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# Ministry of Justice: Judicial Pensions Scheme

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## Introduction

1. This Estimate covers the payment of pensions and other benefits to persons covered by the Judicial Pensions Scheme (JPS).
2. Provision is made within this Estimate for:
  - a) Interest costs arising on the accruing cost of all judicial pensions during the year. This amount is equivalent to unwinding the discount originally included in the scheme liabilities and it accounts for the fact that future pension benefits are one year closer to settlement;
  - b) The increase in the value of the future pension liability (i.e. core pension entitlements and pension increases), earned during the period but payable in the future, with respect to currently serving members of the judiciary whose salaries are paid from the departmental resources; and
  - c) The increase in the value of the future pension liability (for pension increases only), earned during the period but payable in future, with respect to currently serving members of the judiciary whose salaries are met directly from the Consolidated Fund.
3. The Scheme's Appointing Bodies meet the costs of pension cover for their Judicial Office Holders by payments of set charges on an accrual basis. These charges are known as "Accruing Superannuation Liability Charges (ASLCs)". These charges, along with scheme members' contributions, are appropriated in aid on this Estimate.
4. This Estimate assumes that the ASLC rate remains constant at 32.15%, as recommended by the Government Actuary's Department, and that the scheme members' contribution rates remain constant at 2.4% and 1.8%.
5. Symbols are explained in the Introduction to this booklet.

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# Ministry of Justice: Judicial Pensions Scheme

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## Part I

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<b>Request for Resources 1: Judicial Pensions Scheme</b>	<b>67,036,000</b>
<b>Total net resource requirement</b>	<b>67,036,000</b>
<b>Net cash requirement</b>	<b>1,000</b>

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Amounts required in the year ending 31 March 2010 for expenditure by the Ministry of Justice: Judicial Pensions Scheme on:

### RfR 1: Judicial Pensions Scheme

Pensions etc, in respect of members of Judicial Pensions Scheme, and for other related services.

The **Ministry of Justice: Judicial Pensions Scheme** will account for this Estimate.

	£		
	Net total	Allocated in Vote on Account	Balance to complete
<b>RfR 1</b>	<b>67,036,000</b>	<b>28,327,000</b>	<b>38,709,000</b>
<b>Total net resource requirement</b>	<b>67,036,000</b>	<b>28,327,000</b>	<b>38,709,000</b>
<b>Net cash requirement</b>	<b>1,000</b>	<b>-</b>	<b>1,000</b>

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**Part II: Subhead detail**

£'000

2009-10 Provision						2008-09 Provision	2007-08 Outturn		
Resources						Capital	Non-operating	Net Total Resources	Net Total Resources
Admin	Other Current	Grants	Gross Total	A in A	Net Total	Capital	A in A	Resources	Resources
1	2	3	4	5	6	7	8	9	10
<b>RfR 1: Judicial Pensions Scheme</b>									
-	-	154,400	154,400	87,364	67,036	-	-	62,949	41,172
<b>Spending in Annually Managed Expenditure (AME)</b>									
<i>Central Government spending</i>									
A	Judicial Pensions Scheme								
-	-	154,400	154,400	87,364	67,036	-	-	62,949	41,172
<b>Total for Estimate:</b>									
-	-	154,400	154,400	87,364	67,036	-	-	62,949	41,172

## Part II: Resource to cash reconciliation

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>Net Resource Requirement</b>	<b>67,036</b>	<b>62,949</b>	<b>41,172</b>
<b>Voted capital items</b>			
Capital	-	-	-
Less Non-operating A-in-A	-	-	-
<b>Total net voted capital</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Accruals to cash adjustment</b>			
Adjustments to remove non-cash items:			
Cost of Capital charges	-	-	-
Depreciation	-	-	-
New provisions and adjustments to previous provisions	-154,400	-146,600	-123,088
Profit/loss on sale of assets	-	-	-
Prior period adjustments	-	-	-
Other non-cash items	-	-	-
Increase (+) / Decrease (-) in stock	-	-	-
Increase (+) / Decrease (-) in debtors	-	-	-
Increase (-) / Decrease (+) in creditors	-	-	-
Use of provisions	28,843	29,793	24,825
<b>Total accruals to cash adjustments</b>	<b>-125,557</b>	<b>-116,807</b>	<b>-98,263</b>
<b>Excess cash to be CFERd</b>	<b>58,522</b>	<b>53,859</b>	<b>57,092</b>
<b>Net Cash Requirement</b>	<b>1</b>	<b>1</b>	<b>1</b>

### Part III: Extra receipts payable to the Consolidated Fund

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

	<b>£'000</b>					
	<b>2009-10</b>		<b>2008-09</b>		<b>2007-08</b>	
	<b>Income</b>	<b>Receipts</b>	<b>Income</b>	<b>Receipts</b>	<b>Income</b>	<b>Receipts</b>
Operating income not classified as A in A	-	-	-	-	345	345
Non-operating income not classified as A in A	-	-	-	-	-	-
Other amounts collectable on behalf of the Consolidated Fund	-	-	-	-	-	-
Excess cash receipts to be surrendered to the Consolidated Fund	-	<i>58,522</i>	-	<i>53,859</i>	-	<i>57,092</i>
<b>Total</b>	-	<b>58,522</b>	-	<b>53,859</b>	<b>345</b>	<b>57,437</b>

## Forecast Combined Revenue Account

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>Net Programme Costs</b>			
RfR 1	67,036	62,949	40,827
<i>of which:</i>			
Income			
Contributions received	87,364	83,651	82,261
Transfers in	-	-	-
Other income receivable	-	-	-
Total Income	87,364	83,651	82,261
Expenditure			
Increase in liability	44,400	45,600	47,088
Interest on scheme liability	110,000	101,000	76,000
Other expenditure	-	-	-
Total Expenditure	154,400	146,600	123,088
Non-voted	63,600	68,400	61,912
<b>Total Net Programme costs</b>	<b>130,636</b>	<b>131,349</b>	<b>102,739</b>
<b>Total Net Operating Cost</b>	<b>130,636</b>	<b>131,349</b>	<b>102,739</b>
<i>of which:</i>			
Net Resource Requirement	67,036	62,949	41,172
Non-voted expenditure	63,600	68,400	61,912
Consolidated Fund Extra Receipts	-	-	-345
Reduction in planned spend unable to be included in Estimate	-	-	-
<b>Resource Budget</b>	<b>130,636</b>	<b>131,349</b>	<b>102,739</b>

## Notes to the Main Estimate

### Reconciliation of resource expenditure between Estimates, Accounts and Budgets

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>Net Resource Requirement (Estimates)</b>	<b>67,036</b>	<b>62,949</b>	<b>41,172</b>
<i>Adjustments to remove:</i>			
Provision voted for earlier years	-	-	-
<i>Adjustments to additionally include:</i>			
Non-voted expenditure in the OCS	63,600	68,400	61,912
Consolidated Fund Extra Receipts in the OCS	-	-	-345
Reductions in planned spend unable to be included in Estimate	-	-	-
Other adjustments	-	-	-
<b>Net Operating Cost (Accounts)</b>	<b>130,636</b>	<b>131,349</b>	<b>102,739</b>
<i>Adjustments to remove:</i>			
Gains / losses from sale of capital assets	-	-	-
Capital grants	-	-	-
European Union income related to capital grants	-	-	-
Voted expenditure outside the budget	-	-	-
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	-
Resource consumption of non departmental public bodies	-	-	-
Unallocated resource provision	-	-	-
Other adjustments	-	-	-
<b>Resource Budget (Budget)</b>	<b>130,636</b>	<b>131,349</b>	<b>102,739</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	-	-	-
Annually Managed Expenditure (AME)	130,636	131,349	102,739

### Reconciliation of capital expenditure between Estimates and Budgets

£'000

	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>Net Voted Capital (Estimates)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Adjustments to remove:</i>			
Provision voted for earlier years	-	-	-
<i>Adjustments to additionally include:</i>			
Other Consolidated Fund Extra Receipts	-	-	-
Capital spending by non-departmental public bodies	-	-	-
Capital grants	-	-	-
European Union income related to capital grants	-	-	-
Supported capital expenditure (revenue)	-	-	-
Capital spending by levy funded bodies	-	-	-
Unallocated capital provision	-	-	-
Reductions in planned spend unable to be included in Estimate	-	-	-
Other adjustments	-	-	-
<b>Capital Budget (Budget)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>of which:</i>			
Departmental Expenditure Limits (DEL)	-	-	-
Annually Managed Expenditure (AME)	-	-	-

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## Notes to the Main Estimate (*continued*)

### Explanation of Accounting Officer responsibilities

The Accounting Officer prepares resource accounts for each financial year.

The following Accounting Officer appointments have been made for the Request for Resources within this Estimate:

**Request for Resources 1:** Sir Suma Chakrabarti, Permanent Secretary of the Ministry of Justice

Sir Suma Chakrabarti, has personal responsibility for the proper presentation of the resource accounts and their transmission to the Comptroller and Auditor General. Sir Suma Chakrabarti is also responsible for the use of public money and stewardship of assets.

In discharging these responsibilities particular regard is given to:

- Observing any accounting and disclosure requirements (including any Accounts Direction) and applying suitable accounting policies on a consistent basis;
- making judgements and estimates on a reasonable basis;
- stating whether applicable accounting standards, as set out in the *Financial Reporting Manual (FReM)*, or an organisation's version of it, have been followed, and explain any material departures in the accounts; and
- preparing the accounts on a going concern basis.

The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which an Accounting Officer is answerable, for keeping proper records and safeguarding assets, are set out in chapter 3 of *Managing Public Money* issued by the Treasury.

## Notes to the Main Estimate (*continued*)

### Analysis of operating appropriations in aid (A in A)

	£'000		
	2009-10 Provision	2008-09 Provision	2007-08 Outturn
<b>RfR 1: Judicial Pensions Scheme</b>			
<b>Programme</b>	<b>87,364</b>	<b>83,651</b>	<b>81,916</b>
<i>of which:</i>			
Pension scheme related income	87,364	83,651	81,916
<b>Total RfR 1</b>	<b>87,364†</b>	<b>83,651</b>	<b>81,916</b>
<i>† Amount that may be applied as operating appropriations in aid in addition to the net total arising from: Accruing Superannuation Liability Charges (ASLCs); and scheme members' pension contributions.</i>			
<b>Total Operating A in A</b>	<b>87,364</b>	<b>83,651</b>	<b>81,916</b>

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**Notes to the Main Estimate (continued)**
**Analysis of Consolidated Fund extra receipts**

£'000

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	2009-10		2008-09		2007-08	
	Income	Provision <i>Receipts</i>	Income	Provision <i>Receipts</i>	Income	Outturn <i>Receipts</i>
Excess Cash Receipts●	-	58,522	-	53,859	-	57,437
Excess A in A Δ	-	-	-	-	345	345
<b>Total</b>	-	<b>58,522</b>	-	<b>53,859</b>	<b>345</b>	<b>57,437</b>

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## Notes to the Main Estimate (*continued*)

### Comparison of provision sought with final provision and forecast outturn for the previous year

The total net resource sought for 2009-10 of £67,036,000 is 6.5 per cent higher than the final net provision for 2008-09 of £62,949,000 and 12.9 per cent higher than the forecast outturn for 2008-09 of £59,393,000.

### Cash which may be retained to offset expenditure

	<b>£'000</b>		
	<b>2009-10 Provision</b>	<b>2008-09 Provision</b>	<b>2007-08 Outturn</b>
Cash which may be retained by the department to offset expenditure in the year due to its relationship with income (operating and non-operating) that has been, or will be, appropriated in aid.	87,364	83,651	81,916

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