be able to help with that. Along with the patients themselves, it is a great opportunity to meet other medical and legal members.

My brother and I often heard our father talk about his work as a medical member when we were children so that is how the avenue presented itself.

I have few fears about starting as I have a reasonable idea of what is expected of me. Twelve years of General Practice is a good starting block! The training courses have been excellent in content and organisation. Becoming a medical member has not just added another string to my bow; it adds another dimension to my career, a new and different challenge.'

REACHING A WIDER AUDIENCE

The JAC has a statutory duty to ‘have regard to the need to encourage diversity in the range of persons available for selection for appointments’.³ Resources are therefore directed at attracting more high quality candidates from under-represented groups, specifically women, black and minority ethnic candidates, candidates with a disability and solicitors.

The JAC is committed to creating a more diverse judiciary of the highest quality. Its sharply focused diversity strategy continues to work through three strands:

- fair and non-discriminatory selection processes;
- advertising and outreach; and
- working with others to break down barriers outside the JAC’s control.

Fair and non-discriminatory selection processes

The JAC is committed to selecting the best candidates from a wide range of applicants. That requires a selection process that is open, scrupulously fair and which identifies the most meritorious to recommend for appointment. The JAC’s five qualities and abilities form its definition of merit and are regularly reviewed.

Robust quality assurance processes are vital for ensuring fairness. Selection materials are checked by an independent diversity consultant, as well as representatives from the Law Society, Bar Council and, where appropriate, the Institute of Legal Executives to prevent bias. In 2009/10, 36 formal equality proofing sessions were carried out on exercises with qualifying tests or role-plays launching in the year, covering 13 relevant exercises.

At the application, shortlisting and recommendation stages of the selection process the progression of the four target groups is monitored for any evidence of unfairness. The JAC’s Reasonable Adjustments Policy is designed to make the selection process as accessible as possible to candidates with a disability and to meet the requirements of the Disability Discrimination Acts 1995 and 2005. It has been highly praised, by the Royal National Institute for Blind People among others. In 2009/10, reasonable adjustments were made on 112 occasions.

The JAC does all it can to challenge non-statutory minimum entry requirements applied by the Lord Chancellor where it believes these will unnecessarily restrict the diversity of applicants, while ensuring recommendations still meet business needs. The JAC encourages salaried part-time working to be made available as much as possible, as research⁴ has shown that a lack of part-time working can act as a disincentive to potential applicants, including for those from under-represented groups.

³ Section 64(1) Constitutional Reform Act 2005

⁴ *Barriers to Application*, BMRB, June 2009

Advertising and Outreach

The JAC complies with its statutory duty to encourage strong applications from the widest range of eligible candidates in a number of ways.

Advertisements

Over the year the JAC has advertised in over 40 different newspapers, magazines and websites. *The Times*, *Law Society Gazette* and *Counsel* remain important avenues to reach candidates, and have been supplemented by a range of other print and online media. The JAC has developed a network of partners who circulate advertisements to their members at no cost to the JAC, and their continued support is appreciated.

In 2009/10, advertising was split between selection exercise-specific advertisements seeking applications for particular roles, and generic advertising to highlight the longer term programme on the website, to challenge stereotypes about the judiciary and to test new routes to reach a wider range of candidates. This included placing advertisements both in national and specialist legal titles where the JAC does not usually advertise, and on a professional services website, 'LinkedIn', to test whether using established online professional networks can be an effective way to reach a wider eligible audience. LinkedIn for example has over 13,000 lawyers registered and active on its site.

Media

The JAC has continued to boost awareness and understanding of judicial vacancies and the selection process through, for example, articles which help dispel myths that exist around the selection process.

A new website

In June 2009 the JAC website was re-launched to offer better information and support to candidates. The new site draws on the findings of independent research commissioned by the JAC and feedback received from potential candidates and key interested parties. Overall, the level of traffic to the site has increased with much of the new content regularly receiving high numbers of visitors.

The findings of research into *Barriers to Application*, conducted for the JAC by the British Market Research Bureau and published in June 2009, highlighted areas where the legal profession felt it needed to be better informed, including the judicial opportunities available and how to take advantage of them. The new JAC website supplies the answers to questions that candidates and potential candidates regularly ask, and offers the information and insight they need to apply for the right post at the right time in their careers. The site contains tips on completing the application form, choosing referees and preparing for qualifying tests as well as examples of the tests and feedback reports.

The home page now prominently features both current and forthcoming selection exercises alongside case studies of successful applicants for judicial office from a wide variety of backgrounds. This growing collection of case studies of judges includes Ray Singh, a solicitor in Bradford for over two decades, appointed a Recorder on the Northern Circuit in 2009; Marion Rickman, who applied to the JAC to become one of the first salaried judges of the new First-tier Tribunal of the Health, Education and Social Care Chamber; and several High Court Judges (including a former academic and a former solicitor).

“The new JAC website is dripping with guidance and advice.”

James Wakefield, Bar Course Director, Bar Standards Board

The site also has a film of a role-play exercise from a selection day, using an actor in place of the candidate. The film is an example of what a candidate can expect on a selection day and is not an example of candidate best practice. The film was developed with the Law Society and the Black Solicitors Network in response to requests from candidates who lacked direct court experience and were seeking clarification about this aspect of the process. It was viewed almost 1,000 times in the first week it was available.

All information for candidates is now available on the website. It is increasingly replacing printed material, making it quicker and easier to update, and saving on print production costs.

Judging Your Future

The JAC monthly e-newsletter, *Judging Your Future*, has been redesigned and now contains more links to the improved material on the website. The number of people requesting the newsletter has increased over the course of the year and it is used to offer tips on applying as well as highlighting candidate seminars and forthcoming vacancies.

Vacancy alerts

The new vacancy alert tool allows potential candidates to sign up for email alerts for any of the forthcoming judicial vacancies that interest them in the selection exercise programme for the next year or in the three year programme.

Once that exercise launches, they receive an email letting them know it is time to apply. This feature was first mentioned in *Judging Your Future* in June 2009 and over the course of the year over 10,000 people have signed up.

Candidate seminars

The JAC has worked with partners to host or attend 40 seminars and exhibitions for potential candidates this year. Following overwhelmingly positive feedback from key interested parties and candidates in 2008/09, the policy of providing tailored events for individual organisations has continued. These seminars remain a vital way to reach prospective candidates.

Of these 40 seminars and exhibitions, 31 were targeted specifically to lawyers from one of the JAC's target under-represented groups, and these were attended by around 1,200 people, with 99 per cent providing positive feedback. These included events with the Law Society, the Association of Women Solicitors, the Lawyers with Disabilities Division and the Black Solicitors Network, as well as the first seminars for regional law societies in Manchester, Liverpool, Birmingham and West London. The JAC also worked with the Institute of Legal Executives to host five workshops for their members across the country, and attended their annual conference in March 2010. Contributions were made once again to other major conferences, such as the Minority Lawyers' Conference and the Bar Conference.

“You really cleared up a lot of misunderstandings for me. I thought there was no point applying because I’m a female solicitor/criminal specialist ... thank you for rescuing me.”

Delegate, Law Society, Bristol February 2010

Other events

As well as participating in almost all candidate seminars, Commissioners spoke at engagements throughout the year, including for the College of Law, the Law Society of Wales and the Bar Circuit Leaders. Commissioner Roger Toulson gave the Plymouth Pilgrim Fathers Lecture on the constitutional importance of judicial independence and the JAC's role. A number of overseas visitors, keen to learn about JAC processes, were hosted, including delegations from South Korea, Malaysia, India, Kyrgyzstan and Russia.

Working with others to break down barriers

For its first four years the JAC worked together with the Ministry of Justice and the judiciary through the Trilateral Diversity Strategy. In 2009 the Lord Chancellor appointed an Advisory Panel on Judicial Diversity, chaired by Baroness Neuberger. The JAC provided information and analysis as the Panel undertook its work. The Panel's report in February 2010 confirmed the JAC's view that many of the barriers to greater judicial diversity are systemic. It found that sustained progress on judicial diversity requires a fundamental shift in approach from a focus on selection processes towards a legal and judicial career structure that addresses diversity at every stage.

The report made 53 recommendations, including that the trilateral arrangement be extended to include the leaders of the legal profession. This approach builds on the work of the JAC Diversity Forum and the findings of the *Barriers to Application* research. The Chairman of the JAC is a member of the new taskforce and will be working with others to consider and implement the recommendations.

In July 2009 the JAC Diversity Forum held a seminar and invited representatives from a wide range of organisations with an interest in diversity to consider the results of the JAC's research into barriers to application and to promote creative thinking on judicial diversity. That seminar produced an action plan to be implemented by members which the Forum has been overseeing. Updates on its progress appear on the JAC website.

The JAC has also worked with the Bar Council's circuit diversity mentors this year to increase their understanding of the selection processes, thus enabling them to provide barristers with well-informed advice and encouragement.

Statistics and research

In April 2009, the JAC was designated a producer of Official Statistics under the Statistics and Registration Services Act 2007. Results of all selection exercises completed since 1 April 2009 will be released in accordance with the Code of Practice on Official Statistics published by the UK Statistics Authority. In February 2010 the JAC published its first Official Statistics Bulletin, reporting on the results of selection exercises for the first half of 2009/10.

In addition, the JAC and the Ministry of Justice have jointly produced an analysis of the diversity trends in judicial appointments since 1998 to place current work in context and enable plans to be made with the best information available.

Progress

Official Statistics show the progress that is being made towards a more diverse judiciary. For example, in the selection exercise for Recorders for the South Eastern Circuit, 31 per cent of applicants were women, and they made up 37 per cent of those selected. 14 per cent of applicants and 13 per cent of those selected were from a BME background, both well above the proportion of BME and women lawyers in the pool eligible to apply.

The JAC is conscious that there is more work to do. Solicitors still apply in fewer numbers than desired, and women and BME candidates are not as successful for more senior positions as they are for entry level posts. That is due in large part to the structure of the legal profession, and retention and progression remain important issues to be addressed by the profession.

JUDICIAL APPOINTMENTS COMMISSION STAFF AND ORGANISATION

JAC staff work in partnership with the Chairman and other Commissioners, who are the Board of the JAC. The JAC is committed to ensuring that staff are supported and have the appropriate skills, knowledge and experience for the administration of the selection exercises, policy development, outreach activities and corporate services that are key to achieving the organisation's aims and objectives.

The JAC has continued to increase the number of directly employed staff, so reducing the need to rely on staff seconded or loaned from other government departments. During 2009/10 there was an average of 105 full-time equivalent staff (excluding Commissioners and panel members). As at 31 March 2010, 79 staff (75%) were direct employees of the JAC.

The JAC is committed to equal opportunities and to ensuring that everyone who works for or with the JAC should be treated fairly and with respect. The organisation promotes the benefits of a range of staff networks and has an active staff forum.

JAC staff organised and were involved in charitable activities such as a sponsored 10km run, a London to France bike ride and cake sales throughout the year. Staff nominate a charity to benefit from money raised by JAC charity events; in the first part of 2009/10 this was St Christopher's Hospice and is now Cancer Research UK.

The efforts of the JAC's former Deputy Director for Corporate Resources were recognised by the Government Finance Profession, who awarded him their 'Personality of the Year Award' – the only award which did not go to a central government department.

Staff engagement

The opinions of staff were surveyed during December 2009. The 82 per cent response rate was well above the national average across government departments. The overall engagement score – 68 per cent – exceeded the high performing civil service benchmark. This survey was developed with the assistance of the survey contractors (ORC International), and using the factors that drive engagement described in David MacLeod and Nita Clarke's report to Government *Engaging for Success – enhancing performance through employee engagement*.

The JAC recognises that it always needs to make continuous improvement and listen to staff feedback. That will help the JAC to build on the positive aspects of the survey and, with support from the staff forum, it will also help in the development of action plans for further improvement.

Staff responsibilities are clearly defined. They provide challenging individual objectives, which are aligned to overall corporate objectives. Regular feedback is encouraged which is aimed at providing staff with information on how they are doing as well as recognising and rewarding success. In return, staff are expected to take responsibility for their actions, learn from things that go well and to recognise where improvements and efficiencies can be made.

Staff sickness absence levels have fallen significantly to an average of 6.3 days per full-time equivalent member of staff in 2009/10. This was below the target of 7.5 days set out in the JAC's *2009/10 Business and Corporate Plan* and compares to a public sector average of 9.8 days.⁵ This has been the result of careful monitoring of sickness absence trends, conducting regular return to work interviews, while also offering the support of occupational health and employee welfare services to staff who have illnesses. Individuals returning from sick absence can be supported by a phased return to work. The JAC continue to manage this carefully with a view to achieving further reductions, while recognising that in a relatively small organisation average figures are susceptible to distortion by one or two individuals with serious health issues.

Developing the JAC's staff

New staff are carefully inducted into the JAC, and where relevant, are trained in selection exercise processes. The JAC induction manual is available on the intranet for all new staff. The manual contains a checklist which assists both managers and staff, ensuring that important points are explained. The manual and induction process are reviewed regularly, and feedback is received from new staff on how their induction was managed so that good practice can be developed.

There is a training programme for staff covering all aspects of the JAC's role in selecting judges. Training materials are available on the JAC's intranet and with the support of a coach (an experienced member of staff) staff can learn at their own pace. As well as providing training on the key aspects of work, there is also a range of development courses which enable staff to enhance their overall skills and knowledge. All staff undertake training on information assurance to ensure they understand information risk-related policies and procedures, and handle information accordingly. Health and safety training is provided for all managers and relevant staff.

A new intranet

In late 2009 a new intranet was launched, using the website as the template to ensure costs were kept low. This key internal business tool is now more accessible to all staff, intuitive to use, comprehensive and up-to-date. It is the main vehicle for communicating all relevant information inexpensively, ensuring staff have the knowledge they need to perform effectively.

⁵ Chartered Institute of Personnel and Development data, cited *Benchmarking the Back Office: Central Government* (<http://www.hmg.gov.uk/media/52718/benchmarkingthebackoffice.pdf>) p.22

Organisation structure

During 2009/10 a number of efficiencies were made, including changes to the organisational structure, notably a move from five to four directorates. This has resulted in pay cost savings. The functions of the Corporate Resources Directorate, such as finance, business services and HR were distributed within the remaining four directorates.

The Courts Appointments Directorate and Tribunals Appointments and Corporate Accounting Directorate manage selection exercises with the latter also having responsibility for finance and corporate

reporting. The Operational Services Directorate provides help to candidates and support to the teams that run exercises. It manages the overall selection exercise programme and oversees IT, business services and HR. The Strategy and Outreach Directorate develops and implements changes in the selection process, promotes diversity and runs outreach events.

The JAC is managed by its leadership team, comprising the Chief Executive and four Directors. They work closely with the Chairman, Commissioners, and their working groups and committees.



Chief Executive

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



Director of Courts Appointments

Jane Andrews joined the JAC from HM Revenue and Customs in September 2007. She has a background as a tax specialist, and more recently in organisational change management. She has also worked for the NHS Ombudsman.



Director of Tribunals Appointments and Corporate Accounting

Sarah Gane joined the JAC in March 2009. She was previously head of the Tribunals Services Administrative Support Centres in Leicestershire. Alongside managing the day-to-day running of the centres she also provided the jurisdictional lead on asylum and immigration and mental health for the Tribunals Service. This included experience in forecasting judicial requirements and assigning new judges into the Tribunals business.



Director of Strategy and Outreach

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



Director of Operational Services

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

PART 3:
ANNUAL ACCOUNTS
2009/10



DIRECTORS' REPORT

Introduction

The Judicial Appointments Commission (JAC) commenced operation on 3 April 2006, as part of the changes brought about by the *Constitutional Reform Act 2005* (see *Part 1: Introduction* for more details). For the purposes of this report, directors are defined as those who influence the decisions of the JAC as a whole, including Commissioners and the Leadership Team. Commissioners and members of the Leadership Team who served during 2009/10 are set out in the Remuneration Report, page 48.

Statement of the accounts

The financial statements for the period 1 April 2009 to 31 March 2010 have been prepared in a form directed by the Lord Chancellor with the approval of the Treasury in accordance with paragraph 31(2) of Schedule 12 to the Act.

Equal opportunities and diversity

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

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

Employee involvement and wellbeing

The JAC works directly with staff through regular team meetings between directors and team leaders, and between team leaders and staff. In addition, each directorate holds a meeting for all their staff, where information from Commission meetings and Leadership Team meetings is discussed. All staff are encouraged to ask about organisational issues and how these relate to themselves and their work.

We have taken the opportunity this year to re-style the JAC's internal intranet. This has made it easier to communicate more readily with staff and allows information to be retained for reference.

Our *Health and Safety Policy*, and responsibilities as set out in the *Statement of Intent* is published on our intranet for staff. The JAC Commissioners were additionally alerted to the *Statement of Intent* and how health and safety procedures affect them.

We communicate other health and safety information to staff through the intranet and by notices. Members of the Leadership team attended training in Safety for Senior Executives and we provided dedicated health and safety training for Managers at Grade 7 and Senior Executive Officer level. A number of staff attended manual handling training. The JAC has sufficient trained first aiders and fire wardens in place. Each Directorate has trained health and safety co-ordinators who meet regularly with the Competent Person as a working group, to identify issues and review progress. The JAC Assistant Director, Business Services, chairs a quarterly Health and Safety Building Committee, as well as attending the MoJ Corporate Health and Safety Committee meeting every quarter. There was one reportable health and safety incident during the year in the JAC's Steel House premises involving a fall on the stairs, resulting in a broken wrist and three further incidents.

In November 2008 the JAC set up a Staff Forum comprising up to ten staff representatives from all parts of the organisation. The Forum's aim is to make use of the diverse experience and expertise of JAC staff to improve our performance and working life. This includes establishing and managing a staff suggestion scheme, providing advice on staff opinion surveys and promoting good practice and successes. The Forum meets regularly, including a six-monthly meeting with the Leadership team to discuss relevant issues.

As mentioned on Page 39, the JAC surveys the opinions of staff annually and establishes realistic plans to tackle areas of concern.

Timeliness in paying bills

The JAC aims to pay all properly authorised and undisputed invoices in accordance with contractual conditions or, where no such conditions exist, within 30 days of the presentation of a valid invoice. For the financial year 2009/10, 95% (2008/09: 96%) of invoices were paid within this timescale, based on the start of processing at our accounting services provider. No interest was paid under the Late Payment of Commercial Debts (Interest) Act 1998.

Pension liabilities

Details regarding the treatment of pension liabilities are set out in notes 1f and 3 to the financial statements, pages 64 to 66.

Significant outside interests

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

Auditors

Under paragraph 31(7) Schedule 12 of the Constitutional Reform Act 2005, the Commission's external auditor is the Comptroller and Auditor General. The cost of the audit is disclosed in note 4 to the financial statements, page 67, and relates solely to statutory audit work.

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

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

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

Events after the reporting period

Events after the reporting period, of which there are none, are set out in note 15 to the financial statements, page 70.

Likely future business developments

Likely future developments and how they will affect our business are set out in the management commentary, page 46.

MANAGEMENT COMMENTARY

Financial review

Accounting standards

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

Commentary on the accounts

In 2009/10 the JAC was asked to make a similar number of selections as in 2008/09 and this was achieved with a reduced allocation. The Net Expenditure Account shows that net expenditure for the year was £9,880k compared with £10,557k the previous year, a 6.4 per cent decrease. Operating charges (including the costs of panellists, accommodation and IT for qualifying tests, and actors for role-plays) decreased by £12k (0.5 per cent) and employment costs reduced by £500k (8.4 per cent), resulting from organisational changes following staff departures.

The make-up of employment costs also reflects more staff coming on to the JAC payroll, through direct employment, switching from secondment to loan, and an increase in fixed term contracts, with a sharp decline in the number of other contracted staff.

In response to a request by MoJ we agreed to 'hand-back' £43k, although, in the event, this was not used by MoJ. The JAC therefore monitored its spend against a revised allocation of £7,567k, rather than the original grant-in-aid allocation of £7,610k. Total expenditure, with 'soft' and non-cash charges excluded, was £7,534k and therefore our underspend against this revised amount was £33k (0.4 per cent).

The JAC continues to make extensive use of shared services for central functions, offered by the MoJ, to benefit from economies of scale. These costs are generally 'soft' charged, with no funds exchanged, although some are 'hard' charged. Further details of the 'soft' charges may be found in note 5 to the financial statements.

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

Development and performance

Overview of the year

As described in Part 2, the JAC completed 25 exercises in 2009/10, with a further 14 continuing into 2010/11. The JAC made 446 selections in 2009/10 a similar number to the previous year. During 2009/10, the JAC ran seven selection exercises that included qualifying tests for almost 3,900 candidates (this includes some exercises launched in 2008/09 and other exercises not yet completed), a third more than the previous year.

The JAC has continued to improve its selection processes and ensure that these deliver good value for money. Provided sufficient resources are available the JAC wishes to move towards online testing to increase flexibility and confidentiality for candidates.

We have delivered fair and non-discriminatory selection processes and worked with others to encourage more diverse selections. In 2009/10 the JAC continued to work with partners through the JAC Diversity Forum to encourage a collective approach to diversity. The JAC will play a key role in the Judicial Diversity Taskforce, set up in March 2010 by the Lord Chancellor following the report of the Advisory Panel on Judicial Diversity.

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

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

There were no losses of personal data during the year (Nil in 2008/09).

Progress in relation to corporate objectives

For further details of the progress made by the JAC against the strategic objectives set out in the 2009/10 Business Plan, see Appendix A: *JAC Annual Performance Summary 2009/10*.

Forward look and future developments

The level of grant-in-aid provided by MoJ will decrease from £7.610m in 2009/10 to £6.860m in 2010/11. *The Business Plan 2010/11* gives further details of the JAC's objectives for the year ahead and how these will be achieved.

The JAC will contribute to the consideration of any legislation dealing with judicial appointments that may be introduced by the new Lord Chancellor and Coalition Government.

Principal risks

The principal risks for the JAC are set out in the corporate risk register and have been explained fully in the Statement on Internal Control on pages 56 to 57.

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

Going concern

The Net Expenditure Account shows a deficit in 2009/10. Due to grant-in-aid funding the Statement of Financial Position at 31 March 2010 shows an excess of assets over liabilities of £86k

We know of no intention to suspend the JAC's activities, which has been confirmed by MoJ. It has therefore been considered appropriate to adopt a going concern basis for the preparation of these financial statements. Grant-in-aid for 2010/11, taking into account the amounts required to meet the JAC's liabilities, has already been included in the departmental estimate.

International Financial Reporting Standards

The JAC, as with all Government bodies has implemented International Financial Reporting Standards (IFRS) from 2009/10. This was achieved through a series of Trigger Points that were established by HM Treasury. The JAC prepared well for this transition and met the Trigger Points. IFRS has not had a material impact on the JAC, but the comparative figures if they have changed have been restated.

Environmental, social and community matters

JAC staff are encouraged to be conscious of sustainability and energy-saving issues. Two members of staff have volunteered as Green Champions working with the MoJ Sustainability team and promoting good practice via the intranet. For example, bins are prominent for recycling paper, plastics and cans. Printers are set up to default to double-sided printing and PCs and monitors are checked to ensure they are switched off when not in use.

Staff supported a local charity, St. Christopher's Hospice, to December 2009 after which their support was changed to Cancer Research UK, based on a poll of staff. In addition to organising a range of social events for staff, the JAC Social Committee also undertakes some fundraising activities such as cake and book sales with the proceeds going to charity.

REMUNERATION REPORT

This Remuneration Report has been prepared in accordance with Chapter 6 of the Companies Act 2006 as interpreted for the public sector context. It summarises JAC policy on remuneration as it relates to Commissioners and members of the Leadership Team.

The two principal features of this report are:

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

Remuneration policy

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

Leadership Team

Members of the Leadership Team are public servants on fixed term contracts, or are civil servants seconded to the JAC from the MoJ, the Home Office and Her Majesty's Revenue & Customs. The terms and conditions of their appointments, including termination payments, are governed by their contracts. The Leadership Team during 2009/10 and details of their contracts are set out on Page 51.

The remuneration of senior civil servants, which the JAC also applies to public servants at that level, is set by the Prime Minister following independent advice from the Review Body on Senior Salaries. The Review Body also advises the Prime Minister from time to time on the pay and pensions of Members of Parliament and their allowances; on peers' allowances; and on the pay and pensions and allowances of ministers and others whose pay

is determined by the Ministerial and Other Salaries Act 1975. In reaching its recommendations, the Review Body is to have regard to the following considerations:

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

Service contracts

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

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

Further information about the work of the Civil Service Commissioners can be found at www.civilservicecommissioners.gov.uk.

Panel Chairs and Panellists

The JAC has also appointed panel chairs and independent panellists. Panel chairs and panellists are used when required to assess candidates, with panel chairs providing a summary report for Commissioners on candidates' suitability for selection. These panel chairs and panellists are

paid a fee for each day worked and are entitled to reimbursement for travel and subsistence. The taxation on such expenses is borne by the JAC, as agreed by HM Revenue and Customs. They do not have any pension entitlements.

Commissioners

Commissioners are appointed for fixed terms in accordance with Schedule 12 of the Constitutional Reform Act 2005. No Commissioner may serve for periods (whether or not consecutive) for longer than 10 years. Commissioners are public appointees, and they provide strategic direction to the JAC and

select candidates for recommendation for judicial office to the Lord Chancellor.

Commissioners, excluding the Chairman and those who are members of the judiciary, are paid an annual fee of £12,180 (£12,000 in 2008/09) in respect of three days' service a month. The fee is neither performance-related nor pensionable. If Commissioners work additional days, these are paid at £406 per day. Any increase in the level of fees is at the discretion of the Lord Chancellor. Commissioners who are in salaried state employment, including judges, receive no additional pay for their work for the JAC.

The members of the Commission during 2009/10 and details of their appointments are set out below.

	Date of appointment	Length of term
Chairman Baroness Prashar CBE	12/09/2005	5 years
Commissioners		
Mrs Justice Black DBE (joined 01/10/08)	01/10/2008	5 years
Dame Lorna Boreland-Kelly DBE JP FRSA	01/02/2006	5 years
Professor Dame Hazel Genn DBE	01/02/2010	1 year *
Lady Justice Hallett DBE	01/02/2006	5 years
Sir Geoffrey Inkin OBE	01/02/2010	1 year *
Judge Frances Kirkham	01/02/2010	1 year *
Mr Edward Nally	01/02/2010	1 year *
Ms Sara Nathan OBE	01/02/2010	1 year *
Judge Charles Newman	01/02/2006	5 years
Judge David Pearl	01/02/2006	5 years
Mr Francis Plowden	01/02/2006	5 years
Ms Harriet Spicer	01/02/2006	5 years
Mr Jonathan Sumption OBE QC	01/02/2006	5 years
Lord Justice Toulson	01/10/2007	5 years

* Contracts were extended on 1st February 2010 for a further year. The majority of Commissioners' contracts now terminate on 31st January 2011.

Commissioners' remuneration

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

			2009/10	2008/09
	Remuneration £000	Expenses £000	Total £000	Total £000
Mrs Justice Black DBE (joined 01/10/08)	-	-	-	-
Dame Lorna Boreland-Kelly DBE JP FRSA	14	1	15	28
Professor Dame Hazel Genn DBE	15	-	15	16
Lady Justice Hallett DBE	-	-	-	-
Sir Geoffrey Inkin OBE	11	4	15	20
Judge Frances Kirkham	-	-	-	-
Mr Edward Nally	12	4	16	25
Ms Sara Nathan OBE	13	-	13	17
Judge Charles Newman	-	-	-	-
Judge David Pearl	-	-	-	-
Mr Francis Plowden	13	-	13	14
Ms Harriet Spicer	13	-	13	12
Mr Jonathan Sumption OBE QC	11	-	11	12
Lord Justice Toulson	-	-	-	-
Total	102	9	111	144

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

Expenses and Benefits in kind

Commissioners may be reimbursed for their travel and subsistence costs in attending Commission business if the cost of their journey is greater than what they would otherwise incur with their other employment. Since non-judicial Commissioners are deemed to be employees of the JAC, the amounts of these reimbursements are treated as benefits in kind and are disclosed in the table above. The taxation on such expenses is borne by the JAC. There are no other benefits in kind.

Staff

Towards the end of 2007/08 the JAC developed its own terms and conditions for its staff, and has been working to move staff who were on secondment from other government departments to the JAC. For a breakdown of average staff numbers see note 3 to the accounts.

Appointments

The members of the Leadership Team during 2009/10 and details of their appointments are set out below:

		Date of appointment	Contract	Leaving date
Chief Executive	Clare Pelham	07/02/2006	Secondment: 5 years 9 months	
Directors:				
Operational Services	John Rodley	04/02/2009	Fixed Term Contract: 4 years	
Courts Appointments	Jane Andrews	17/09/2007	Secondment: 4 years	
Tribunals Appointments	Sarah Gane	30/03/2009	Fixed Term Contract: 4 years	
Strategy and Outreach	Nigel Reeder	31/03/2008	Secondment: 4 years	
Corporate Resources	Sue Martin	20/08/2007	Secondment: 4 years	05 /10/2009

Remuneration of Leadership Team, including the Chairman

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

	2009/10		2008/09	
	Salary £000	Benefits in kind (to nearest £100)	Salary £000	Benefits in kind (to nearest £100)
Baroness Prashar	95-100	-	90-95	-
Clare Pelham	115-120	-	100-105	-
John Rodley	75-80	-	10-15 ³	-
Jane Andrews	90-95	-	85-90	-
Sarah Gane	70-75 ¹	-	0-5 ⁴	-
Nigel Reeder	65-70	-	60-65	-
Sue Martin	35-40 ²	-	75-80	-
David Truscott	-	-	15-20 ⁵	-

Notes:

¹ Figure includes bonus from previous employment

² Figure quoted is for 1 April 2009 to 5 October 2009. The full-year equivalent is in the range £75-80k

³ Figure quoted is for 4 February 2009 to 31 March 2009. The full year equivalent is in the range £75-80k

⁴ Figure quoted is for 30 March 2009 to 31 March 2009. The full year equivalent is in the range £65-70k

⁵ Figure quoted is for 1 April 2008 to 30 June 2008. The full year equivalent is in the range £70-75k

Salary includes gross salary; performance pay or bonuses; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This presentation is based on the cash payments made in the year by the JAC.

Benefits in kind

Leadership Team members have no entitlement to benefits in kind. In 2009/10 no member of the Leadership Team received any benefits in kind

Pension entitlements

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

Pension Benefits

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

	Total accrued pension at pension age as at 31/03/2010 and related lump sum	Real increase in pension and related lump sum at pension age	*CETV at 31/03/10	CETV at 31/03/09	Real increase in CETV	Employer Contribution to partnership pension account
	£000	£000	£000	£000	£000	£000
Baroness Prashar	10-15 plus Lump sum 40-45	0-2.5 plus Lump sum 2.5-5	327	291	36	-
Clare Pelham	35-40 plus Lump sum 110-115	2.5-5 plus Lump sum 7.5-10	660	578	44	-
John Rodley	0-5 plus Lump sum 0-5	0-2.5 plus Lump sum 0-2.5	32	4	18	-
Jane Andrews	30-35 plus Lump sum 90-95	2.5-5 plus Lump sum 7.5-10	540	472	36	-
Sarah Gane	15-20 plus Lump sum 45-50	2.5-5 plus Lump sum 12.5-15	228	147	71	-
Nigel Reeder	25-30 plus Lump sum 80-85	0-2.5 plus Lump sum 2.5-5	536	484	26	-
Sue Martin	25-30 plus Lump sum 75-80	0-2.5 plus Lump sum 2.5-5	**469	416	17	-

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

** Relates to CETV at leaving date.

A cash equivalent transfer value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time.

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

Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July

2007, civil and public servants may be in one of four defined benefit schemes: either a final salary scheme (**classic, premium or classic plus**) or a whole career scheme (**nuvos**). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under **classic, premium, classic plus** and **nuvos** are increased annually in line with changes in the Retail Prices Index (RPI). Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (**partnership** pension account).

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

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

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

Further details about the Civil Service pension arrangements can be found at the website www.civilservice-pensions.gov.uk.

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 within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

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

Signed on behalf of the Judicial Appointments Commission



Clare Pelham
Chief Executive
Judicial Appointments Commission
7 July 2010



Baroness Prashar
Chairman
Judicial Appointments Commission
7 July 2010

STATEMENT OF ACCOUNTING OFFICER'S RESPONSIBILITIES

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

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

- observe the Accounts Direction issued by the Lord Chancellor including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;

- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government *Financial Reporting Manual* have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis.

The Accounting Officer of the Ministry of Justice has designated the Chief Executive as Accounting Officer of the JAC. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the JAC's assets, are set out in *Managing Public Money* published by HM Treasury.

STATEMENT ON INTERNAL CONTROL

Scope of responsibility

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

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the JAC's policies, aims and objectives; to evaluate the likelihood of those risks being realised and the impact should they be realised; and to manage the risks efficiently, effectively and economically. The system of internal control has been in place in the JAC for the year ended 31 March 2010 and up to the date of the approval of the annual report and accounts, and accords with HM Treasury guidance.

Capacity to handle risk

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

management of the risk management and internal control systems, and have responsibility to delegate specific corporate risks to Directors as appropriate. All managers have responsibility for the effective management of operational risks that may impact on the efficient and effective achievement of our objectives.

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

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

The risk and control framework

The JAC's Risk Policy and Framework defines what is meant by risk and risk management, outlines the key principles underpinning the JAC's approach to risk management and explains the risk management processes and the roles and responsibilities of staff. The Framework aims to achieve best value for money in delivering services, by balancing the costs and benefits of either reducing or accepting those risks that have been highlighted. Key to this is the need to identify those strategic risks that threaten to impact on the successful delivery of the JAC's corporate objectives. These may be risks to the JAC's reputation, business operations, programmes or activity associated with business innovation or development. The JAC has a medium to low risk appetite.

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

New or emerging risks are identified throughout the year. The Leadership team assesses the corporate risk register on a quarterly basis. In addition, risk is also discussed monthly as a standing governance item at Leadership meetings where significant issues may also feed into updates to the Corporate Risk Register. The Leadership team always considers risks when decisions are taken or as the risk environment changes. We follow the guidance in HM Treasury's *Orange book*, with risks evaluated in terms of their impact on corporate objectives and likelihood of occurrence. The most appropriate response to that risk is then identified. Risks that have high impact and high likelihood are given the highest priority.

The strategic risks that make up the Corporate Risk Register as at the date these accounts are authorised for issue are listed below. As mentioned above, these risks and their ratings are considered on a quarterly basis with new actions added to record the progress made in mitigating the risks.

1. **IT and web-based application systems**
The JAC relies on IT for the successful delivery of selection exercises and because of this IT failures are seen as the most significant risk. To mitigate these risks the organisation has

agreed a Memorandum of Understanding and service level agreement with our service providers and has completed additional staff training to deal with the most common IT issues. Penetration testing, to evaluate the security of our systems and applications, was completed in May 2010 and this revealed security weaknesses in the data base and the web based application, which have been reported to the MoJ Senior Information Risk Owner (SIRO). A business case was also prepared to provide a more reliable and robust system able to cope with future demands. We were informed on 14 June 2010, by the Ministry of Justice that as our contribution to the savings that must be achieved, it would not be appropriate to submit the business case at this time. A letter has been sent to the MoJ ICT Director stressing the need for improved support of existing systems, including rectification of the issues arising from penetration testing, because these systems will be required for significantly longer than had been hoped.

2. **Information security**
The loss of sensitive data is a key risk with the potential to impact on candidates, undermine confidence in the JAC and adversely affect the organisation's reputation. The JAC mitigates this risk through staff training and guidance, evaluating any necessary departure from standard procedures and working with our partners to ensure the need for confidentiality is reflected beyond the JAC.
3. **Government and/or legislation**
Potential for significant legislation, following the general election, and the pending review of JAC processes has the possibility of having a major effect on the structure and delivery of JAC operations. This risk is mitigated by working closely with the MoJ and through membership of working groups to ensure that the organisation is at the forefront of any new proposals.
4. **Resources**
Insufficient resources will have a serious impact on our capability to deliver our selection exercise programme. We mitigate this risk by closely monitoring and reviewing budgets and conducting an efficiency programme to look at where costs can be reduced. The level of resources for 2010/11 are now expected to be more stable. We will be considering future years in light of the forthcoming spending review.

5. **Selection Exercise Programme**
Risks to the selection exercise programme include higher than anticipated application numbers, IT issues and inaccurate vacancy forecasting by partners. These risks can adversely affect the organisation's ability to deliver selection exercises in a timely manner. These risks are mitigated through close liaison with our partners, particularly with regard to accurate forecasting and emerging requirements, longer term planning, effective outreach to attract candidates only when they are ready and a flexible workforce to deal with peaks in activity.
6. **Litigation**
The JAC is at risk from some candidates pursuing litigation against the organisation which can lead to a disruption to the Selection Exercise Process and reputational damage. We mitigate this risk in a variety of ways including regular testing of our processes, staff training and continued outreach with the aim of dispelling myths about our processes. For example, we have responded to candidate concerns about a lack of feedback of the qualifying test stage, and now publish feedback reports following each qualifying test. We have also worked with the Law Society and Black Solicitors Network to prepare a role-play video to help demystify that part of the selection process. We are working with Key Interested Parties (KIPs) to further improve the way role-plays are conducted.
7. **Progression of target group candidates**
The JAC has a statutory duty to have regard to the need to widen the pool of candidates available for selection. If the JAC does not have this regard it could hamper progress towards a more diverse judiciary, to which the JAC is committed as a matter of policy. Targeted outreach, working with partners to break down barriers to applicants and a new role play video are among the strands of work which are proving to be effective controls in mitigating this risk.
8. **Confidence in Selection**
The JAC faces the risk that our KIPs' confidence in selection is not sustained. This could lead to a lack of support and the possible reduction in the ability to attract good quality candidates. This risk is mitigated by holding regular meetings with our KIPs to discuss matters of mutual interest, continued outreach to get our message across and ensuring our website is fully updated with information on the selection process.

9. **Knowledge/direction loss**
The risk that strategic or key skills are lost would have a serious impact on the JAC delivering its key objectives. This risk is mitigated by maintaining a Business Continuity Plan, placing our process and induction manuals on the Intranet and an audit of staff training to ensure that knowledge is shared and that training is available. Furthermore, senior staff have a three month resignation period built into their contracts.

The JAC assurance process is an integral part of the risk and control processes. Directors are required to sign assurance statements at the start of each year or on appointment, where they sign up to their responsibilities for risk management and internal control. These are followed by mid and end-year assurance statements. Directors are required to involve their teams in this process so that a full picture emerges across the organisation.

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

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

In addition, Directors who are responsible for systems which support operational directorates are required to complete a statement to make assurances relating to the central support given for areas such as financial management and HR.

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

The active role played by Leadership in managing, developing and embedding risk management within the JAC and the full involvement of staff at all levels were key to the achievement of the 'relatively high assurance' rating given by MoJ Internal Audit for our governance, risk management and control arrangements. Furthermore the Annual Report from the Head of Internal Audit reflects well on the organisation and the view of Internal Audit is that the JAC is a well controlled and risk aware organisation.

Review of effectiveness

As Accounting Officer and Chairman of the JAC, we have joint responsibility for reviewing the effectiveness of the system of internal control. Our review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within the JAC who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their reports.

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

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

- Audit and Risk Committee – the Committee comprises the Chairman (a Commissioner) and three other Commissioners. The Committee meets four times a year and advises us on the adequacy and effectiveness of risk management and internal control, including the strategic risk register processes. The Committee also assesses the internal and external audit activity plans and the results of that activity; and
- Internal Audit – the JAC uses the MoJ's Internal Audit service under a shared service agreement. The service operates to Government Internal Audit Standards and submits regular reports, which include the Head of Internal Audit's annual independent opinion on the adequacy and effectiveness of the arrangements for risk management, control and governance, together with recommendations for improvement.

We are able to confirm that there have been no significant internal control issues in the JAC up to 31 March 2010 and up to the date of this report.

Signed on behalf of the Judicial Appointments Commission



Clare Pelham
Chief Executive
Judicial Appointments Commission
7 July 2010



Baroness Prashar
Chairman
Judicial Appointments Commission
7 July 2010

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

I certify that I have audited the financial statements of the Judicial Appointments Commission for the year ended 31 March 2010 under the Constitutional Reform Act 2005. These comprise the Net Expenditure Account, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

Respective responsibilities of the Accounting Officer and auditor

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

Scope of the Audit of the Financial Statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Judicial Appointments Commission's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Judicial Appointments Commission; and the overall presentation of the financial statements.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the expenditure and income reported in the

financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Opinion on Regularity

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

Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Judicial Appointments Commission's affairs as at 31 March 2010 and of its net expenditure, changes in taxpayers' equity and cash flows for the year then ended; and
- the financial statements have been properly prepared in accordance with the Constitutional Reform Act 2005 and directions issued thereunder by the Lord Chancellor with the approval of HM Treasury.

Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Constitutional Reform Act 2005 and directions issued thereunder by the Lord Chancellor with the approval of HM Treasury; and
- the information given in the Directors' Report, Management Commentary, Judicial Appointments Commission Staff and Organisation and JAC Annual Performance Summary 2009/10 for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I report by exception

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

- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records or returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Statement on Internal Control does not reflect compliance with HM Treasury's guidance.

Report

I have no observations to make on these financial statements.

Amyas CE Morse

Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London SW1W 9SP
13 July 2010

FINANCIAL STATEMENTS

Net Expenditure Account

for the year ended 31 March 2010

	Note	2009/10 £000	2008/09 *Restated £000
Expenditure			
Staff costs	3	5,442	5,942
Other Expenditure	4	2,207	2,219
Services and facilities provided by sponsoring department	5	2,231	2,396
Net expenditure		9,880	10,557
Cost of capital credit		(47)	(54)
Net Expenditure after cost of capital credit		9,833	10,503

The notes on pages 64 to 70 form part of these accounts. All expenditure is derived from continuing operations.

* Some prior year comparatives have been restated as a result of the change from UK to International Financial Reporting Standards.

Statement of Financial Position

as at 31 March 2010

		31 March 2010	31 March 2009 Restated	1 April 2008 Restated
	Note	£000	£000	£000
Current Assets				
Trade and other receivables	6	32	53	16
Cash and cash equivalents	7	1,410	1,509	1,884
Total current assets		1,442	1,562	1,900
Total assets		1,442	1,562	1,900
Current liabilities				
Trade and other payables	8	(106)	(43)	(145)
Other liabilities	8	(1,135)	(1,394)	(1,617)
Total current liabilities		(1,241)	(1,437)	(1,762)
Non-current assets plus net current assets		201	125	138
Non-current liabilities				
Provisions	9	(115)	-	-
Total non-current liabilities		(115)	-	-
Assets less liabilities		86	125	138
Taxpayers' Equity				
General reserve		86	125	138
		86	125	138

Signed on behalf of the Judicial Appointments Commission



Clare Pelham
Chief Executive
Judicial Appointments Commission
7 July 2010



Baroness Prashar
Chairman
Judicial Appointments Commission
7 July 2010

The notes on pages 64 to 70 form part of these accounts

Statement of Cash Flows

for the year ended 31 March 2010

	Note	2009/10 £000	2008/09 Restated £000
Cash flows from operating activities			
Net expenditure after cost of capital credit		(9,833)	(10,503)
Adjustments for non-cash transactions			
Cost of capital credit		(47)	(54)
Services and facilities provided by sponsoring department	5	2,231	2,396
Provisions	9	136	-
Decrease / (Increase) in trade receivables and other current assets	6	21	(37)
(Decrease) in trade payables and other current liabilities	8	(196)	(325)
Use of provision	9	(21)	-
Net cash (outflow) from operating activities		(7,709)	(8,523)
Cash flows from financing activities			
Grants from parent department		7,610	8,148
Net financing		7,610	8,148
Net (Decrease) in cash and cash equivalents in the period	7	(99)	(375)
Cash and cash equivalents at the beginning of the period	7	1,509	1,884
Cash and cash equivalents at the end of the period	7	1,410	1,509

The notes on pages 64 to 70 form part of these accounts.

Statement of Changes in Taxpayers' Equity

for the year ended 31 March 2010

	Note	Revaluation Reserve £000	I&E Reserve £000	Total Reserves £000
Balance at 31 March 2008		-	201	201
Changes in accounting policy		-	(63)	(63)
Restated balance at 31 March 2008		-	138	138
Changes in taxpayers' equity in 2008/09				
Non-cash charges – cost of capital credit		-	(54)	(54)
Non-cash charges – services provided by sponsoring department	5	-	2,396	2,396
Retained Surplus/Deficit		-	(10,503)	(10,503)
Total recognised Income and expense for 2008/09		-	(8,161)	(8,161)
Grant from MoJ		-	8,148	8,148
Balance at 31 March 2009		-	125	125
Changes in taxpayers' equity in 2009/10				
Non-cash charges – cost of capital credit		-	(47)	(47)
Non-cash charges – services provided by sponsoring department	5	-	2,231	2,231
Retained Surplus/Deficit		-	(9,833)	(9,833)
Total recognised Income and expense for 2009/10	3,4	-	(7,649)	(7,649)
Grant from MoJ		-	7,610	7,610
Balance at 31 March 2010		-	86	86

Notes to the financial statements

for the year ended 31 March 2010

Note 1 Statement of accounting policies

These financial statements are prepared on a going concern basis in accordance with the *Constitutional Reform Act 2005* and with the 2009/10 *Government Financial Reporting Manual (FReM)* issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the JAC for the purpose of giving a true and fair view has been selected. The particular policies adopted by the JAC are described below. They have been applied consistently in dealing with items that are considered material to the accounts, and are in a form as directed by the Lord Chancellor with the approval of the Treasury.

a) Accounting convention

The accounts are prepared under the historical cost convention modified to account for the revaluation of property, plant and equipment, in accordance with Treasury guidance.

b) Income and expenditure

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

c) Cost of capital credit

As required by the Treasury, a charge is made to the income and expenditure account for the notional cost of capital. The notional capital charge, which reflects the cost of financing capital employed, is calculated at 3.5% (2008/09: 3.5%) of average net assets, excluding cash held at the Office of the Paymaster General, employed during the year. This results in the JAC having a cost of capital credit, as the JAC has a negative balance sheet for cost of capital purposes.

d) Accounting for value added tax

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

e) Property, plant and equipment

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

f) Pensions policy

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

g) Services and facilities provided by sponsoring department

In accordance with the Framework Document, the JAC does not meet the costs of certain services as these are provided by the MoJ and soft charged. An analysis of these charges can be found in note 5, and further details are available in the Shared services section in part 2 of this annual report.

h) Trade payables

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

i) Provisions

The JAC is required to pay the additional cost of benefits beyond the normal PCSPS benefits in respect of employees who retire early. The total cost has been provided in full when the early retirement was approved as the liability then became binding on the JAC.

Note 2 First-time adoption of IFRS

	General Fund £000
Taxpayers' equity at 31 March 2009 under UK GAAP	206
Adjustments for:	
Holiday pay accrual	(81)
Taxpayers' equity at 1 April 2009 under IFRS	125
Net Expenditure for 2008/09 under UK GAAP	10,539
Adjustments for:	
Wages and salaries	18
Net Expenditure for 2008/09 under IFRS	10,557

The adjustment in relation to holiday pay has been included in these IFRS accounts, but was not incorporated for the UK GAAP accounts.

Note 3 Staff costs and numbers

Staff costs comprise:

							2009/10	2008/09 Restated
	Commissioners	Panel chairs and lay panel members	Permanent staff	Seconded staff	Fixed Term Contracts	Other contracted staff	Total	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Wages and Salaries	218	342	2,330	935	461	57	4,343	4,934
Social Security Costs	31	88	180	65	42	-	406	367
Other Pension Costs	23	-	437	169	64	-	693	641
	272	430	2,947	1,169	567	57	5,442	5,942

In 2009/10, JAC employed its own staff (permanent staff and those on fixed term contracts) and had staff seconded from other government departments. Other contracted staff are supplied by agencies. All irrecoverable value added tax is included within wages and salaries.

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

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

Employers' contributions for staff seconded from other government departments, payable to the PCSPS, are made from the sponsor department. The JAC is recharged the full cost of employing staff on secondment, including other pension costs. For 2009/10, pension costs, for staff employed by the JAC and seconded staff, of £693k were payable to the PCSPS (2008/09: £641k, at one of four rates in the range 16.7% to 24.3% (2008/09: 17.1% to 25.5%) of pensionable pay, based on salary bands. The Scheme Actuary reviews employer contributions usually every four years following a full scheme valuation. From 2010/11, the rates will be in the range 16.7% to 24.3%. The contribution rates are set to meet the cost of the benefits accruing during 2009/10 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

JAC and government department employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. These are handled through the MoJ (who provide the pension service for JAC staff) or the employee's sponsor department and are paid to one or more of a panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3% to 12.5% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. There were no such contributions for 2009/10 (2008/09: Nil).

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

							2009/10	2008/09
	Commissioners	Panel chairs and lay panel members	Permanent staff	Seconded staff	Fixed Term Contracts	Other contracted staff	Total	Total
Total	3	4	76	16	12	1	112	114

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

Note 4 Other Expenditure

	2009/10 £000	2008/09 £000
Selection exercise programme		
Panel members' travel and subsistence	280	216
Advertising	242	312
Catering	59	13
Equality proofing and translation services	15	15
Outsourced accommodation and IT	387	481
Actors' costs	210	191
Couriers	34	43
Staff travel and subsistence	32	26
Commissioners' travel and subsistence	12	15
Additional data inputters	36	67
Dry run fees	18	42
Design and print	2	4
Other	-	3
	1,327	1,428
Administration costs		
Building improvements	3	13
Staff travel and subsistence	8	34
Commissioners' travel and subsistence	13	19
Equipment maintenance	1	4
Consultancy	-	4
Commissioners' events	-	19
Staff training and events	38	52
Selection exercise training package	-	43
Research	32	92
Panellist training	46	3
Office expenses	17	24
Recruitment	30	121
Legal Services	43	9
External audit	33	32
External audit fee for IFRS	5	5
	269	474
Marketing and Publications		
Printing and reprographic services	14	46
Translation services	2	3
Publications and library services	7	4
Publicity and advertising	29	77
Telecommunications	4	27
Outreach events	9	24
Longer Term marketing – diversity agenda	217	-
	282	181
Non-cash items		
Approved early retirement	136	-
	136	-
Shared Services		
Internal audit	37	37
E-delivery/IT services	49	11
Financial services	107	88
	193	136
Total	2,207	2,219

The auditors received no remuneration for non-audit work.

The reason for the changes are as follows:

- Catering: due to greater panel activity.
- Research: In 2009/10 research work was undertaken in relation to the qualifying test aspect of our selection process, whereas in 2008/09 research was undertaken in relation to barriers to application.
- Panellist training: we completed enhanced DVD material to assist with panel training.
- Longer term marketing – diversity agenda: we completed a major longer term marketing strategy in light of the recommendations of the Neuberger report to challenge stereotypes about the judiciary and reach a wider range of candidates.

We also approved our first early retirement.

Note 5 Services and facilities provided by sponsoring department

	2009/10 £000	2008/09 £000
Legal and Judicial Services Group	68	80
Finance Directorate	15	14
Commercial Group	1,531	1,752
Human Resources Directorate	95	96
E-Delivery Group	513	413
Private and Crown Office	4	6
Communications	5	35
	2,231	2,396

There is no formal recharge from MoJ in relation to the Legal and Judicial Group. The charge for 2009/10 is a notional recharge based on approximately one member of staff.

Note 6 Trade receivables and other current assets

	31 March 2010 £000	31 March 2009 £000	1 April 2008 £000
Amounts falling due within one year			
Deposits and advances	19	13	2
Other receivables	5	33	4
Prepayments	8	7	10
	32	53	16
Analysis of balances			
Balances with central government bodies	3	24	6
Balances with bodies external to central government	29	29	10
	32	53	16

Note 7 Cash and cash equivalents

	31 March 2010 £000	31 March 2009 £000	1 April 2008 £000
Balance at 1 April	1,509	1,884	5,291
Movement	(99)	(375)	(3,407)
Balance at 31 March	1,410	1,509	1,884
The following balances at 31 March were held at			
Office of HM Paymaster General	1,410	1,509	1,884
Commercial banks and cash in hand	-	-	-
Balance at 31 March	1,410	1,509	1,884

Note 8 Trade payables and other current liabilities

	31 March 2010 £000	31 March 2009 Restated £000	1 April 2008 Restated £000
Amounts falling due within one year			
Trade payables	-	-	140
Other payables	106	43	5
	106	43	145
Other taxation and social security	121	66	8
Accruals	1,014	1,328	1,609
	1,135	1,394	1,617
	1,241	1,437	1,762
Analysis of balances			
Balances with central government bodies	685	1,011	1,107
Balances with bodies external to central government	556	426	655
	1,241	1,437	1,762

Note 9 Provisions for liabilities and charges

	Approved Early Retirement £000	Total £000
Balance at 1 April 2009	-	-
Provided in the year	136	136
Provisions utilised in the year	(21)	(21)
Balance at 31 March 2010	115	115

The provisions utilised in the year relate to the amount of the provision payable in relation to 2009/10, and was paid shortly after the year-end, and is therefore disclosed within Other payables. An amount of £27k is due to be released from the provision in the next 12 months, with a total of £53k in 2-3 years and £35k in 4-5 years.

Note 10 Capital commitments

There are no commitments for capital expenditure at 31 March 2010.

Note 11 Commitments under leases

	2009/10 £000	2008/09 £000
Operating leases		
Total future minimum lease payments under operating leases are given in the table below for each of the following periods		
Obligations under operating leases comprise:		
Not later than one year	13	12
Later than one year and not later than five years	22	35
Later than five years	-	-
	35	47

The operating lease commitments relate to the amount payable to our financial services provider for use of the hardware associated with the accounting system.

Note 12 Contingent Liabilities

There are no contingent liabilities at 31 March 2010.

Note 13 Related party transactions

The JAC is a non-departmental public body sponsored by the MoJ. The MoJ is regarded as a related party. During the period, the JAC had various material transactions with the department (see notes 4 and 5).

Francis Plowden has a small shareholding in Mouchel PLC. During the year the JAC incurred expenditure of £9,418 with Mouchel PLC for equality proofing services.

Note 14 Losses and special payments

There were no losses or special payments in the year ended 31 March 2010.

Note 15 Events after the reporting period

There were no significant events after the reporting period.

In accordance with the International Accounting Standard 10 'Events after the reporting period', accounting adjustments and disclosures are considered up to the point where the financial statements are 'authorised for issue'. In the context of the JAC, this is interpreted as the date on the Comptroller and Auditor General's audit certificate.

Note 16 Liquidity, market and credit risks

Liquidity risk

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

Market risk

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

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

Credit risk

The JAC does not have any loan agreements in place and is therefore not exposed to credit risk.

PART 4: APPENDIX



APPENDIX A: JAC ANNUAL PERFORMANCE SUMMARY 2009/10

Strategic Objective 1

To select high quality candidates based on the selection exercise programme agreed with business partners.

Key Performance Indicator	Status
95% of JAC recommendations to be accepted by the Lord Chancellor	Met
Timeliness of completion of selection exercises: <ul style="list-style-type: none"> • where all necessary launch information (vacancy notice etc) provided by Ministry of Justice in line with required timetables: <ul style="list-style-type: none"> - at least 90% of exercises in the annual selection exercise programme will be completed by the date in the programme; and - no exercise will be completed later than 4 weeks after that date or impact on future years' programmes⁶. 	Met
Working days to make selections (s94 and other ad hoc requests) planned at start of year: <ul style="list-style-type: none"> • 95% within an average of 40 working days, the remaining 5% within a total of 50 working days, from lists less than 1 year old; • 100% within an average of 65 working days from lists more than 1 year old; • All where a response to statutory consultation is made within 10 working days. 	Met
By end April 2009 agree with the Ministry of Justice a basic working draft of the 2010/11 part of the rolling programme at the same time the Ministry of Justice signs off the 2009/10 programme.	Met
By end December 2009, finalise with MoJ the 2010/11 programme and agree the 3 year rolling programme.	Met

⁶ Where the launch information is not provided to timetable or the size or scope of the exercise in the programme is changed, a separate completion date will be agreed.

Strategic Objective 2

To develop fair, open and effective selection processes, and to keep them under continuous review.

Key Performance Indicator	Status
No more than 10% of complaints referred to Judicial Appointments Conduct Ombudsman, and no more than 25% of complaints investigated internally by JAC, to be upheld.	Met
100% of responses to candidates' complaints to the JAC made within 20 working days of receipt, or other notified timescales.	Met
2009/10 selection exercise programme to be published on JAC internet site by April 2009.	Met
Selection process changes to character assessments and medical checks to be piloted in June 2009 and full roll out of successful process from October 2009.	Met

Strategic Objective 3

To encourage a wider range of eligible candidates to apply.

Key Performance Indicator	Status
100% of equality indicators reviewed at the 3 key checkpoints in selection exercises and appropriate action taken on results.	Met
100% of assessment material equality proofed before use by independent specialist, Law Society and Bar Council for all selection exercises.	Met
Percentage of exercises with a statistically significant number of applicants which receive applications that reflect eligible pool of candidates in respect of four groups of candidates under-represented in the judiciary: Women, BME candidates, disabled candidates, solicitors (85% by 2012, or, if achieved sooner, a 5% annual increase).	Target not yet active

Strategic Objective 4

To ensure that the JAC is fully equipped to carry out its statutory objectives and achieve continuous improvement.

Key Performance Indicator	Status
Reduction in the unit cost per applicant as at end March 2010 (5% from unit cost of £1800 in 2008/09).	Met
Average sickness per JAC member of staff (no more than 7.5 days per year).	Met
Staff turnover (between 2 and 10% for directly employed, permanent staff).	Met
2009 Staff Opinion Survey results published to staff within 8 weeks of closing date for responses and action planning to commence within 10 weeks.	Met
Deliver a plan to the Ministry of Justice by April 2009 to eliminate VAT liability after 2009/10 arising from secondments to the JAC, and implement according to plan.	Met
Work with the Ministry of Justice to deliver activity based costing of JAC budgeted costs by April 2009.	Met

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