



The Supreme Court  
Annual Report and Accounts  
2013–2014

# The Supreme Court Annual Report and Accounts 2013–2014

Annual Report presented to Parliament pursuant to Section 54(1)  
of the Constitutional Reform Act 2005.

Accounts presented to the House of Commons pursuant to  
Section 6(4) of the Government Resources and Accounts Act 2000.  
Accounts presented to the House of Lords by Command of Her Majesty.

Ordered by the House of Commons to be printed on 9 June 2014.



**© Crown Copyright 2014**

You may re-use this information (excluding logos) free of charge in any format or medium, under the terms of the Open Government Licence v.2. To view this licence visit [www.nationalarchives.gov.uk/doc/open-government-licence/version/2/](http://www.nationalarchives.gov.uk/doc/open-government-licence/version/2/) or email [PSI@nationalarchives.gsi.gov.uk](mailto:PSI@nationalarchives.gsi.gov.uk) Where third party material has been identified, permission from the respective copyright holder must be sought.

This publication is available at [www.gov.uk/government/publications](http://www.gov.uk/government/publications)

Any enquiries regarding this publication should be sent to us at: [enquiries@supremecourt.gsi.gov.uk](mailto:enquiries@supremecourt.gsi.gov.uk)

You can download this publication from [www.supremecourt.gov.uk](http://www.supremecourt.gov.uk)

Print ISBN 9781474103213

Web ISBN 9781474103220

Printed in the UK by the Williams Lea Group on behalf of the Controller of Her Majesty's Stationery Office

ID 2643393 05/14

Printed on paper containing 75% recycled fibre content minimum

The Supreme Court  
Annual Report and Accounts  
2013–2014

# contents

## one

### FOREWORD AND INTRODUCTION

Foreword	06
Introduction	07

### SETTING DIRECTION: OUR OBJECTIVES AND OPERATING CONTEXT

Mission	09
Our strategic objectives	09
Our values	10
Maintaining effective relationships with all jurisdictions in the United Kingdom and the jurisdictions which use the JCPC	11
United Kingdom	11
Judicial Committee of the Privy Council	15
Policy Developments	17

## two

### APPOINTING THE SUPREME COURT JUSTICES

Appointments during the year	19
Valediction for Lord Hope	20
Changes to the selection process	21

## three

### SERVING THE UK AND BEYOND: JURISDICTION AND CASEWORK (A) UKSC (B) JCPC

<b>(A) UKSC</b>	23
Jurisdiction and casework	23
Rules and Practice Directions	23
The procedure for appealing: permission to appeal (PTA) applications	24
Appeals	24
Sitting Days	25
References to the Court of Justice of the European Union	29
Size of panels hearing cases	30
Cases and Judgments	30
<b>(B) JCPC</b>	34
Jurisdiction and casework	34
Rules and Practice Directions	34
The Procedure for Appealing	34
Appeals	35
Sitting Days	36
Cases and judgments	36

## four

### INCREASING ACCESSIBILITY: COMMUNICATIONS AND EXTERNAL RELATIONS

Welcoming visitors	39
Educating and inspiring	40
Explaining our role	42
Serving the media	43
Enhancing our online presence	44
Listening to our users	45
Celebrating 100 years of the Middlesex Guildhall	46

five

six

seven

eight

annex

SHARING GOOD  
PRACTICE:  
INTERNATIONAL  
RELATIONS

Judicial visitors (Delegations, Individuals)	49
Lawyers and Academics	50
Diplomats, Ministers and Officials	50
Sharing good practice: Justices' international links	52
Visits by individual Justices of the UKSC	54
Costs	55

SUPPORTING THE COURT:  
CORPORATE SERVICES

Our governance	57
Who's who: Membership of Management Board and Committees	58
Our People	60
Our information and resources, and how we manage them	62
Our building, your building	64
Dealing with Complaints	66
Improving services and making savings	67

MANAGEMENT  
COMMENTARY

Management Commentary	69
--------------------------	----

## ACCOUNTS

Remuneration Report	74	Jurisdictions where the Privy Council is the final Court of Appeal	105
Statement of Accounting Officer's Responsibilities	78		
Governance Statement	79		
Audit Certificate	83		
Statement of Parliamentary Supply	85		
Statement of Comprehensive Net Expenditure	89		
Statement of Financial Position	90		
Statement of Cash Flows	91		
Statement of Changes in Taxpayers' Equity	92		
Notes to the Departmental Resource Accounts	93		

# foreword

BY THE PRESIDENT OF THE SUPREME COURT  
LORD NEUBERGER



This is the fifth Annual Report for the Supreme Court and the Judicial Committee of the Privy Council – and the fifth Foreword to such a report by the President of the Court.

2013 was another year of change among the Justices. We welcomed Lord Hughes and Lord Toulson in April, and Lord Hodge in October. I am sorry to report that that Lord Hope reached the statutory retirement age in June 2013. His contribution to the creation of the Supreme Court, through his chairmanship of the Law Lords' Sub-Committee, was enormous, as was his contribution to the development of the Court, as its first Deputy President. This was recognised in the variety of speeches made at his valedictory ceremony, an occasion which is covered in more detail at Section 2 of this Report. I was delighted to welcome Lady Hale, already of course a Justice of the Supreme Court, as the new Deputy President. It is a privilege to work with her.

These changes have resulted in the Court having its full complement of twelve Justices. Even with Lord Clarke's period of sitting in Hong Kong, referred to elsewhere in the Report, and other demands on judicial time, we have been able at least to maintain broadly similar numbers of sitting days and judgments as in previous years.

Over the past year we have continued to look at the way the Justices work to see if there are any changes we need to make. We also continue to seek to engage the public in our work: Lady Hale and I hosted a press conference at the start of the Legal Year and

took journalists' questions on a wide range of legal topics; our YouTube channel containing the delivery of Supreme Court and significant JPC judgments has proved a success; and we have welcomed more people than ever before to watch our proceedings in person.

This year has seen a number of changes to the legal system throughout the United Kingdom. We have yet to see how some of the detailed changes will impact on the nature and quantity of the workload of the Supreme Court. However, we are already noticing a small increase in the number of litigants in person submitting applications for permission to appeal to the Supreme Court.

I am pleased to say that we have been able to strengthen our contacts with some of the jurisdictions which use the Judicial Committee of the Privy Council. You will find details elsewhere in the Report, but I greatly enjoyed a visit to the Isle of Man in October; and all the Justices very much appreciated a visit by the Bailiffs of Jersey and Guernsey in February 2014.

I would like to record my thanks to the Lord Chief Justices of England and Wales and Northern Ireland, and the Lord President of the Court of Session, for their willingness to make serving Judges available from time to time to sit in the Judicial Committee of the Privy Council; and to the Lord Chief Justice of England and Wales and the Master of the Rolls, for each agreeing to sit as an Acting Judge of the Supreme Court in one case, and to the Lord President for agreeing to sit in the Judicial Committee of the Privy Council.



# introduction

BY THE CHIEF EXECUTIVE  
JENNY ROWE



I have pleasure in presenting the Annual Report and Accounts for the UKSC and JCPC for the financial year 2013/14.

This has been the fourth full year of the Court's existence. We have continued to deliver our core function of processing casework and providing support to the Justices, against a background of a workload which has become more demanding. The integration of the UKSC and JCPC Registries has undoubtedly assisted with managing the workload, but we have had to bring in some temporary additional support at times.

During the year we completed the review of our external contracts, to ensure that we were receiving the most appropriate service for our specific needs and delivering best value to the taxpayer. Undoubtedly the biggest challenge has been the procurement exercise for our new IT support and facilities. These contracts also have the potential to deliver the biggest change in our working methods and the largest savings. I am particularly indebted to key members of staff, and our Non-Executive Directors, for all their very hard work in this area.

I am pleased to say that the Crime and Courts Act 2013, which received Royal Assent on 25 April 2013 included a number of amendments to the Constitutional Reform Act 2005 which have served to reinforce the structural independence of the Supreme Court. This has been further buttressed by the change of domain name to [supremecourt.uk](http://supremecourt.uk) and [jcpc.uk](http://jcpc.uk).

We have continued to develop our education and outreach activities with record numbers of visitors and educational groups visiting the courts. Although the staffing has remained relatively stable, the Deputy Head of Communications left in January on promotion and we are currently running a recruitment exercise for his successor. We have also had some temporary assistance in the Library, whilst the Assistant Librarian has had a period of adoption leave. We were delighted to welcome back one of our original Information/Customer Service Officers, after a period of maternity leave, in order to provide support to the Head of HR.

There have also been changes amongst the Justices. In early April 2013 Lord Hughes and Lord Toulson were sworn in to replace Lord Brown and Lord Walker. Lord Hope, the inaugural Deputy President of the Court, retired in June 2013. He had done so much to lead the work of the Law Lords in planning the move to the Supreme Court and has been much missed by Justices, staff and users of the Court. Lady Hale succeeded Lord Hope in June as Deputy President of the Court, and in October Lord Hodge was sworn in as the second Scottish Justice.

The success of any organisation depends to a large extent on its staff and, I am grateful to all permanent members of staff, as well as to those who provide essential services, such as security, cleaning and catering under outsourced contracts, for everything they have done to ensure the Supreme Court and JCPC work smoothly.





# section one

## setting direction: our objectives and operating context

### Mission

The mission of the administration of the Supreme Court of the United Kingdom (UKSC) is to ensure that the President, Deputy President and Justices of the Court can deliver just and effective determination of appeals heard by the Court, in ways which also best develop the Rule of Law and the administration of justice..

### Our Strategic Objectives

- 1 The administration of the UKSC will create an environment, which effectively maintains the independence of the Justices, in which they can carry out their work protected from external pressures and which empowers them to develop the Rule of Law.
- 2 The administration of the UKSC will maintain and increase confidence in the delivery of justice throughout the United Kingdom. It will promote transparency in, accessibility to and knowledge of the ways in which justice should be rightly administered. It will thereby promote knowledge of the importance of the Rule of Law, not least as a guarantee of democratic freedom.
- 3 The administration of the UKSC will provide efficient and effective support, which enables both the UKSC and the JCPC to secure the effective determination of justice, while demonstrating the best possible value for the resources with which they are provided. In particular it will operate case management systems, which provide appropriate measurable monitoring of the throughput of applications and cases, thereby enabling the most effective support of the Justices in their work.
- 4 The administration of the UKSC will promote good relations with all the individual jurisdictions, legislatures and governments in the different parts of the United Kingdom.
- 5 The administration of the UKSC will support the Justices in developing appropriate relationships with courts in Europe, throughout the Commonwealth and in other countries, especially those which share their common law heritage.
- 6 The administration of the UKSC will demonstrate appropriate corporate social responsibility. In particular it will promote diversity amongst its staff, ensuring they are also representative of all the jurisdictions of the United Kingdom. It will also both source its supplies and consume its resources in ways which contribute as much as possible to sustainable development and the conservation of the world's natural resources.
- 7 The administration of the UKSC, as the statutory custodian of its own records, will provide the most appropriate environment it can for the organisation, preservation and future inspection of those records.
- 8 The administration of the UKSC, as occupant of the former Middlesex Guildhall, will promote knowledge of, and interest in, this historic building, the works of art it houses, especially the Middlesex Art Collection, and more generally the history of the County of Middlesex.

These objectives informed the business plan for 2013–14.

## Our Values

Although the mission and strategic objectives on the preceding pages inform both our business plan and the objectives of individual members of staff, the way we go about these tasks is also important. All staff, including those with us on a temporary basis, for example, Judicial Assistants, are expected to follow the core values and behaviours set down in the Civil Service Code. In addition, we have developed our own set of values more specific to the organisation. These were last the subject of consultation with staff in 2011/12 and are set out below. We will consult the staff again about these values during 2014/15 to ensure they remain fit for purpose.

Each member of staff is expected to understand and demonstrate the following values. We hope they are evident in all we do.

### 1. Impartiality

We will respect judicial independence and deal with all casework fairly and objectively.

### 2. Clarity and Openness

We will undertake our work without prejudice in an open and transparent manner.

### 3. Professionalism

We will seek to understand other people's pressures and give support to each other. We will treat our colleagues, court users and visitors with respect, and work professionally and co-operatively with outside organisations.

### 4. Accountability

We will be responsible for delivering a high quality service to Justices, court users and to the public.

### 5. Efficiency

We will use our time, finances and resources effectively and efficiently. We will invite and listen to feedback and continuously look to improve our processes and the services we provide.

### 6. Accessibility

We will provide a service that meets the reasonable needs and expectations of users. We will positively promote awareness and understanding of the UKSC and interest in the history of the building and the works of art.

### 7. Influence

We will be ambassadors for the court, and we will maintain good relations, and share our knowledge and experience, with individual jurisdictions and governments in the UK, and with other courts around the world.

## Maintaining effective relationships with all jurisdictions in the United Kingdom and the jurisdictions which use the JCPC

Although we are located in London, we are responsible for two Courts, one of which serves the whole of the United Kingdom and the other of which serves 33 countries, territories and jurisdictions around the world. It is one of our strategic priorities to maintain effective relationships with the judges, devolved administrations and other organisations throughout the United Kingdom, and with those in the jurisdictions which use the JCPC.

### United Kingdom

The Supreme Court continues to build appropriate relationships with the United Kingdom Parliament. After informal discussions with the Justice Committee, we were pleased to welcome six members of the Committee on a visit to the Court on 11 June 2013. With the Chairman, Sir Alan Beith, members were able to sit in briefly on a UKSC hearing and then meet with the President, Lord Neuberger.

We have agreed with the Constitutional Committee of the House of Lords that the President and Deputy President will make an annual appearance before the Committee. Lord Neuberger and Lord Hope appeared before the Committee in February 2013 (before this reporting period) and Lord Neuberger and Lady Hale are due to do so again in June 2014 (after this reporting period).

The context within which the Court operates, particularly in relation to the developing devolution settlements in Scotland, Wales and

Northern Ireland means that the UKSC's role has continued to be one of some prominence. This serves to emphasise the importance of building and maintaining relationships with judges, lawyers, the devolved administrations, and other bodies throughout the United Kingdom. This aspect of our work involves both Justices and staff. It is an expectation that Justices who originate from either Scotland or Northern Ireland will keep in touch with judges and lawyers in those jurisdictions. Lord Hope, until his retirement, and Lord Reed and Lord Hodge have done this for Scotland; and Lord Kerr plays a similar role in relation to Northern Ireland. Lord Reed has succeeded Lord Hope as a member of the Judicial Council for Scotland which currently meets twice a year in Edinburgh.

The President and Chief Executive of the Law Society of Northern Ireland visited the Court in June 2013. The Chief Executive has continued her regular visits around the United Kingdom. She visited Northern Ireland on 4-6 September 2013. In addition to attending the ceremonies at the Royal Courts of Justice in Belfast for the Call to the Bar, and to mark the Opening of the Legal Year she had meetings with:

- The Lord Chief Justice
- David Ford MLA (Minister for Justice) and David Lavery (Director, Access to Justice)
- Jacqui Durkin (Chief Executive, Northern Ireland Courts and Tribunals Service)
- Andrew Trimble (Acting Chief Executive, The Bar Library)
- Paul Andrews (Chief Executive, Northern Ireland Legal Services Commission)
- Alan Hunter (Law Society of Northern Ireland)
- Edward Gorringe (Northern Ireland Judicial Appointments Commission)

Lord Kerr addressed a conference organised by the Bar of Northern Ireland in November 2013 on the use of IT in the courts. This was part of our efforts to encourage more electronic presentation of material in the Supreme Court. Lord Neuberger made two speeches in Belfast in February 2014, delivering the annual Judicial Studies Board lecture on 27 February and the keynote speech at a STEPS conference on 28 March.

The Chief Executive visited Scotland in March 2014 when she had meetings with:

- The Lord President and other Judges of the Court of Session
- Frank Mulholland QC (Lord Advocate)
- Jan Marshal and Kay McCorquodale (Scottish Government)
- Eric McQueen (Chief Executive of the Scottish Court Service)
- Steve Humphreys (Director Judicial Office)
- James Wolffe QC (Dean of the Faculty of Advocates)
- Michael Clancy (Director Law Reform, the Law Society of Scotland)
- Lynda Towers (Legal Adviser to the Scottish Parliament)
- Professor Alan Paterson

Lord Neuberger visited Edinburgh in July 2013 to participate in the Franco-Irish-British Judicial Colloque; Lord Kerr delivered the annual Justice (Scotland) lecture on 10 December 2013 entitled 'Miscarriage of Justice: when should an appellate court quash a conviction'. Lord Reed gave the Annual Sir Gerald Gordon Lecture at Glasgow University in June 2013; returning shortly afterwards to receive an Honorary Degree of Doctor of Laws (along with Lord Hope) at the same university. Lord Hodge and Lord

Hope gave a talk to the Scottish Public Law Group in Edinburgh on 28 February 2014 on developments in Scottish Public Law; and Lord Hodge delivered a lecture to the Scottish Young Lawyers' Association on 21 March 2014 on the work of, and advocacy in the Supreme Court. Lord Reed gave a lecture at the Faculty of Advocates on recent Supreme Court jurisprudence on 20 March and the next day addressed the Admissions Ceremony for new Solicitors in Edinburgh. Lord Neuberger, Lord Sumption and Lord Reed all attended an event at Strathclyde University on 7 March 2014 to mark the end of Lord Hope's tenure as Chancellor of that University.

We have begun a regular series of keeping in touch meetings with the Advocate General for Scotland and the Lord Advocate. In addition, the Chief Executive keeps in touch with officials supporting the Law Officers.

The Chief Executive was unable, at the last minute to attend the annual Legal Wales Conference held in Cardiff on 11 October 2013, but subsequently had a helpful catch-up meeting with the Director of Legal Wales, Keith Bush, at the Supreme Court. The President, Deputy President and the Chief Executive have also continued the dialogue which started the previous year with the First Minister and Counsel-General about Welsh legal issues. Lord Neuberger referred specifically to the issue of whether there should be a Welsh Justice in his speech to the Institute for Government in June 2013 and said: "At the moment, at any rate, there is, in my view, an insufficient body of Welsh law to justify this, but things may well change in the future... On any appeal involving Welsh devolution issues, the Supreme Court panel



Graeme Fleming

Above: Lord Hope unveils a portrait commissioned in honour of his tenure as Chancellor of the University of Strathclyde (an office he held between 1997 and 2013), watched by (left-right) Lord Reed, Professor Alan Paterson, Director of the Centre for Professional Legal Studies, Lord Neuberger, Lord Sumption; Professor Sir Jim McDonald, Principal of the University of Strathclyde, and Professor Kenny Miller, Vice Principal.

Right: Members of the House of Commons' Justice Select Committee during a visit to the Court in June 2013







Above: Michael Robinson, President of the Law Society of Northern Ireland, and Alan Hunter, the Society's Chief Executive, with Jenny Rowe during their visit to the Court in June 2013

Left: David Doyle (First Deemster) and Clare Christian (President of Tynwald) with Lord Neuberger during the latter's visit to the Isle of Man in October 2013



will, if possible, include a judge who has specifically Welsh experience and knowledge. So long as there is no such full time member of the Supreme Court, we will have to look to the Court of Appeal, and I have initiated discussions with the Lord Chief Justice and the Master of the Rolls in that connection.”

We have noted the recent recommendations of the Commission on Devolution in Wales that: “there should be at least one Judge on the United Kingdom Supreme Court with particular knowledge and understanding of the distinct requirements of Wales” and will be monitoring further developments on this issue.

We have continued to welcome a number of visitors to the Court from around the United Kingdom including educational groups which are dealt with in Section Four.

The UKSC continues to provide a Quarterly Report on performance, casework and expenditure to representatives of the different jurisdictions and the senior judiciary around the United Kingdom. These reports contain information on key areas of activity – operational, customer service, finances and learning and development. They also include statistics on cases, with details of devolution cases from Scotland, Northern Ireland and Wales, non-devolution appeals and performance against a number of targets.

Our Audit Committee includes one representative from Scotland and one from Northern Ireland, and there are representatives from Scotland and Northern Ireland on the User Group, as well as practitioners who practise in the courts of England and Wales.

We have also benefited from the contribution of judges drawn from across the United Kingdom sitting either as Acting Judges of the UKSC or in the JCPC. In the UKSC, over this period, both Lord Judge, in one of his last sittings as Lord Chief Justice of England and Wales, and his successor, Lord Thomas, have sat as Acting Judges.

In the JCPC, we are grateful to Lord Gill, the Lord President of the Court of Session, for coming to sit in a case in January 2014; and to the Lord Chief Justice of Northern Ireland, for allowing both Sir Patrick Coghlin, and Sir Paul Girvan to sit in separate cases in June 2013. Sir Bernard Rix, a retired Lord Justice of Appeal from England and Wales, sat in the JCPC in January 2014.

### Judicial Committee of the Privy Council

We have now fully integrated support for the JCPC into all our business planning and reporting. We have continued to try and build relationships with the jurisdictions which use the JCPC, and to ensure that we identify specifically JCPC related issues which need to be addressed.

The debate continues in a number of Caribbean countries which currently use the JCPC, about whether they should continue to do so or whether they should move to the jurisdiction of the Caribbean Court of Justice. One country, Dominica, has started the process of disengagement from the JCPC and has secured the agreement of the UK Government to do so. We have made clear throughout this process that our only concern is to ensure that adequate provision is made for any cases which may be in progress at the time any change takes place.

We have continued to monitor statements made by senior politicians and judges in other countries, for example, Jamaica and Trinidad and Tobago. We have always been clear that the decision is one for the governments and parliaments concerned. It is obviously important for us to have as much advance notice as possible of any change so that we can plan our resources accordingly.

In June 2013, the JCPC heard one of the last cases from New Zealand where there is still a right of appeal to the Privy Council. We were very pleased that Dame Sian Elias, the Chief Justice of New Zealand, was able to sit as a member of the Board hearing the case.

Lord Kerr accepted an invitation to attend the biennial conference of Caribbean Judicial Officers in Barbados in September 2013. He joined a panel to discuss 'user-friendly justice' and participated in other discussions.

Lord Neuberger delivered the Annual Caroline Weatherill Memorial Lecture in the Isle of Man in October 2013. In February 2014 we were pleased to welcome the Bailiffs of Jersey and Guernsey, Sir Michael Birt and Richard Collas on a visit. They were able to observe the JCPC in action, as well as to have discussions with the Justices.

The Senior Magistrate of the Falkland Islands had a meeting with the Chief Executive in September and was able to bring her up to date on a number of interesting developments within that jurisdiction. The Chief Executive and Registrar also met with the Judiciary Administrator of the Cayman Islands in March 2014; and both the Chief Executive and the Registrar were involved in briefing incoming Governors for some of the British Overseas Territories before they took up their posts.

The JCPC hosted an educational day for Sixth Form students from an East London school on 14 March 2014, to mark Commonwealth Week. This involved the young people debating a previous JCPC case (*Belize Alliance of Conservation Non-Governmental Organisations v Department of the Environment*) and learning more about the court's jurisdiction.

## Policy developments

In our Business Plan for 2013/14 we highlighted a number of policy areas which we thought might impact on the work of the UKSC and/or the JCP.

We have kept in touch with Ministry of Justice officials, and with members of our User Group, about reforms of legal aid which have been introduced in England and Wales. We have also aimed to keep in touch with the devolved jurisdictions about similar changes being considered in those jurisdictions. As yet we have not detected any significant impact on the work of the UKSC, but we continue to monitor developments. In particular we are concerned about any potential increase in the number of litigants in person applying for permission to appeal to the Supreme Court. We have recently developed and placed on our website a simplified guide for those without legal representation which we hope will assist in answering some of the questions they may have about appealing to the Court. We have continued to monitor implementation of Lord Justice Jackson's proposals on costs in England and Wales and have revised our own Costs Practice Direction.

We have provided comments on proposals affecting the Supreme Court in a Government Consultation Paper on Reform of Judicial Review. The proposals, as slightly modified, have been included in the Criminal Justice and Courts Bill introduced in the House of Commons in February 2014.

We continue to monitor developments in relation to the European Courts in order to assess any potential implications for our work. We are also looking carefully at work being undertaken on fees by Her Majesty's Courts and Tribunals Service in England and Wales to see if there is any read-across to our own fee structure. Adjustments have been made to our policy on remissions to reflect changes in benefits paid by the DWP.

We have given effect to relevant changes introduced in the Crime and Courts Act, in particular, to the enhanced statutory powers of Court Security Officers at the UKSC. That Act also introduced changes which affect the governance of the administration of the UKSC, and these are referred to in Section Six. Changes to the procedures for judicial appointments are referred to in Section Two.

We have continued to keep in touch with developments on the forthcoming referendum on Independence in Scotland; and on the work of the Silk Commission on devolution in Wales. Scottish officials also ensured we were aware of their proposals on reforming the procedures for Scottish appeals to the Supreme Court. Clauses to achieve this have been included in the Courts Reform (Scotland) Bill, now being considered by the Scottish Parliament.



---

## section two

# appointing the Supreme Court Justices

---

### Appointments during the year

There are twelve Justices of the Supreme Court, including the President and Deputy President. Two of the Justices are from Scotland, and one from Northern Ireland. As well as sitting in the UKSC, the Justices sit in the JPC.

In the last Annual Report, we reported that, in October 2012 the Lord Chancellor had established a selection commission to recommend successors to Lord Dyson, Lord Walker and Lord Hope. We also reported that in late February it was announced that Lord Justice Hughes would replace Lord Dyson, Lord Justice Toulson would replace Lord Walker, and Lord Hodge would replace Lord Hope. Lord Hughes and Lord Toulson, as they became, were both sworn-in on 9 April 2013. Lord Hope retired on 27 June 2013, and Lord Hodge was sworn-in as his replacement as a second Scottish Justice on 1 October 2013.

A separate selection commission was established in April 2013 to make recommendations on who should succeed Lord Hope as Deputy President of the Supreme Court. The membership of the selection commission was Lord Neuberger and Lord Hope as the President and then Deputy President of the Court respectively; Professor Nichola Rooney representing the Judicial Appointments Commission in Northern Ireland; Sir Muir Russell representing the Judicial Appointments Board in Scotland; and Christopher Stephens representing the Judicial Appointments Commission for England and Wales. Because there was no vacancy for a Supreme Court Justice, Lord Hodge having already been selected to succeed Lord Hope as a Justice, the competition for Deputy President was confined to the serving Justices of the Supreme Court. Subject to that, the process followed was similar to that for other competitions, with applications invited, consultations amongst those prescribed by statute and interview. On 24 June 2013 it was announced that Lady Hale would succeed Lord Hope as Deputy President and she was sworn in as Deputy President on 22 July 2013.

### Valediction for Lord Hope

To mark Lord Hope's retirement as a Justice, and as the first Deputy President of the Supreme Court, a short valedictory ceremony was held on 26 June 2013. Tributes were paid by Lord Neuberger, the Lord Advocate, the Dean of the Faculty of Advocates, Lord Pannick QC and James Guthrie QC.

Lord Neuberger paid tribute to Lord Hope's enormous contribution to the jurisprudence of the UK's top appeal court, saying: "The past 15 years have been marked by extraordinary changes in the UK's constitutional settlement, most notably Scottish, Welsh and Northern Irish

devolution, the changes to the House of Lords, the introduction of the Human Rights Convention into UK law, the development of EU law, and the formation of the Supreme Court. As the one member of the UK's top court during the lead up to and the implementation of all these changes, Lord Hope has had a profound influence on the development of the UK constitutional settlement into the twenty-first century." Lord Neuberger praised Lord Hope's "care, consideration and conscientiousness" across his many responsibilities, paying particular tribute to his service to the JCPC and in leading the former Law Lords' committee on the transition to the Supreme Court in 2009.



Lord Hope pictured with colleagues during a reception to mark his retirement



### Changes to the selection process

The Crime and Courts Act 2013 introduced a number of changes to the judicial appointments process. Rather than having an absolute ceiling of twelve full-time Justices of the Court, the way has been opened for more flexible working patterns with the new requirement that no appointment may cause the full-time equivalent number of Justices to be more than twelve. We will be considering further how this might work in practice.

will no longer be a member of the selection commission. Instead, the President has the power to nominate another Judge to join the commission, but they cannot be a Justice of the Supreme Court. Further, in relation to diversity, the Act specifically allows a selection commission, where two persons are of equal merit, to prefer one over the other for the purposes of increasing diversity within the Court.

For the future, although the President will continue to be a member of, and chair all selection commissions other than those to select his/her successor, the Deputy President



The Justices of the Supreme Court, pictured in December 2013





## section three

# serving the UK and beyond: Jurisdiction and casework

### (A) the UKSC

#### Jurisdiction and casework

The UKSC is the UK's highest court of appeal. It hears appeals on arguable points of law of general public importance, concentrating on cases of the greatest significance. The UKSC is the final court of appeal for all United Kingdom civil cases, and criminal cases from England, Wales and Northern Ireland and (in certain cases) Scotland.

The Court plays an important role in the development of United Kingdom law. The impact of UKSC decisions extends far beyond the parties involved in any given case, helping to shape our society. Its judgments directly affect everyday lives.

The UKSC hears appeals from the following courts in each jurisdiction:

#### England and Wales

- The Court of Appeal, Civil Division
- The Court of Appeal, Criminal Division
- (in some limited cases) the High Court

#### Scotland

- The Court of Session
- The High Court of Judiciary (in certain cases)

#### Northern Ireland

- The Court of Appeal in Northern Ireland
- (in some limited cases) the High Court

The devolution jurisdiction of the JPCPC transferred to the UKSC on its establishment. The UKSC can be asked to give judgments on questions which relate to whether the acts of the devolved administrations in Scotland, Wales and Northern Ireland are within the powers given to them by the UK Parliament.

These administrations were established by the Scotland Act 1998, the Government of Wales Act 2006 and the Northern Ireland Act 1998.

The UKSC can also be asked to scrutinise Bills of the Scottish Parliament (under section 33 of the Scotland Act 1998), Bills of the Northern Ireland Assembly (under section 11 of the Northern Ireland Act 1998) and Bills of the National Assembly for Wales (under section 112 of the Government of Wales Act 2006).

Devolution cases can reach the UKSC in four ways:

- A question is referred by a relevant officer such as the Attorney General, the Lord Advocate or the Counsel General
- An appeal is made against a judgment by certain courts in England and Wales, Scotland and Northern Ireland
- An issue is referred by certain appellate courts

The UKSC has to consider and rule on the compatibility of United Kingdom legislation with the law of the European Union and the European Convention on Human Rights. In these and some other respects it represents a constitutional court.

#### Rules and Practice Directions

The underlying procedure of the UKSC is in many respects the same as that of the Appellate Committee of the House of Lords, but section 45 of the Constitutional Reform Act 2005 imposes upon the President a specific duty in relation to the rule-making power bestowed upon him under section 45(3).

The Constitutional Reform Act 2005 requires that the Rules are ‘simple and simply expressed’ and that the Court is ‘accessible, fair and efficient’ and many of the rigid and detailed requirements in the House of Lords Practice Directions have been dispensed with. The Court must interpret and apply the Rules with a view to securing that the Court is ‘accessible, fair and efficient and that unnecessary disputes over procedural matters are discouraged’. Rule 9(6) provides that, if any procedural question is not dealt with by the Rules, the Court or the Registrar ‘may adopt any procedure that is consistent with the overriding objective, the Act and these Rules’. These words are very important in underpinning the approach adopted by the Court.

The Rules are kept under review and feedback from users is welcomed – both formally through our User Group, or informally in other ways. The Rules and Practice Directions have generally worked well during the Court’s first years of operation: a number of revisions have been made to the Practice Directions to reflect suggestions made by practitioners and to effect a number of improvements.

### The procedure for appealing: permission to appeal (PTA) applications

In nearly all cases (except for Scotland) an appellant requires permission to appeal before he or she can bring a case to the UKSC. The court appealed from may grant permission, but where that court refuses permission, the appellant can then apply to the UKSC which has to rule on whether the permission should be granted. Such applications are generally decided on paper

by a panel of three Justices, without an oral hearing. There has been one oral permission hearing during the year.

Once the required papers have been filed, an application for permission will normally be determined within eight sitting weeks. In urgent cases, a request for expedition may be made and an expedited application can be determined within 14 days or even less (see Table 2).

Applications by third parties to intervene in appeals may also be made, usually after permission to appeal has been granted. Over the course of the year, 26 such applications have been made and all have been granted.

TABLE 1 – PTAs (1 April 2013 – 31 March 2014)

Applications Received	229
Applications Granted	81
Applications Refused	120
Applications with other result	0

### Appeals

Once permission to appeal has been granted, a hearing date is fixed using the time estimate provided by the parties, and the views of the panel considering the application. Hearings last for an average of two days.

Between 1 April 2013 and 31 March 2014:

- 120 appeals were heard, and
- 115 judgments were given.

### Sitting Days

Over the year, the UKSC sat for 127 days out of a maximum of 147 possible sitting days (the Court does not sit on Fridays, which are reserved for case preparation and judgment writing, and some other days are unavailable for hearings owing to judicial engagements affecting a number of Justices).

The Court's target remains for all appeals to be heard within nine months of the grant of permission. The Court, however, seeks to arrange hearings according to the availability of parties' legal representatives. In practice

it is this factor alone which can prolong the 'life' of an appeal as instructing new advocates if their advocate of choice is not available within the target period involves the parties in considerable extra expense.

The UKSC can and has arranged hearings within weeks of the grant of permission in a number of urgent cases (for example, family cases). The Court deliberately allows some gaps in its listing to enable such cases to be heard. The following table indicates urgent cases determined by the UKSC during the year, and the timescales within which they were handled.

TABLE 2 – Urgent appeal cases

Name	Permission to Appeal Application filed	Permission to Appeal determination given	Hearing
B (A Child)	21 April 2013	2 May 2013	-
LC (Children)	3 October 2013	17 October 2013	11 November 2013
McDonald v National Grid	6 December 2013	20 December 2013	-
R (on the application of Nicklinson and another)	25 October 2013	-	16-19 December 2013
R (on the application of AM)	10 September 2013	-	-

**section three**

serving the UK and beyond: Jurisdiction and casework

**TABLE 3 – Total UKSC statistics, including all jurisdictions: 1 April 2013 – 31 March 2014**

	Total
PTA applications received	229
PTA applications referred to Justices	205
PTA applications not yet referred to Justices	24
PTA applications granted	81
PTA applications refused	120
PTA applications other result	0
PTA fee remissions	18
PTA fee deferred	0
Appeals filed as of right	37
Number of Appeals heard	120
Number of Appeals allowed	56
Number of Appeals dismissed	50
Number of Appeals other result	9
Number of Appeals referred to ECJ	2
Number of sitting days	127
Number of possible sitting days	147
<b>Number of Judgments given</b>	<b>115</b>

**TABLE 4 – PTAs from Scotland and Northern Ireland: 1 April 2013 – 31 March 2014**

	Total
<b>Permission to Appeal applications received</b>	
Scotland	3
Northern Ireland	19
<b>Permission to Appeal applications granted (not all filed during period)</b>	
Scotland	0
Northern Ireland	3
<b>Permission to Appeal applications refused (not all filed during period)</b>	
Scotland	0
Northern Ireland	11
<b>Appeals/references lodged as of right</b>	
Scotland	13
Northern Ireland	1

	Number Granted	Number Refused	Total
Arbitration		1	1
Banking		1	1
Company		5	5
Conflict of laws	2	3	5
Contract law		12	12
Costs	1		1
Crime	2	6	8
Devolution	4	2	6
Discrimination		1	1
Education		1	1
Employment	3	4	7
EU law		3	3
Evidence		1	1
Extradition		1	1
Family	4	4	8
Housing	2	2	4
Human Rights	3	4	7
Immigration	13	14	27
Insolvency	2		2
Insurance	1		1
Judicial Review	12	12	24
Land		4	4
Landlord and Tenant	4		4
Mental Health	1		1
Mortgage	3	1	4
Patent		3	3
Personal Injury	1	2	3
Planning	1	4	5
Procedure	15	23	38
Taxation	3	2	5
Tort	1	1	2
Trade Mark	2	3	5
Trusts	1		1
<b>Total</b>	<b>81</b>	<b>120</b>	<b>201</b>

## section three

serving the UK and beyond: Jurisdiction and casework

TABLE 6 – UKSC appeals, disposed of by judgment, by subject matter 1 April 2013 – 31 March 2014

	Total number of judgments		Total number of judgments
Admiralty	0	International Law	0
Arbitration	1	Judicial Review	5
Children	5	Land	1
Commons	2	Landlord and Tenant	0
Company	1	Legal Aid	1
Competition	0	Limitation	0
Conflict of laws	3	Medicine	1
Consumer Credit	1	Mortgage	0
Contempt of court	0	Negligence	3
Contract law	1	Northern Ireland	0
Copyright	1	Nuisance	1
Costs	0	Occupier's Liability	0
Crime	12	Partnership	0
Defamation	0	Patent	1
Detention	0	Pensions	0
Devolution	1	Planning	4
Discrimination	1	Procedure	4
Employment	5	Probate	0
EU law	2	Sale of Goods	0
Evidence	0	Scotland	1
Extradition	4	Shipping	0
Family	1	Social security	0
Financial Services	0	Solicitor	0
Freedom of Information	2	Statutory Interpretation	3
Health and Safety	1	Taxation	7
Highways	1	Tort	1
Housing	1	Trade Mark	0
Human Rights	11	Tribunal	0
Immigration	14	Trusts	3
Insolvency	5	Will	1
Insurance	1		
		<b>Total</b>	<b>115</b>



## References to the Court of Justice of the European Union

Like other courts, the UKSC is able (under Article 267 of the Treaty on the Functioning of the European Union) to ask the Court of Justice of the European Union (the CJEU) to give preliminary rulings concerning:

- a. the interpretation of the Treaties; and
- b. the validity and interpretation of acts of the institutions, bodies, offices or agencies of the Union;

where such a question is raised in proceedings before it and it considers that a decision on the question is necessary to enable it to give judgment.

In permission applications in cases said to raise a question of European law, the Supreme Court does not, when considering whether in the light of that question to grant permission or to make a reference to the CJEU, apply a test of whether it or any other issue in the case is of general public importance.

When the Court refuses permission to appeal in a case where the application includes a contention that a question of Community law is involved, the Court gives additional reasons for its decision not to grant permission to appeal which reflect the decision of the European Court of Justice in *CILFIT v. Ministry of Health* (Case C-283/81). That case laid down the categories of case where the European Court considered that no reference should be made to it, namely:

- a. where the question raised is irrelevant;
- b. where the Community provision in question has already been interpreted by the Court of Justice;
- c. where the question raised is materially identical with a question which has already been the subject of a preliminary ruling in a similar case; and
- d. where the correct application of Community law is so obvious as to permit no scope for any reasonable doubt.

The Court may order a reference to the European Court of Justice before determining whether to grant permission to appeal. In such circumstances proceedings on the application for permission to appeal are stayed until the answer is received.

Between 1 April 2013 and 31 March 2014, the UKSC has made references in the following two cases:

- *Public Relations Consultants Association Limited (Appellant) v The Newspaper Licensing Agency Limited and others* (Respondents)
- *R (on the application of ClientEarth) (Appellant) v The Secretary of State for the Environment, Food and Rural Affairs* (Respondent)

Over the same year, the UKSC has, when refusing permission to appeal, refused to make references in 12 cases.

### Size of panels hearing cases

The Supreme Court Justices usually sit in panels of five, but sometimes in panels of seven or nine. When a panel decides to grant permission to appeal, a recommendation is made if the panel considers more than five Justices should sit. The criteria for making such a recommendation are available on our website.

### Easter Term (9 April – 24 May 2013)

No panels of larger than five sat this term.

### Trinity term (4 June – 31 July 2013)

Seven Justices sat in the following appeals:

- R (on the application of Chester) (Appellant) v Secretary of State for Justice (Respondent) and McGeoch (AP) (Appellant) v The Lord President of the Council and another (Respondents)
- R v Gul

### Michaelmas term (1 October – 21 December 2013)

Seven Justices sat in the following appeals:

- R (on the application of HS2 Action Alliance Limited) (Appellant) v The Secretary of State for Transport and another (Respondents); R (on the application of Heathrow Hub Limited and another) (Appellants) v The Secretary of State for Transport and another (Respondents) and R (on the application of Buckinghamshire County Council and others) (Appellants) v The Secretary of State for Transport (Respondent)
- P (by his litigation friend the Official Solicitor) (FC) (Appellant) v Cheshire West and Chester Council (Respondent)

and P and Q (by their litigation friend, the Official Solicitor) (Appellants) v Surrey County Council (Respondent)

- Kennedy (Appellant) v The Charity Commission (Respondent)

### Nine Justices sat in the following linked appeals:

- R (on the application of Nicklinson and another) (Appellants) v Ministry of Justice (Respondent); R (on the application of AM) (Respondent) v The Director of Public Prosecutions (Appellants) and R (on the application of AM) (Respondent) v Director of Public Prosecution (Appellant)

### Hilary term (13 January – 16 April 2014)

No panels of larger than five sat this term.

### Cases and judgments

Although every appeal heard by the UKSC is of legal importance, many also attract considerable public interest owing to their impact on wider society. Some of the particularly high profile cases determined by the Court this year include:

### Bull and another v Hall and another [2013] UKSC 73

The Supreme Court heard a high profile appeal on the law of discrimination, concerning Christian hotel owners whose religious beliefs meant that they were only prepared to let double rooms to heterosexual married couples. A homosexual couple in a civil partnership were refused a double room and brought proceedings under the Equality Act (Sexual Orientation) Regulations 2007 alleging direct or indirect discrimination on the grounds of sexual orientation.

The Supreme Court upheld the decisions of all the courts below that the homosexual couple had been the victims of direct discrimination and that the interference in the Regulations with the right to manifest religious belief was a proportionate means to protect the rights and freedoms of others. The judgment made it clear that this finding did not favour sexual orientation over religious belief: the refusal to let a hotel room to persons on the grounds of their Christian beliefs would equally be protected by the law's prohibition of discrimination.

**R (on the application of Chester) v Secretary of State for Justice; McGeogh v The Lord President of the Council and another [2013] UKSC 63**

Two challenges by prisoners serving life sentences for murder to the continued refusal to allow prisoners to vote were heard by the Supreme Court in June. The first sought the right (in domestic and EU law) to vote in UK and European Parliamentary elections; the second in EU law only in relation to local and Scottish Parliamentary elections. The prisoners relied on the principles established by the European Court of Human Rights in 2005 in a finding that the present blanket ban on prisoner voting was incompatible with the duty to hold free and fair elections under the European Convention on Human Rights, as to which the Government was still deciding how to respond.

The Supreme Court dismissed both appeals. It accepted that these principles were applicable but it would not exercise the discretion to make a second declaration of incompatibility of the ban pursuant to the Human Rights Act 1998, especially as any relaxation of the ban that the Government might enact to cure the incompatibility would not need to extend to prisoners serving terms of life imprisonment. The claims under EU law, which was concerned with equal treatment between EU citizens residing in member states other than that of their nationality, did not assist the appellants.

**R v Hughes [2013] UKSC 56**

The Supreme Court was invited to consider the scope of the new offence of causing death by driving while uninsured, disqualified or without a licence, introduced in 2006 by amendment to the Road Traffic Act 1988. Mr Hughes was convicted of the offence because he was uninsured and without a licence when involved in an accident in which he was not at all at fault. His car was smashed into by a driver under the influence of heroin, who was killed.

The Court of Appeal had been bound by previous case law to find that mere involvement in the fatal collision was enough but the Supreme Court allowed the appeal. It held that the wording of the offence 'causes... death... by driving' imported the legal concept of causation and Mr Hughes' involvement in the death was not in law a cause, but simply the background to an event. Something properly to be criticised in the driving of a defendant would be necessary to make out the offence.

### **North and others v Dumfries and Galloway Council [2013] UKSC 45**

The Supreme Court ruled that that a group of over 250 classroom assistants and nursery nurses employed during school term-time are entitled to bring claims under the Equal Pay Act 1970 alleging that they are employed under less favourable terms and conditions than certain full time manual workers also employed by the Council, whose work they seek to establish is of equal value. The requirement that claimants and their chosen comparators must be in the same employment before a claim can be brought under the Act meant that, in cases where they did not work at the same establishment, the claimants had to show that the more favourable terms and conditions would have been applied to the male comparators were they to be employed at the same establishment. It was no answer to say that no comparators ever would be employed at the same establishment as the claimant, otherwise it would be far too easy for an employer to arrange things so that only men worked in one place and only women in another.

### **Smith and others v Ministry of Defence; Ellis v Ministry of Defence; Allbutt and others v Ministry of Defence [2013] UKSC 41**

These appeals concerned claims arising out of the death of three young British servicemen and the serious injuries of two others in Iraq. The claims were variously brought in negligence (alleged failures to equip and to train the soldiers) and under the Human Rights Act 1998 for the alleged breach of the positive obligation to protect life in Article 2 of the European Convention

on Human Rights. The Ministry of Defence applied to strike out the claims on the grounds that the soldiers were not within the jurisdiction of the UK for the purposes of the Convention and because the claims fell within the principle of combat immunity.

The Supreme Court, following a recent decision of the European Court of Human Rights, held that the soldiers were within the UK's jurisdiction for the purposes of the Convention because it exercised authority and control over them, and (by a majority) that the doctrine of combat immunity should be construed narrowly and not extend to the planning of and preparation for active operations against the enemy. The claims should proceed to trial where evidence would assist in determining the scope of any duty in negligence or under Article 2.

### **Bank Mellat v Her Majesty's Treasury (Nos 1 and 2) [2013] UKSC 38 and 39**

In a historic judgment the Supreme Court ruled that it had the power to use a closed material procedure (CMP) and that it should do so on the facts of this case. A CMP allows the court to view confidential and sensitive material in the absence of one or more of the parties and their advisers, whose interests can only be represented so far as is possible by Special Advocates at the hearing. Bank Mellat, a major Iranian commercial bank, complained of an order made under the Financial Restrictions (Iran) Order 2009 which effectively shut down the UK operations of the bank. The evidence relied on by the Treasury to justify the order was held to be so sensitive as to justify a CMP in the courts below, where the order was upheld.

Sitting as a nine judge court, the Supreme Court held by a majority of six to three that the Supreme Court had the power to adopt a CMP on an appeal; by five to four that it was appropriate to adopt a CMP in this case (although, having done so, the conclusion was that there had been nothing in the closed judgment and submissions on it which could have affected the appeal); by six to three that Bank Mellat had suffered breaches of the right to a fair trial and to the peaceful enjoyment of property by the failure of the Treasury to allow it to make representations before the order was made; and by five to four that the order should be quashed because singling out Bank Mellat had been arbitrary and irrational, and disproportionate to any contribution it could make to the statutory purpose of hindering Iran in the pursuit of its nuclear weapons programmes.

### **Prest v Petrodel Resources Limited and others [2013] UKSC 34**

In proceedings for financial remedies following divorce, Mrs Prest sought to enforce a lump sum order in her favour, which Mr Prest had not satisfied, by obtaining an order for the transfer of UK properties to her held by companies which were wholly owned and controlled by him. This required the court to consider whether there was any basis on which it could regard the assets of the companies as available to satisfy the lump sum order. On the facts of this case, the Supreme Court held that the properties were in fact held by the companies on trust for the husband and thus fell within the definition of property to which he was entitled under section 24 of the Matrimonial Causes Act 1973.

If this had not been so, the court would not have made the order. The concept of 'property' in financial remedies proceedings was the same as in the general law of property and the statutory scheme for protecting those dealing with companies was applicable. Furthermore, although there was a small category of cases where the abuse of the corporate veil to evade or frustrate the law could be addressed by disregarding the legal personality of the company, this was not such a case.

### **P (by his litigation friend the Official Solicitor) v Cheshire West and Chester Council; P & Q (by their litigation friend the Official Solicitor) v Surrey County Council [2014] UKSC 19**

In appeals concerning the criteria for judging whether the living arrangements made for mentally incapacitated persons amount to a deprivation of liberty, the Supreme Court held that all the claimants had been so deprived. Each was in receipt of care devised by local authorities in their best interests but the benevolent justification for the arrangements did not mean that the claimants were not deprived of their liberty. They were under continuous supervision and were not free to leave. Physical liberty was the same for everyone regardless of their disabilities. The effect of the finding was that regular independent checks to ensure the arrangement remained in the claimants' best interests were required.

## (b) the JCPC

### Jurisdiction and casework

The JCPC is the court of final appeal for the UK Overseas Territories and Crown Dependencies and for those Commonwealth countries that have retained the appeal to Her Majesty in Council or, in the case of republics, to the Judicial Committee. A list of the relevant countries is at Annex A. Although the Judicial Committee was instituted by a United Kingdom Act, the substantive law which it applies is the law of the country or territory from which the appeal comes. The Judicial Committee therefore plays an important role in the development of law in the various constituent jurisdictions and the impact of its decisions extends far beyond the parties involved in any given case, and often involves questions arising out of the relevant constitution and/or the fundamental rights and freedoms of the inhabitants of the country or territory.

The JCPC also has jurisdiction in a number of miscellaneous areas such as appeals from the Disciplinary Committee of the Royal College for Veterinary Surgeons, certain maritime disputes and non-doctrinal ecclesiastical matters. For instance, in March 2014 the Judicial Committee heard an appeal from a vet struck off by the RCVS, and is currently (as at 31 March 2014) considering an application for permission to appeal against a Church of England Pastoral Scheme for the closure of a church. A similar application against a different Scheme was refused in July 2013.

### Rules and Practice Directions

The underlying procedure of the JCPC is in many respects the same as that of the UKSC. The Rules are kept under review and feedback from users, whether formally through the User Group or informally in other ways, is welcomed. The Rules, Practice Directions and forms for the JCPC can be accessed on the JCPC website at [www.jcpc.uk](http://www.jcpc.uk)

### The Procedure for Appealing

Unlike in the UKSC where, in most cases, an Appellant requires permission to appeal before he can bring an appeal, the Judicial Committee hears a number of appeals 'as of right'. The right of appeal to the JCPC is largely regulated by the constitution and legislation of the relevant individual jurisdiction or by Order in Council. In broad terms, provision for leave 'as of right' is made where the value of the dispute is more than a specified amount or where the appeal raises questions as to the interpretation of the constitution of the country concerned. In other civil cases, leave may be granted by the court appealed from or, on application, by the JCPC itself.

The JCPC receives a number of applications for permission to appeal in criminal cases including 'death row cases'. Permission to appeal is granted in criminal cases for applications where, in the opinion of the Board, there is a risk that a serious miscarriage of justice may have occurred.

The timescale for dealing with applications for permission to appeal in the JCPC is often dependent on the actions of local attorneys or of the relevant court from which the appeal is brought. Although the JCPC can, and has, dealt with applications for permission to appeal quickly, an application for permission would normally be determined with 12 sitting weeks.

The revised fees structure which was introduced for civil cases in April 2013 has not resulted in a decrease in the number of appeals.

## Appeals

As in the Supreme Court, the hearing date for an appeal is fixed using the time estimate provided by the parties or by the panel which granted permission to appeal, and appeals are almost invariably listed to the convenience of the parties involved, particularly if they are having to travel long distances.

Between 1 April 2013 and 31 March 2014:

- 51 appeals were heard
- 32 judgments were given.

TABLE 1 – PTAs (1 April 2013 – 31 March 2014)

Applications Received	73
Applications Granted	16
Applications Refused	43
Applications with other result	1

TABLE 3 – Total JCPC statistics: 1 April 2013 – 31 March 2014

	Total
PTA applications received	73
PTA applications referred to Justices	68
PTA applications not yet referred to Justices	5
PTA applications granted	16
PTA applications refused	43
PTA applications other result	1
PTA fee remissions	1
Appeals filed as of right	46
Number of Appeals heard	51
Number of Appeals allowed	17
Number of Appeals dismissed	12
Number of Appeals other result	3
Number of sitting days	49
Number of possible sitting days	147
Number of Judgments given	32



### Sitting Days

Over the year, the JCPC sat for 49 out of a possible 147 sitting days. The JCPC usually sits as a Board of five.

### Cases and judgments

A number of JCPC cases attracted particular public interest over the course of the year, including:

#### **Crawford Adjusters and others v Sagicor General Insurance (Cayman) Limited and another [2013] UKPC 17**

The Privy Council decided to extend the scope of the tort of malicious prosecution of civil proceedings in this Cayman Islands case to address the damage suffered by the claimants. The appellants had been the subject of well-publicised proceedings by Sagicor for deceit and conspiracy in relation to building works, in circumstances where the Sagicor Vice President knew that the claim was false and made maliciously. The claim was later discontinued but some of the damage suffered by the appellants was irreparable.

By a majority of three to two the Privy Council found that a claim against Sagicor for malicious prosecution had to be permitted in order to give effect to the rule of public policy that wrongs should be remedied. It considered that there was no evidence that such a tort deterred the honest bringing of litigation or that it led to interminable litigation. Accordingly the appeal was allowed and judgment entered for the appellants for CI\$1.335m.

#### **Lundy v The Queen [2013] JCPC 28**

The Privy Council heard a rare appeal from the New Zealand Court of Appeal, in relation to a conviction which took place in 2002, before the Privy Council ceased to have jurisdiction to hear appeals from New Zealand in 2004. Mr Lundy had been convicted of the murder of his wife and daughter. He sought to rely in his appeal on new evidence which he submitted undermined the scientific evidence on which the prosecution case against him had largely depended. The Privy Council concluded that he was entitled to introduce the new evidence, which was credible and presented a direct and plausible challenge to a central element of the prosecution case, so that there was therefore a risk of a miscarriage of justice. It directed that Mr Lundy should stand trial again on the charges of murder as soon as possible, in order that a searching inquiry into all the areas of dispute could take place.





## section four

# increasing accessibility: communications and external relations

One of the UKSC's objectives is to make its proceedings as accessible as possible, and to foster greater understanding of its work as the UK's highest domestic court of appeal.

Over the course of 2013-14, we have welcomed a record number of visitors and educational groups to the Court and developed a broader range of interpretative material to help people get the most from their visit: whether they are student lawyers, organised groups or tourists spending a short time here. A key focus of the year was marking the centenary of the Middlesex Guildhall, home to the UKSC and JPC, and encouraging new audiences to explore the building's architectural highlights.

### Welcoming visitors

The court building is open to the public from 9.30 am to 4.30 pm Monday to Friday, and we actively encourage visitors through external signage and information on our website.

During the year we received almost 80,000 visitors – the highest annual total since the Court opened in 2009. Many of our visitors are keen to observe hearings, and summaries of the facts and issues in each appeal are available from our Reception desk to aid understanding. In addition, visitor guides are available freely in a number of languages. An enhanced guide to the work and jurisdiction of the JPC was produced during the year to supplement the UKSC visitor leaflets.

We continue to offer pre-arranged guided tours for groups or individuals keen to see parts of the building not normally open to the public, such as the Library. These tend to be offered on Fridays

during term-time and on occasional days during the recesses. We have also worked with the RNIB and Action on Hearing Loss to train our guides in speaking for lip-readers and to pilot tours using large text displays suitable for those with hearing loss. This is in addition to the Braille and tactile tour material already available for blind and partially sighted visitors.

To mark the Middlesex Guildhall Centenary (described in more detail on page 46), an audio tour of the outside of the building was commissioned as a downloadable 'app', focusing on the architectural details which sought to reflect the administrative and judicial functions of this civic site. More than 500 people have downloaded the guide since May 2013. The audio guide was complemented by a downloadable booklet describing the historic stained glass of the building, with brief biographies of the Middlesex figures represented by the coats of arms depicted.

Visitor numbers were significantly increased by the continuing success of our participation in the 'Open House London' weekend in September. This year we joined together with other institutions around Parliament Square to offer a co-ordinated series of brief talks by volunteer guides about each building, and a sound installation including audio about the work of each institution (the audio is now available on our website). In total more than 5,000 people came through the doors over the long weekend. In addition to four other dedicated 'open days' during the year (selected close to public holidays) we also piloted opening on a Saturday in May, to enable those usually unable to visit during the week to have the opportunity to see the

building. This was a success, with more than 1,000 people visiting over the course of the day, and it will be repeated on the Saturday before the late May Bank Holiday in 2014.

### Educating and inspiring

It has always been among the UKSC's principal objectives to educate and inspire people about the UK justice systems and the rule of law, and we continue to seek to identify new areas of work to achieve this.

We welcomed more than 370 educational groups for visits to the court over the year – again, a record number. Groups come from a diverse range of places and backgrounds: around one in six parties are visiting from abroad, while 80% of school and college visits are from the state sector.

We are again pleased to report that we have seen continuing growth in the number of student groups from beyond England, which now total around 7% of educational parties. These included groups from the University of Edinburgh, the University of Glasgow, the University of Strathclyde, Glasgow Caledonian University, and the University of Aberdeen. A group from the University of Bangor Law School visited in December, and held the final round of their mooted competition in one of the courtrooms; and in February the University of Cardiff did likewise. We also welcomed groups from Boclair Academy on the outskirts of Glasgow; Bannockburn High School; Focus School, Powys; Tonypandy Community College; Lurgan College; and Belfast High School, among others. Wherever possible we arrange for groups from further afield to meet with a Judicial Assistant or Justice with particular experience of the group's home jurisdiction.

At the start of the year we commissioned an educational film presented by Stacey Dooley (BBC Three), which introduces the work and role of the UKSC and includes interviews with Justices and Judicial Assistants. We make teachers aware of the film when they book visits to the building, and it is featured prominently on our website. It had been viewed more than 17,000 times since it was uploaded to YouTube in April 2013.

Each month we also offer schools and college groups the opportunity to participate in a one-day workshop, involving students preparing legal arguments on a case previously considered by the UKSC. This is supported by our Judicial Assistants and other volunteer lawyers. The mock appeal is then staged in our main courtroom, and is judged by a group of the students' peers. On a number of occasions, Justices have been able to attend to offer their own feedback and take questions from students. These days are very popular with both students and staff, and feedback from the sessions suggests an increase in the students' knowledge and understanding of the role of appellate courts. These workshops have been run in partnership with the National Centre for Citizenship and the Law ([www.nccl.org.uk](http://www.nccl.org.uk)), who first ran pilot sessions here in 2010. Over time, UKSC's own capacity and experience for running the days has increased, and NCCL's own London operation has evolved. As a result, the UKSC has now assumed responsibility for booking groups for the days and running them, while the NCCL will continue to support us in developing appropriate supporting resources. At the start of the 2014 calendar year we also held an informal reception to thank the lawyers who volunteer their time to support students in preparing for the debates.





Above: Former Judicial Assistants Cameron Sim and Michael Deacon chat to BBC3 presenter Stacey Dooley as part of an educational film on the work of the UKSC and JCPC.

Top right: Students from the Mooting Club at Morpeth school, East London, with Jenny Rowe. The students debated a previous JCPC decision to mark Commonwealth Week, March 2014.

Right: Members of the Youth Diplomatic Service pictured outside the court during their visit in June 2013.

Bottom right: Jade Cox, one of the winners of Cardiff University Law Society's Moot Final judged by Lord Clarke, February 2014

Below: Students from Leyton College, East London debating positive discrimination in the professions to mark Parliament Week, November 2013.



Youth Diplomatic Service



We have also continued our support for 'Big Voice London', a student led project involving young people from a range of educational institutions across London, who might not have traditionally considered a career in law; and we are working with the Egham Museum and Royal Holloway University on plans for a series of 'Magna Carta Constitutional Conventions' where students from across the South East of England will come together to debate the clauses they would include in a modern-day charter of rights, inspired by previous UKSC appeals.

The range of learning resources available freely from the Court's website was extended over the year to include lesson plans designed for AS/Higher level students on the subject of the Separation of Powers; and a resource pack introducing the work of the JCPC.

On 5 July the Court hosted a day conference for A Level Law teachers, run by the OCR examining board. This gave us an opportunity to show teachers from across the country the building as well as to explain what we can offer their students. Many participants commented in their feedback that the venue was one of the most impressive aspects of the day. We anticipate repeating this event next year and would be happy to consider working with other examining boards on similar events.

### Explaining our role

The Court has a dedicated exhibition area which offers visitors more information about the UK's legal systems, the role of the UKSC and that of the JCPC. During the year we updated the two interactive displays to include more recent appeals which the Court has determined.

Our summer exhibition this year focused on the centenary of the Middlesex Guildhall, and is described in more detail on page 46. The exhibition was well received by visitors, and was featured in a number of event listings blogs, as well as special interest magazines.

We have also taken opportunities to make available the UKSC's facilities for events which support the promotion of the rule of law, including an event in November co-hosted by the UKSC and the Lord Chief Justice of England and Wales designed to encourage legal academics to consider a career in the judiciary; the National Family Mediation for England's AGM in September; and a meeting of the London Association of District Judges in November. In October, we were also pleased to host an evening ceremony for Londoners who were receiving awards for helping to secure the successful conviction of those responsible for criminal activity. This ceremony, chaired by the High Sheriff of London, is a chance for society to recognise individuals who have in many cases shown great bravery in assisting the police in apprehending criminals.

## Serving the media

Our press office function serves the media and other key stakeholders, primarily through communicating the Court's decisions in a timely and accessible manner. We continue to develop positive working relationships with legal and home affairs correspondents, as well as specialists in other fields when relevant appeals arise.

We have continued to issue press summaries for every UKSC judgment (and JPC judgments of particular significance), a list of highlights of each term's forthcoming hearings and a list of determinations of permission to appeal applications which are likely to be of wider public interest. Over the year we have also developed a more proactive system for identifying and distributing the Justices' extra-judicial lectures and speeches, which has led to increased coverage for this aspect of their work.

In July, we hosted a visit by approximately 20 Scottish journalists as part of a two-day programme in London co-ordinated by the Scotland Office. This provided an opportunity to introduce the Court's work to a range of media reporters and commentators, who spent some time observing hearings and were given a guided tour in addition to a background briefing and Q&A session with the Chief Executive. A number of new contacts were added to our media distribution list as a result.

In terms of coverage, hearings and judgments which attracted particularly extensive media attention included:

- *Petrodel v Prest*, regarding 'piercing the corporate veil' in divorce cases, with many of the broadsheets examining the implications of the judgment;
- *Smith and Others v MoD*, regarding human rights and negligence claims of soldiers on active service abroad, which attracted a bank of journalists outside the Court and Lord Hope's judgment summary being carried live on BBC News and Sky News channels;
- *Bull v Hall*, on whether Christian guesthouse owners could refuse to let a double room to a gay couple, with many newspapers quoting directly from Lady Hale's judgment;
- The four-day hearing of *Nicklinson* and linked cases regarding assisted suicide, with commentary in a number of broadsheets (awaiting judgment as at 31 March);
- The judgment in *Chester and McGeoch*, on prisoners' voting rights, also received wide coverage including live broadcasting from the Court on BBC News and Sky News channels;
- *And R (on the application of Reilly) v DWP*, regarding the back-to-work scheme for welfare claimants, which attracted similarly wide coverage on news channels and newspapers.

There was also extensive coverage of the JPC hearing in *Lundy* (regarding an alleged miscarriage of justice in a murder trial), with a number of representatives of New Zealand media outlets attending. A detailed media briefing sheet was provided and footage from court was carried by a number of NZ broadcasters.



There was also coverage outside the courtroom: in April, the *FT Weekend* magazine included a feature on the Supreme Court as part of its series on British Institutions. The piece, written by the FT's special correspondent Matthew Engel, ran with the headline quote "The most striking fact about his place is its informality. Grandeur and remoteness have been swept away". In May, the Court's Judicial Assistants scheme was profiled in the Student Law supplement in *The Times*. In June, there was coverage of Lord Hope's retirement and Lady Hale's appointment as the next Deputy President across a number of newspapers.

At the beginning of October, Lord Neuberger and Lady Hale held a press conference to mark the beginning of the legal year. The two main themes arising from journalists' questions were judicial diversity and open justice. Lord Neuberger also gave a feature interview to the *Evening Standard* in November focusing on concerns about the high cost of litigation and access to justice; and Lady Hale gave a profile interview to *BBC Radio 4's Woman's Hour*, following her being listed in the programme's 'top 100 powerlist'.

As noted above, a number of extra-judicial lectures attracted coverage over the year. Those gaining the most attention included Lord Neuberger's Tom Sargant Memorial Lecture in October, 'Justice in an Age of Austerity'; Lady Hale's lecture on social mobility to the Young Legal Aid Lawyers in October; the Sultan Azlan Shah Lecture given by Lord Sumption in Malaysia in November on the development of the ECtHR's jurisdiction; Lord Mance's lecture to the World Policy Conference in December on the role of the EU and the CJEU; Lord Wilson's

lecture to the Northern Ireland Medico-Legal Society in February entitled 'Marriage is made for Man, not Man for Marriage'; and Lord Neuberger's Cambridge Freshfields Law Lecture on 'The British and Europe' in February. Copies of all the Justices' extra-judicial lectures are published on the UKSC website wherever possible.

### Enhancing our online presence

Our websites remain an important channel for publishing the Court's decisions, details of forthcoming appeals, Justices' extra-judicial lectures, minutes of key meetings and other news. They also serve as a window to our wider objectives, highlighting aspects of our education and visitor services work. An average of 39,000 unique visitors have arrived at the UKSC and JCPC websites each month (a drop of around 11% against the previous financial year, reflecting a less high-profile caseload and the effect of the domain name transition at the start of 2014).

The Court's official Twitter profile now has more than 76,000 followers and continues to receive positive feedback, providing legal professionals, students and others with real-time alerts on judgments and other Court news.

Live video streaming from a selected courtroom via the Sky News website has continued over the year, with approximately 18,000 viewers 'tuning in' on an average month. In addition, the films on our YouTube channel have been viewed more than 85,000 times over the year. We continue to upload footage of the lead Justice's judgment summary in each UKSC appeal (and more high-profile JCPC appeals), and we regularly receive positive feedback about this service –

particularly from law lecturers and legal training providers who find the concise summaries a helpful educational tool.

We have also continued to make our websites as user-friendly and accessible for visitors as possible, revising the 'Court Procedures' and 'Practical Arrangements in court' sections to make key information more accessible; implementing a better search engine; and extending to the JCPC website feeds enabling users to subscribe for automatic alerts to their desktop or other RSS-reading device when key pages are updated. Much work has also been undertaken to prepare for enhancements to the case details available via the websites, to be launched in the coming months.

### Listening to our users

The joint User Group, covering both the UKSC and JCPC has continued to meet twice a year, usually in June/July and in January. The meeting held on 28 June 2013 was chaired by Lady Hale. Lord Kerr then assumed the chairmanship of the group when Lady Hale succeeded Lord Hope as Deputy President. He chaired the meeting held on 31 January 2014. The Chief Executive and the Registrar attend all meetings, with other Justices and staff attending as necessary.

A variety of users are involved in these meetings, including Barristers' Clerks, Solicitors and members of the Bars from around the United Kingdom. Agendas and papers are circulated to a wide range of users, with meetings typically attended by between 20 and 30 people. Once minutes of the meetings have been approved, they are placed on our websites.

Over the past year we have discussed a range of issues at the User Group, some raised by Justices/staff and some by users. The User Group has been particularly helpful in commenting on revisions, and suggesting other changes, to Practice Directions, particularly Practice Direction 13 on Costs. Other issues include: IT and electronic presentation of material; the role of interveners; and procedures for dealing with draft JCPC judgments. The User Group has also commented on the UKSC's draft policies on making rooms available to those whose religious practice requires them to pray in a private space, and on a guide to appealing to the Court for those without legal representation. We also briefed the User Group regularly on our diversity and equality strategy, giving them an opportunity to flag up any issues which impact on the professions and their clients. We continue to try and resolve the issue of wider access to core volumes, particularly in relation to legal libraries.

A number of members of the User Group, and their colleagues, continue to assist us with the educational work we do at the Supreme Court/JCPC. We are extremely grateful to them for both their commitment and their enthusiasm.

## Celebrating 100 years of the Middlesex Guildhall

As Big Ben struck midday on 19 December 1913, THR Prince and Princess Arthur of Connaught conducted the official opening of a new Guildhall for Middlesex. The ceremony marked the latest lease of life for a site that had been linked to public administration and justice for many decades, and today is home to the UKSC/JCPC.

This year, we liaised with a range of other partner organisations with a stake in the history of Middlesex to ensure that the centenary was marked appropriately, producing a range of materials to promote the building's heritage:

- An audio tour of the Guildhall's magnificent exterior was created as an 'app' for tourists to download before or during their visit. The tour uses the story of James Gibson and Henry Fehr's commission for Middlesex County Council, and the symbolism they employed in the decoration of the building, as a gateway to exploring its contemporary function.
- A full colour guide showing each of the heraldic and civic Coats of Arms represented in the stained glass of the Guildhall. The booklet contains brief biographical details of each of the people represented in the glass, as well as detailed descriptions of the featured symbols. We are grateful to Rupert Barnes of the Historic Counties Trust for his assistance in producing the guide.

Both of these can be downloaded freely from the UKSC website.

The centrepiece of the centenary celebrations was a temporary exhibition mounted during

the Court's summer recess. The exhibition explored the history of the site stretching back almost one thousand years, with illustrated panels narrating its story from serving as a place of sanctuary in the shadows of Westminster Abbey and the first sessions house built for the Middlesex Justices in 1805, through to its selection as home of the Supreme Court.

The exhibition was launched at an afternoon reception on 31 July 2013, attended by representatives from a range of organisations including the Middlesex Guildhall Art Collection Trust, the Middlesex Law Society, the Middlesex Regimental Association, Westminster Abbey and the Thorney Island Society.

Over two months, more than 20,000 people had the opportunity to view the free exhibition, which:

- Revealed little-known stories including the tale of a young man tried for spying on Queen Victoria in her bedchamber, and the Guildhall's use as a base for military courts for Allied governments-in-exile during World War II;
- Presented the historic artworks on display in the Supreme Court by painters including Thomas Gainsborough and Sir Joshua Reynolds through a specially-commissioned interactive database;
- Displayed valuable silverware from the Middlesex Guildhall Art Collection, including items used by the former Middlesex Justices during meals together;
- Offered younger visitors a range of creative activities based on the history of the building.

Rounding off the centenary year, Dunn's Bakery – a long-established baker's based within the historic boundaries of Middlesex – prepared a giant birthday cake featuring the



building and presented it to Lord Neuberger and Lady Hale on 19 December 2013, 100 years to the day after the Guildhall was officially opened. They were joined for the occasion by Cllr Nana Asante, The Worshipful The Mayor of the London Borough of Harrow (representing the London Borough which most closely reflects the former county of Middlesex). Representatives of the Worshipful Company of Bakers, of which Dunn's director is a member, also helped to present the cake. The centenary was also marked by the flying of the Middlesex flag from the Court's tower, as we do habitually on 'Middlesex Day', 16 May.

The UKSC and JCPC was pleased and privileged to have responsibility for co-ordinating the centenary celebrations for a building on a site which, as Lord Neuberger said at the exhibition opening, "has, over its one thousand year history,

served as a vital corrective to the dominance of any one branch of state over another... The vivid history of this building teaches us much about the nature of government and law in this country."

The building's links with Middlesex also includes less celebratory aspects. On 9 November the Middlesex Regimental Association held their annual Service of Remembrance in the building, which attracts an increasing number of family members of veterans from various conflicts in which the 'Die Hards' served. Wreaths were laid by Colonel Rex Cain, the President of the Middlesex Regimental Association and Lord Kerr. The Chief Executive read one of the lessons. After the ceremony refreshments were provided for those attending, who were also given an opportunity to tour the building and view panels from the summer exhibition which focused on the building's war time role.



Left: Guests at the opening of the summer exhibition on the history of the Guildhall

Below: The cutting of a commemorative cake on 19 December 2013. Pictured left to right are Ms Awula Serwah, Mayoress of the London Borough of Harrow, Cllr Nana Asante, Mayor of Harrow, Lord Neuberger, Lady Hale and Christopher Freeman, Director of Dunn's Bakery.





## section five

# sharing good practice: international relations

The Supreme Court of the United Kingdom continues to attract a good deal of international interest – amongst Judges, lawyers, administrators and other observers. Although we anticipated a degree of interest in the period immediately following the Court’s establishment, we have been struck by the fact that this has continued and in fact has since grown. This in addition to the long established interest of many countries in the role of the JCPC.

There are various levels at which the international relationships operate. These include the following:

- Links with the courts, and to a certain extent the Governments, in the countries which use the JCPC.
- Relationships with the European Supra-National Courts.
- Relationships with senior courts in Europe, most notably the French Conseil D’Etat and the Bundesverfassungsgericht, the German Constitutional Court, with both of which we have regular exchanges.
- Relationships with other European Courts such as the Italian Council of State and the Supreme Court of Ireland.
- Relationships with common-law countries such as Australia, New Zealand, Canada and the USA.
- Relationships with other Supreme Courts/Constitutional Courts.
- Visits from the judiciaries in countries where democratic arrangements are not well settled, where we can assist in developing understanding of the importance of the rule of law and of a high quality independent judiciary as a key component of good governance.

These visits, and the relationships which develop as a result, have a number of benefits. Some of them allow for exchanges of views about administrative and management matters. We have, for example, had a number of enquiries and requests for visits to look at what the administration of the UKSC has done in terms of openness and transparency, including televising court hearings and making good use of social media.

For the Justices there are opportunities to exchange views on how different courts have approached legal issues, the format of judgments, relationships with the executive and with the legislature; and specifically discussions with other European Judges about the interpretation and implementation of CJEU and ECHR jurisprudence.

As part of this area of work we have welcomed judges, lawyers and other visitors from a wide range of countries over the year, including the following:

### Judicial Visitors

**DELEGATIONS** (in addition to those set out below, under Justices’ international links)

- Mr Xhezair Zaganjori, the Chief Justice of Albania, accompanied by Justice Ardian Nuni
- A delegation from the Bangladesh Judicial Service Commission
- Judges from Bhutan
- A delegation from the Supreme People’s Court of China
- A delegation from various regional French courts of appeal



- Justices from Hong Kong
- Judge Hino and Judge Okano of Japan
- A delegation of Kosovon lawyers from the Kosovo Judicial Institute
- A delegation of Nigerian Supreme Court Officials
- A delegation of former Judges and lawyers from Russia
- Justices from Sierra Leone
- The Hon Mr Justice Mogoeng Thomas Reetsang Mogoeng, the Chief Justice of South Africa, accompanied by colleagues
- 36 Judges from Thailand

#### INDIVIDUALS

- Justice Muhammad Imman Ali of the Bangladesh Supreme Court
- Justice Arnfinn Bårdsen of Norway
- Sir Michael Birt, the Bailiff of Jersey
- Justice Stephen Breyer of the Supreme Court of the United States
- Justice Zainab A. Bulkachuwa, Acting President of the Nigerian Court of Appeal
- Walter Chikwana, the Chief Registrar of Zimbabwe
- Richard Collas, the Bailiff of Guernsey
- Judge Manuel Vicente Garzón Herrero of Spain
- Justice Roberto Giusti of Italy
- The Hon Mr Justice Gokhale of India
- The Hon Phillip Geoffrey Priest, Justice of the Court of Appeal, Supreme Court of Victoria, Australia
- Justice Steven Rares of the Supreme Court of the Australian Capital Territory
- Justice Kalpana Rawal, the Deputy Chief Justice of Kenya
- Judge Vargas Silva, Vice-President of the Constitutional Court of Columbia
- Justice Smuts of Namibia
- Jim Spiegelman, Former Chief Justice of New South Wales

- Judge Vajada, the UK Judge at the CJEU
- Professor Andreas Voskuhle, President of the Federal Constitutional Court of Germany
- The Hon Mr Justice M J D Wallis of South Africa
- Tun Arifin Bin Zakaria, the Chief Justice of Malaysia

#### Lawyers and Academics

- A delegation from the Californian State Bar
- Barbara Kincaid, General Counsel of the Supreme Court of Canada
- 5 law professors from Saudi Arabia
- A delegation of lawyers from South Korea
- Temple Bar Law Association

#### Diplomats, Ministers and Officials

- Jean Paul Laborde, the UN Executive Director Counter Terrorism
- Deputy Secretary General Lee Jun from the Constitutional Court of Korea, accompanied by Mr Yunil Kim, a Counsellor from the Embassy of the Republic of Korea
- Mrs Miriam Naor, Head of the Israeli Ministry of Justice Committee for Criminal Procedure
- Nikola Naumouski from the Belgrade Ministry of Justice
- Mr Yehuda Weinstein, Attorney General of Israel
- Dr Yeong –Chin Su, Hon Justice and Vice-President of the Judicial Yuan of Taiwan
- Judge Dadyar Sulaiman and Mr Ali Kareem of Kurdistan, Fellows of the John Smith Memorial Trust
- Mr Rimsky Yeun, the Hong Kong Secretary for Justice





Above: Lord Neuberger (middle) and Lord Hope (far right) meet the Chief Justice of South Africa, The Hon Mr Justice M Mogoeng, and some of his colleagues during their visit to the Court, June 2013.

Right: The Hon Mr Justice Marshall Rothstein (left) and Lord Mance shown during discussions between Justices of the Supreme Courts of Canada and the UK, July 2013.

Bottom right: Lord Neuberger (middle) with the Hong Kong Secretary of State for Justice Mr Rimsky Yeun and colleagues, September 2013.

Below: Lord Carnwath (right) meets the Vice-President of the Constitutional Court of Columbia, May 2013.



### Sharing good practice: Justices' international links

Lord Neuberger has continued the practice of authorising two Justices to sit as non-permanent Judges on the Court of Final Appeal in Hong Kong for up to a month each. Lord Clarke undertook this role in January 2014. The cost of these sittings are met by the Hong Kong authorities.

The British-Israeli Judicial Exchange takes place approximately every three years. In May 2013 three Justices of the Supreme Court, Lady Hale, Lord Kerr and Lord Hughes, formed part of a delegation of British Judges which visited Israel and had discussions with the Judges of the Israeli Supreme Court.

In July 2013 we took advantage of the fact that a number of senior Judges from Canada were in the UK to attend the biennial lectures organised by the Canadian Institute for Advanced Legal Studies. The Chief Justice of Canada, The Right Honourable Beverley McLachlin, and Justices Karakatsanis and Rothstein visited the Supreme Court for an afternoon of discussions with Supreme Court Justices.

In October 2013 the Supreme Court hosted one of the regular exchange meetings with Judges from the Conseil d'Etat in Paris. Discussions ranged over a number of matters of common interest.

Four Justices of the Supreme Court attended a seminar in Rome in October 2013, organised in conjunction with the Bingham Centre for the Rule of Law. The exchanges with the Council of State in Italy helped to reinforce relationships between the two Courts.

In March 2014, we took advantage of a visit Dean Spielmann, the President of the European Court of Human Rights, was making to London to deliver a lecture at University College, and invited the President and some of his colleagues to meet with the Justices of the Supreme Court. This visit was important in enabling informal dialogue to take place between the two Courts.

Lord Neuberger, Lord Hale, Lord Mance and Lord Kerr each took part in some elements of a bilateral with the Supreme Court of Ireland organised by the judiciary of England and Wales in late March 2014.







Above: Dean Spielmann, the President of the European Court of Human Rights, and Lord Neuberger (centre) surrounded by other members of both courts during discussions in March 2014.

Left: Discussions during the judicial exchange with the French Conseil d'État, October 2013.

## Visits by individual Justices of the UKSC

**Lord Neuberger** attended a joint meeting of the Network of Presidents of Supreme Courts of the European Union, with Judges of the Court of Justice of the European Union, and the European Court of Human Rights, in Helsinki in August 2013.

**Lady Hale** attended a Global Constitution Seminar at Yale University, America in September 2013. In November she spoke at a conference organised by the Centre of Public Law, University of Brussels on the topic *"The Judge is a Woman"* and also gave a lecture at the University of Berlin. Lady Hale also met with Judge Hino and Judge Okano from Japan in November. In January she attended a conference in Israel organised by the International Society of Family Law and gave the keynote speech. She also participated in a conference in The Hague organised by the Working Group to develop a Guide to Good Practice on the interpretation and application of Article 13(1) b) of the 1980 Hague Child Abduction Convention. In March Lady Hale attended the Comparative and Administrative Law Conference in New Haven organised by Yale Law School. Also in March she travelled to Brussels to participate in a debate with Judge Paul Lemmens at the European Court of Human Rights, organised by the University of Brussels and University of Liege.

In October **Lord Mance** attended a lecture in The Hague, The Netherlands and spoke at the celebration of its 175th anniversary of the Hoge Raad (Supreme Court of the Netherlands). He attended the Munich conference of the British German Jurists' Association in November and also attended a conference on EU Justice organised by the Vice-President of the European Commission, held in Brussels in the same month. He attended the World Policy Conference, Monaco in December organised by Institut Français des Relations Internationales. Lord Mance also attended a Joint Meeting with the Court of Justice of the EU on behalf of Lord Neuberger, organised by the Network of the Presidents of the Supreme Judicial Courts of the European Union in March.

In November **Lord Kerr** attended a conference organised by New York University on Law and Strategy in an era of evolving threats, where he participated in a panel discussion.

**Lord Sumption** gave the Sultan Azlan Shah lecture in Malaysia in November at the invitation of the Crown Prince Dr Raja Nazrin Shah and Prof. Visu Sinnadurai.

At the invitation of the President of the Constitutional Court of Bosnia and Herzegovina, **Lord Reed** attended the 50th Anniversary of the Constitutional Judiciary in Bosnia and Herzegovina in March.

In July, at the invitation of the World Justice Project, **Lord Carnwath** attended the World Justice Forum in The Hague where he participated in a discussion panel. In September, at the invitation of the Presidency of the Council of Ministers, he also travelled to Rome where he took part in a programme along with members of the Italian Supreme Court. Through his involvement in ACA Europe, Lord Carnwath visited The Hague in November at the invitation of the Council of State of The Netherlands. In December, he accepted an ACA Europe invitation from the French Conseil d'Etat to participate in a seminar on soft law, legal standards and legal sources. Also in December, he attended an international colloquium on Environmental Rule of Law in Malaysia, at the invitation of the UN Director of Environmental Law & Conventions, Bakary Kante.

At the invitation of the British Ambassador to Italy, **Lord Hughes** participated in a seminar held at the British Ambassador's Residence in Rome in March 2014. This was the second part of a programme instigated by the Ambassador to facilitate discussions with Italian Judges and others about improvements to the Italian justice system.

## Costs

As a general rule, all international travel and accommodation costs were paid for by the host country or institution. The total net cost to the UKSC of international travel for Justices over the year was approximately £9,000, with the majority of this attributable to the costs of return travel to Tel Aviv for the British-Israeli Judicial Exchange.



## section six

# supporting the Court: corporate services

Like any public organisation, the administration of the UKSC and the JCPC has in place structures and safeguards to ensure proper accountability and clear lines of responsibility. We are keen to develop a culture where these structures facilitate the efficiency and innovation that we need to display in order to deliver our objectives as set out in Section One.

We know that Justices and staff need to be properly supported and resourced and have the right IT infrastructure in order to carry out their work and for staff to meet the challenging goals we have set. We also need the right environment in which to do this. This year we have continued to invest prudently to create an infrastructure which represents value for money and is fit for the highest court in the land.

### Our governance

The administration of the UKSC is a non-ministerial Department, established by the Constitutional Reform Act 2005 (CRA). The Court is supported by a Chief Executive, Jenny Rowe. She holds a statutory office created by s48 of the CRA; and she must carry out her functions in accordance with any directions given to her by the President of the Court, to whom she reports, although she may not act inconsistently with the standards of behaviour required of a civil servant, or with her responsibilities as Accounting Officer. The President of the Court may appoint officers and staff of the Court, but under s48(3) of the CRA the President of the Court may delegate to the Chief Executive this function and all other non-judicial functions of the Court; and the President, Lord Neuberger, has so delegated them.

The Chief Executive, officers and staff of the Court are all civil servants. Their pay, terms and conditions must be determined as such, although, subject to that constraint, the CRA (as amended by the Crime and Courts Act 2013) provides that the Chief Executive may determine the number of officers and staff of the Court and the terms on which they are appointed.

Under the CRA the Lord Chancellor must ensure the Court is provided with such accommodation and other resources as he thinks are appropriate for the Court to carry on its business. The Chief Executive is placed under a parallel statutory duty to ensure that the Court's resources are used to provide an efficient and effective system to support its business. This is why the administration of the Court is as a non-ministerial Department. It is not part of the Ministry of Justice and does not report to the Lord Chancellor.

The Justices regard maintaining tangible independence from both the Legislature and the Executive (in the shape of the Ministry of Justice) as a key constitutional objective. This is particularly important because the Government is in practice a party in slightly more than half the cases in which an application is made or a hearing takes place before the Court. The Chief Executive is therefore also an Accounting Officer in her own right, accountable directly to the House of Commons Public Accounts Committee.

In the interests of clarity, in January 2014 a formal concordat was concluded between the Court and the Ministry of Justice which identifies the respective responsibilities of the Lord Chancellor and the Court's President and its Chief Executive. Copies were sent to



the devolved administrations in Scotland and Northern Ireland and deposited in the Libraries of both Houses of Parliament.

The Chief Executive has two immediate deputies, the Director of Corporate Services (William Arnold), responsible for the institutional and organisational side of the Court; and the Registrar (Louise di Mambro), who is the Court's senior lawyer and responsible for the progress of cases and the Court's business.

Corporate Services cover broadly:

- accommodation & health and safety
- finance
- human resources
- communications, publicity and educational outreach; and
- records, IT and library services.

The Registry functions cover:

- the listing and progress of applications for permission to appeal
- the actual hearing of appeals
- the issuing of judgments, and
- the resolution of disputed costs issues.

The Registrar has management responsibility for the Justices' personal support staff – their legally qualified Judicial Assistants and personal secretaries.

## Who's who: Membership of Management Board and Committees

To support the Chief Executive in both her statutory responsibilities and her responsibilities as an Accounting Officer, an internal governance structure has been established which comprises a Management Board, an Audit Committee, a Remuneration Committee (established in July 2013) and a Health and Safety Committee. More details can be found in the Governance Statement in Section Eight.



Back row (left to right): Ben Wilson, Olufemi Oguntunde, Martin Thompson, Paul Brigland, Chris Maile

Front row (left to right): Philip Robinson, William Arnold, Jenny Rowe, Louise di Mambro, Alex Jablonowski

	Maximum number of meetings possible to attend	Number of meetings attended
<b>Management Board</b>		
Jenny Rowe – Chief Executive	11	11
William Arnold – Director of Corporate Services	11	11
Louise di Mambro – Registrar	11	9
Olufemi Oguntunde – Director of Finance	11	11
Martin Thompson – Head of Accommodation/ Health and Safety Competent Person	11	11
Ben Wilson – Head of Communications	11	10
Chris Maile – Head of Human Resources	11	11
Paul Brigland – Records Manager	11	11
Alex Jablonowski – Non-Executive Director	11	10
Philip Robinson – Non-Executive Director	11	10
<b>Audit Committee</b>		
Philip Robinson (Chairman until July 2013)		
Alex Jablonowski (Chairman from August 2013)		
Charles Winstanley – Representative from Scotland		
Laurene McAlpine – Representative from Northern Ireland		
<b>Remuneration Committee</b>		
Philip Robinson (Chairman)		
Alex Jablonowski		
Jenny Rowe (or, in her absence, William Arnold)		
<b>Health and Safety Committee</b>		
William Arnold (Chairman)		
Martin Thompson – Head of Accommodation (Health and Safety Competent Person)		
Toyin Soley – Deputy Head of Accommodation		
Chris Maile – Head of Human Resources		
Ian Sewell – Trade Union H&S representative		
James Noone – Security Manager		
Clive Brown – Building Engineer		
Georgina Isaac – Head of Judicial Support		
Jackie Lindsay – JCPC Chief Clerk		
Nadia Lopes – Café Supervisor		

Meetings of the Health and Safety Committee are open to staff to attend and raise issues or observe; and minutes of Management Board and Health and Safety Committee meetings are published on our website and staff intranet.

## Our People

### Managing a committed team

In July 2013, the Remuneration Committee was formed to consider all pay and benefits related issues including a new Pay Policy for UKSC staff. The two Non-Executive Directors and the Chief Executive form the Committee and, although they are still required to follow Treasury and Cabinet Office rules and guidelines in respect of such matters, this now allows the Court greater flexibility and the opportunity to be more responsive to the needs of the Court in relation to attracting and retaining staff.

We ended the previous arrangement of obtaining HR services from the Ministry of Justice Shared Service Centre on 31 December 2013. Instead we now have in place a new direct contract with Liberata UK payroll services and we introduced our own bespoke HR system (Octopus) in January 2014. This has given the Court far greater direct control of its HR and pay functions and also enabled considerable efficiency and costs savings for such a small organisation. Employees are on UKSC terms and conditions of service with pension benefits provided through the Civil Service pension arrangements and administered by MyCSP Liverpool.

On 31 March 2014 there were 49 UKSC and JCPC employees (47.5 full-time equivalents) paid by UKSC. This figure represents 40 permanent staff, and 9 fixed term appointments, including the 7 Judicial Assistants. Approximately 45 further staff are employed through services provided under contracts. These contracts cover broadcasting, security, building maintenance, catering and cleaning.

We positively monitor and manage sick absence for staff and this year we had an average absence rate of 5.5 days per member of staff. Although this is below both the Civil Service target of 7.5 days and the private sector average of 6.4 days per employee, the figure includes two long term absences. Such absences in such a small organisation have a disproportionate effect on the overall average. Sick absence and turnover are monitored by the Management Board on a monthly basis and other than the two long term absences there have been no concerning trends to note during the year.

Staff turnover and retention has been very stable (apart of course from the Judicial Assistants who work on fixed term contracts each year), with only one employee leaving in the last 12 months.

The annual Judicial Assistant (JA) recruitment campaign was launched in January 2014 to recruit lawyers to work on fixed term contracts from September 2014 to July 2015. The JA role is unique in supporting the Justices by carrying out research in connection with appeals and summarising applications for permission to appeal. This year, we again achieved a reduction in print advertising costs by focusing on a number of legal websites, including our own, to attract a wide and diverse pool of candidates. Promoting the JA opportunity to a diverse pool of suitably qualified lawyers is always our objective and we continue to seek innovative ways to promote this annual opportunity across the UK jurisdictions.

## Creating a great place to work

To measure our staff engagement the annual staff survey was conducted in November 2013. As in previous years, we received an excellent response from staff, with a 96% completion rate. The results gave an overall employee engagement score which had increased from the previous year to 80%. Staff at UKSC appear genuinely to care about the organisation and to understand the overall objectives of the Court and how individual roles fit into the Business Plan.

The established 'Results into Action' (RIA) team considered the results of the 2013 staff survey and worked on finding different social events to bring the Court together, such as the recently formed UKSC Book Club. The RIA team have also contributed to the review of pay and benefits and made suggestions to assist staff to develop a better understanding of different individual roles across the Court.

We have used our intranet site to communicate consistent messages and the monthly *People Matters* update has continued to be a very useful way to keep all staff informed of changes and issues that may affect them. The staff survey results were discussed at the All Staff Meeting in February and published on the intranet site together with a *Results Into Action Plan* which included organising a number of voluntary lunchtime sessions on Fridays which help bring the Court together and cover a diverse range of topics such as Social Media in the Workplace, Portuguese and meditation. Progress with the action plan will be measured through the next staff survey responses when the exercise is repeated again in October 2014.

We have improved our intranet site, providing staff with a portal for accessing regularly used forms and documentation and information about the services available; and we have an effective way of sharing news about corporate developments and any staff events. The intranet is refreshed almost every day to help encourage colleagues to keep up-to-date with relevant news stories and information, and is recognised as a valuable resource which helps build a strong sense of belonging across staff at the Court.

We have continued to invest in the development of staff and encourage each member of staff to have a training plan linked to their objectives and the required competencies. This assists in individual development and also future succession planning for the Court. Development activities in 2013-14 included general training courses such as Data Protection and Effective Management as well as more specific tailored IT related training following the introduction of the new IT system in December 2013. In addition the Court has supported the use of Civil Service Learning and a number of relevant courses such as: media handling, reward strategy, building resilience, digital photography, customer service and proof reading.

We employ professional leads in a number of specialist areas such as the library, communications, finance, human resources, ICT, and health and safety. We also continue to support staff with professional membership in these areas where possible and encourage everyone to update their skills and knowledge.

## Valuing equality and diversity

We have made good progress with our Equality and Diversity strategy 2012-2015, a copy of which can be found on our website. Our aim is to create an organisation that fully reflects the diversity of the society it serves, valuing the contribution that is made by all staff, court users and the public. We introduced an Anti-Bullying Policy in 2013 to tackle behaviours and attitudes that might contribute to or reinforce the perceived or real threat of inequality and discrimination. We continue to deliver services that are accessible and meet the needs of all court users and members of the public, including tactile tours and the use of portable hearing loops.

Some of the further actions we have taken to achieve this include:

- Training staff on diversity and equality issues to increase awareness and encourage respect for individual differences.
- Supporting the Time to Change pledge to end discrimination against those with mental health issues.
- Ensuring that our website conforms to all recommended accessibility requirements.
- Maintaining physical accessibility across the building and responding positively to any comments or suggestions for improvements.
- Pro-actively encouraging tours and visits from all sections of society.
- Actively encouraging diversity when considering all recruitment campaigns while continuing to appoint on the basis of merit.
- Ensuring our shared values reflect that all staff, court users, and visitors should be treated with respect at all times.

## Our information and resources, and how we manage them

### Information Assurance, Freedom of Information and Data Protection

The Court holds an array of information, including case papers, financial and administrative records. Information assurance policies and procedures were followed throughout the year so that the information entrusted to the Court, or generated by it, was properly used, managed and protected.

All staff have personal responsibility for making sure they are aware of and understand the Court's information risk-related policies and procedures and handle information accordingly. All new staff complete the Civil Service Learning e-learning package 'Protecting information' shortly after their appointment, with refresher assessments taking place annually. This year refresher assessments were completed in April.

The annual Security Risk Management Overview assessment and accreditation identified no significant weaknesses in the systems we follow for handling our information. There were no recorded breaches concerning protected personal data reported either to the Information Commissioner or recorded centrally in the Court.

A total of thirty three Freedom of Information (FOI) requests were received in addition to the many general enquiries which the Court receives daily about its work, rules and procedures and public access arrangements. All but one of the

FOI requests were handled within their respective statutory deadlines. The FOI requests generated four requests for internal review and two complaints to the Information Commissioner. Neither complaint was upheld.

### Using information technology to create a more efficient court

Following a far-ranging review of ICT provision and a report outlining the various options available to the Court, the decision was taken to disengage from the previous providers and to make alternative arrangements for meeting the Court's ICT needs. Over the course of the year plans were made to institute an independent IT network for the Court. New providers were identified, primarily via the Government Procurement Service and the Cabinet Office GovStore. New domain names were secured for the Court and for the JCPC which underlined our independence from central government and reflected both Courts' unique constitutional status.

During the short recess between Christmas 2013 and New Year 2014 the entire IT network was replaced. This included new hardware, and a new Case Management System. The hosting was also moved to a combination of on-site server and cloud storage. It is expected that this will lead to a significant reduction in the annual running costs. Just as importantly, it has provided an IT system which better meets the needs of the Court and over which the organisation has direct control. Issues around control, making changes quickly and easily and access for those who sometimes work remotely have been resolved.

Looking forward we are now considering further changes, as it is now viable to do so. These may include enhancements to the Case Management System to allow the on-line filing of cases, a move to IP telephony and an enhanced system for managing electronic case bundles.

### Maintaining a comprehensive library service

The Library has continued to support the information and research needs of the Justices, Judicial Assistants, and court staff by providing publications, databases and information on legal topics.

The Library manages an extensive print collection of textbooks, law reports, journals, and legislation. The collection has been kept up-to-date by identifying and adding key works published during the year. The Library has also sought to expand and deepen certain areas of the collection, in particular coverage of Australia, Canada and New Zealand. We have continued to fill gaps in our serial holdings, either by purchasing volumes or through donations from other law libraries, a major donation being 37 volumes of the Current Law Year Books.

The use of electronic resources is increasingly important in legal research. The Library has therefore continued to ensure that Justices and Judicial Assistants have access to a number of online subscription databases. This year the Westlaw International database has been added to improve coverage of common law countries. The Library team have organised training sessions and produced supplementary material to assist users with the databases.

In order to keep the Justices, Judicial Assistants and other staff regularly informed of recent writings about the Court and its cases, the Library has continued to produce a monthly newsletter listing recent journal articles, books added to the Library, and summaries of judgments of a number of other supreme courts. The Library Handbook has been expanded and reissued. It includes information on the content of the databases as well as information on various aspects of legal research. This year a major piece on legislation has been written and added.

The Library has continued to engage actively with the wider law library community. The Librarian represented the Library at the annual conference of the British & Irish Law Librarians Association in Glasgow; she has also completed a project to map serial holdings in Government law libraries on behalf of the Government Law Librarians Forum; has continued to develop and maintain contacts with law libraries in both the UK and overseas; and has received visits from a number of law librarians including from both the USA and Australia.

## Our building, your building

### Health and Safety

Like all employers, the UKSC has a legal duty to ensure the health, safety and welfare of employees. Our commitment goes further than this. In our health and safety policy we commit the Court to set and maintain exemplary standards of health and safety performance. The Management Board model their monitoring of standards in health and safety by reference to the IoD/HSE publication, *Leadership Actions for Directors and Board Members*.

In addition to our health and safety policy, Justices and staff are given, upon appointment, a formal briefing on health and safety at the Court. Contractors engaged by the Court, or on behalf of the Court, have to sign up to an induction booklet of safety procedures developed in collaboration with the Facilities Management contractor, before commencing any maintenance work or building projects.

Every Health and Safety incident, including any "near miss", is recorded and investigated, and any action considered necessary is taken to avoid a recurrence.

The intention throughout is to have a comprehensive health and safety management system, which engages Justices, staff and visitors and encourages them to observe sensible and proportionate precautions.

An independent audit of the Court's and its contractors' H&S systems was commissioned this year and the key findings were that:

- the UKSC is operating to a very high standard with regards to its own H&S requirements in terms of accommodation and working environment, and with regards its control over the four main service providers.
- the Court has a well defined safety management system and there is clear evidence that the safety systems are effective in controlling risk and ensuring safety issues are properly dealt with.
- Record keeping is good – and no statutory non-compliances were identified.



A Health and Safety Committee created by the Management Board and with formal Terms of Reference meets quarterly, with minutes then published on the intranet for the information of staff. The Head of Accommodation, who is the Health and Safety Manager, also reports quarterly to the Management Board on health and safety.

The Committee's membership, in addition to Court staff, also includes representatives from contractors providing Hard and Soft Facilities services. In this way, the Committee is able to promote good practice in health and safety at the Court, and to enhance communication between Justices, staff (including those employed by contractors), Trade Unions and management without an artificial divide being drawn between the safety of those directly employed by the Court and contractors.

The Committee monitored health and safety performance against targets set in a Health and Safety Corporate Plan which was adopted originally in 2011–12 and updated for 2013–14; and has continued with a matrix of mandatory and recommended health and safety training for staff and the security contractor.

### **Building a sustainable court**

We are committed to achieving improvements in our environmental performance where possible. The Court's current energy efficiency rating for its Display Energy Certificate is an E rating (applicable to our score of 121 where 100 would be "typical" for a courthouse). We have recalculated the previous two years to be on the same basis, and the ratings for each year in the last three year period are within 3% of each other, revealing stable performance since the initial improvement in 2009/10 (when energy management practice in our newly refurbished building was being honed).

The public sector is directly responsible for around 3% of the UK's greenhouse gas emissions, and there is a central Government commitment to a 25% reduction in its emissions by 2014–15 on a 2009–10 baseline. The Court came into existence in October 2009, so we compare our current energy consumption against a benchmark of the data for 2010–11. Over the reporting year, there was a 15% decrease in consumption of electricity compared with 2010–11; and there was also a decrease of 15% in kWh of gas consumed.

## Maintaining our accommodation

Its Grade II\* Listed status means that the architectural and historic fabric of the building is protected and alterations, either outside or inside, are carefully scrutinised. As such, the Court during 2013–14 met with English Heritage and Westminster City Council to discuss necessary work on the building. There was very constructive working together for the design, development and subsequent granting of Listed Building Consent for a technically and logistically challenging project which was carried out to install secondary glazing over the internal windows of Courtroom 3, in order to enhance acoustic attenuation of noise from the café.

Although we initially made use of Ministry of Justice contracts for the facilities management services of guarding, catering, hard Facilities Management and cleaning, 2013-14 saw the completion of our programme, through formal tender processes, of establishing direct, stand-alone contracts with providers of all these services, the last one being a new contract for the catering concession which commenced on 31 March 2014. For each of the the other three contracts (which have all been running for at least 11 months) our experience in 2013-2014 has been that the quality of service has been at least maintained if not improved, while significant financial savings have still been achieved, despite our requiring that every contractor's employee based in our building be paid no less than the London Living Wage.

## Dealing with Complaints

The UKSC has established procedures in place to deal with complaints. There are separate arrangements for complaints about members of staff exercising their administrative functions, and procedural complaints about the Justices and the Registrar in the performance of their judicial function. A number of complaints received by the Court are in effect seeking to appeal judicial decisions and can therefore not be dealt with under either procedure.

Full details of the Judicial and non-Judicial complaints procedures, including details of how a complaint will be handled, can be found on our websites. If a complainant is not happy with how a non-Judicial complaint has been handled by the Court, they can refer it via a Member of Parliament to the Parliamentary and Health Service Ombudsman (PHSO). In the 2013–14 reporting year one complaint received by the Court was subsequently referred to the PHSO. The complaint was not upheld.

## Improving services and making savings

Over the course of this financial year, the UKSC/JCPC has built on efficiency savings achieved in the previous two years in other areas, such as retendering for security guarding (which, from 2012/13, brought down costs by approximately £75k per annum). By continuing to review contracts as they expire we have ensured the Court is getting the very best value for money on behalf of the public.

This year alone, the Court has agreed new contacts in these areas.



### Planned maintenance work

Projected saving of around £60k p/a next financial year (in addition to renegotiating a better-value contract for Hard Facilities Management)



### Catering

New contract will see improved selection with more freshly-prepared food, but also provide potential concessionary income to the Court from next year



### Cleaning

New contract saw cleaning staff moved from Minimum Wage to London Living Wage but still achieve a saving of £20k p/a this year compared to last



### IT systems

Leaving MoJ contracts and agreeing direct terms with new suppliers has enabled more up-to-date software to be available to staff and Justices, easier remote working arrangements and speedier resolution of service issues. The changes also open up opportunities for future service enhancements at a lower cost.

Projected saving of around £65k p/a from next year



## section seven

# management commentary

### Financial Position and Results for the Year Ended 31 March 2014

#### Financial Position (Statement of Financial Position)

The Court's activities are financed mainly by Supply voted by Parliament and financing from the Consolidated Fund.

The Court's Statement of Financial Position consists primarily of assets transferred from the Ministry of Justice (MoJ) at the inception of the UK Supreme Court on 1 October 2009. These were Property, Plant & Equipment and Intangible Assets totaling £30m. Of this, £29m represents land and buildings with the remainder being Office Equipment, Furniture and Fittings, Robes and Software Licences.

A liability of £36m was also transferred from the Ministry of Justice. This represents the minimum value of the lease payments for the UK Supreme Court building until March 2039.

There have been no substantial movements in the Gross Assets and Liabilities since the date of the transfer from MoJ.

#### Results for the Year (Statement of Comprehensive Net Expenditure)

The Statement of Comprehensive Net Expenditure represents the net total resources consumed during the year. These consist of:

- Net Operating Costs amounted to £5.2m
- Justices & Staff costs of £5.7m
- Other Administration Costs of £0.2m
- Other Programme Costs of £6.8m and
- Operating Income of £7.6m

The Court employed an average 48 (Full Time Equivalent) staff. There were also 12 Justices who served during the same period. Accommodation costs and Finance Lease costs account for over 59% of non-pay costs. Depreciation charges, IT charges, Library and Broadcasting costs were responsible for the majority of other non pay costs.

The Court had operating income of £7.56m which was used to support the administration of justice. Out of this, £6.44m was received by way of contribution from the various jurisdictions i.e. £5.72m from HMCTS, £0.48m from the Scottish Government and £0.24m from Northern Ireland Courts and Tribunals Service.

UKSC Court fees during the year was £0.85m whilst £0.18m was generated as Court fees for JCPC. The court also had income of about £0.094m from Wider Market Initiatives such as Event Hire and Sales of Gift Items.

#### Comparison of Outturn against Estimate (Statement of Parliamentary Supply)

Supply Estimates are a request by the Court to Parliament for funds to meet expenditure. When approved by the House of Commons, they form the basis of the statutory authority for the appropriation of funds and for the Treasury to make issues from the Consolidated Fund. Statutory authority is provided annually by means of Consolidated Fund Acts and by an Appropriation Act. These arrangements are known as the "Supply Procedure" of the House of Commons.

The Supreme Court is accountable to Parliament for its expenditure. Parliamentary

approval for its spending plans is sought through Supply Estimates presented to the House of Commons.

The Statement of Parliamentary Supply provides information on how the Court has performed against the Parliamentary and Treasury control totals against which it is monitored. This information is supplemented by Note 2 which represents Resource Outturn in the same format as the Supply Estimate.

In the year ended 31 March 2014, the UK Supreme Court met all of its control totals. At £5.18m the net resource outturn was £1.87m less than the 2013-14 Estimate of £7.05m. About £1.51m of this reported variance was due to non-utilization of £1m AME provision for diminution in the value of the building and a release into income of additional £0.5m of prior year's AME expenditure now reversed because of the upward movement in revaluation of the building.

A reconciliation of resource expenditure between Estimates, Accounts and Budgets can be found below.

### Statement of Cash Flow

The Statement of Cash Flow provides information on how the UK Supreme Court Court finances its ongoing activities. The main sources of funds are from the Consolidated Fund.

The Cash Flow Statement shows a net cash outflow from operating activities of £3.70m.

### Pensions Costs

Details about the Department's pensions costs policies are included in the notes to the accounts. Details of pension benefits and schemes for Management Board members are included in the remuneration report.

### Sickness Absence

The average number of sick days per member of staff for 2013-14 was 6.06 days (2012-13, 3.74). This increase was due to long term illnesses suffered by few members of staff.

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

	2013-14
	£
<b>Net Resource Outturn (Estimates)</b>	<b>2,389</b>
Adjustments to additionally include:	
Non-voted expenditure in the OCS	2,796
<b>Net Operating Cost (Accounts)</b>	<b>5,185</b>
Adjustments to additionally include:	
Resource consumption of non-departmental public bodies	0
<b>Resource Budget Outturn (Budget) Of which</b>	<b>5,185</b>
Departmental Expenditure Limits (DEL)	5,691
Annually Managed Expenditure (AME)	(506)

### Data incidents

No recorded breaches concerning protected personal data were reported (see page 52)

### Principal risks and uncertainties

The key risks and uncertainties facing the Court are detailed in its Risk Register and on page 82 of the Governance Statement.

### Payment within 10 working days

The Department seeks to comply with the “The Better Payments Practice Code” for achieving good payment performance in commercial transactions. Further details regarding this are available on the website [www.payontime.co.uk](http://www.payontime.co.uk).

Under this Code, the policy is to pay bills in accordance with the contractual conditions or, where no such conditions exist, within 30 days of receipt of goods and services or the presentation of a valid invoice, whichever is the later.

However, in compliance with the guidance issued for Government Departments to pay suppliers within 10 working days, the UK Supreme Court achieved 100% prompt payment of invoices within 10 working days. The average payment day of invoices from suppliers during the year was 2.6 days.

### Auditors

The financial statements are audited by the Comptroller and Auditor General (C&AG) in accordance with the Government Resource and Accounts 2000. He is head of the National Audit Office. He and his staff are wholly independent of the UK Supreme Court, and he reports his findings to Parliament.

The audit of the financial statements for 2013-14, resulted in an audit fee of £38K. This fee is included in non staff programme costs, as disclosed in Note 4 to these accounts. The C&AG did not provide any non-audit services during the year.

### Other Elements of the Management Commentary

Information on the Management Board and committees, information assurance, data protection and sustainability is contained in the Corporate services section of this report.

### Disclosure to Auditor

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



Jenny Rowe  
Accounting Officer  
22 May 2014





---

## section eight

### accounts

---

---

Remuneration Report	74
Statement of Accounting Officer's Responsibilities	78
Governance Statement	79
Audit Certificate	83
Statement of Parliamentary Supply	85
Statement of Comprehensive Net Expenditure	89
Statement of Financial Position	90
Statement of Cash Flows	91
Statement of Changes in Taxpayers' Equity	92
Notes to the Departmental Resource Accounts	93

---

## Remuneration Report

### Remuneration Policy

The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries.

The Review Body also advises the Prime Minister from time to time on the pay and pensions of members of Parliament and their allowances; on Peers' allowances; and on the pay, pensions and allowances of Ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975.

In reaching its recommendations, the Review Body has regard to the following considerations:

- The need to recruit, retain and motivate suitable 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 the public services including the requirement on departments to meet the output targets for the delivery of departmental services;
- The funds available to departments as set out in the Government's departmental expenditure limits;
- The Government's inflation targets.

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

Further information about the work of the Review body can be found at [www.ome.uk.com](http://www.ome.uk.com)

### Service Contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

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

Further information about the work of the Civil Service Commission can be found at [www.civilservicecommission.org.uk](http://www.civilservicecommission.org.uk)

## Salary and Pension entitlements

Full details of the remuneration and pension interests of the Management Board are detailed below and are subject to audit:

### a) Single Total figure of remuneration

Name and Title	Salary (£'000)		Bonus Payments (£'000)		Pension benefits (£'000)		Total (£'000)	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
Jenny Rowe Chief Executive	105-110	105-110	-	-	2	4	110-115	110-115
William Arnold Director for Corporate Services	80-85	80-85	-	-	0	1	80-85	80-85
Louis Di Mambro Registrar	65-70	65-70	0-5	0-5	1	2	70-75	70-75
Olufemi Oguntunde Director of Finance	60-65	60-65	-	0-5	16	23	80-85	90-95
Martin Thompson Building Manager	60-65	55-60	0-5	-	2	2	60-65	60-65
Ben Wilson Head of communications	50-55	50-55	-	0-5	38	20	90-95	70-75
Paul Bridgland Head of IT & Records Manager	35-40	35-40	0-5	-	5	5	40-45	40-45
Chris Maile Head of Human Resources	35-40	35-40	0-5	-	6	7	40-45	40-45
Alex Jablonowski Non-Executive Director	5-10	0-5	-	-	-	-	5-10	0-5
Philip Robinson Non-Executive Director	5-10	5-10	-	-	-	-	5-10	5-10

### Pay Multiples

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

The banded remuneration of the highest-paid director in UK Supreme Court in 2013-14 was £105,000 to £110,000 (2012-13, £105,000 to £110,000). This was 3.55 times (2012-13, 3.58 times) the median remuneration of the workforce, which was £29,463 (2012-13, £29,846).

In 2013-14, 0 (2012-13, 0) employees received remuneration in excess of the highest-paid director. Remuneration ranged from £17,978 to £82,354 (2012-13 £17,557 – £81,808)

Total remuneration includes salary, non-consolidated performance-related pay, benefits-in-kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.

## Salary

'Salary' includes gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by the Department and thus recorded in these accounts.

Philip Robinson, non-executive director, supplies his services under the terms of a contract, which commenced on 1 August 2009. He is remunerated by the way of a daily attendance fee. As non-executive director, there are no entitlements to pension or other contributions from the Supreme Court.

Alex Jablonowski, non-executive director, supplies his services under the terms of a contract, which commenced on 1 August 2009. He is remunerated by the way of a daily attendance fee. As non-executive director, there are no entitlements to pension or other contributions from the Supreme Court.

## Benefits in kind

There were no benefits in kind.

## Bonuses

Bonuses are based on performance levels attained and are made as part of the appraisal process. Bonuses relate to the performance in the year in which they become payable to the individual. The bonuses reported in 2013-14 relate to performance in 2012-13 and the comparative bonuses reported for 2012-13 relate to the performance in 2011-12.

## Pension Benefits (Audited)

Name and Title	Accrued Pension at age as at 31 March 2014 and related lump sum	Real increase in pension and related lump sum at pension age	CETV at 31 March 2014	CETV at 31 March 2013	Real Increase/ (Decrease) in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Jenny Rowe Chief Executive	45-50 plus lump sum of 140-145	0-2.5 plus lump sum of 0-2.5	1,037	972	2	-
William Arnold Director of Corporate Services	40-45 plus lump sum of 125-130	0-2.5 plus lump sum of 0-2.5	975	917	0	-
Louise di Mambro Registrar	30-35 plus lump sum of 90-95	0-2.5 plus lump sum of 0-2.5	722	677	2	-
Olufemi Oguntunde Director of Finance	10-15	0-2.5	142	122	8	-
Ben Wilson Head of Communications	0-5	0-2.5	35	19	12	-
Martin Thompson Building Manager	25-30 plus lump sum of 85-90	0-2.5 plus lump sum of 0-2.5	623	581	1	-
Paul Bridgland Records Manager	5-10 plus lump sum of 25-30	0-2.5 plus lump sum of 0-2.5	152	139	3	-
Chris Maile Head of Human Resources	5-10 plus lump sum of 15-20	0-2.5 plus lump sum of 0-2.5	83	74	4	-

## Civil Service Pensions

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefits schemes; either a final salary scheme (classic, premium or classic plus); or a whole career scheme (nuvos). These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus and nuvos are increased annually in line with Pensions Increase legislation. Members joining from October 2002 may opt for either the appropriate defined benefits arrangements or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 1.5% and 6.25% of pensionable earnings for classic and 3.5% and 8.25% for premium, classic plus and nuvos. Increases to employee contributions will apply from 1 April 2014. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits in respect of service from 01 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 his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation. In all cases members may opt to give up (commute) pension for lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 3% 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 they make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

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

Further details about Civil Service pension arrangements can be found at the website <http://www.civilservice.gov.uk/pensions>

## Cash Equivalent Transfer Values

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

The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Scheme (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual 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 effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contribution 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 UKSC by



Jenny Rowe  
Chief Executive  
22 May 2014

## Statement of Accounting Officer's Responsibilities

1. Under the Government Resources and Accounts Act 2000, the Supreme Court of the United Kingdom (the Department) is required to prepare resource accounts for each financial year detailing the resources acquired, held or disposed of during the year and the use of resources by the Department during the year. The 2013-14 accounts are to be prepared in the form and on the basis set out in the Accounts Direction given by the Treasury dated 20 December 2013.
2. The resource accounts are prepared on an accrual basis and must give a true and fair view of the state of affairs of the Department, and of its the net resource outturn, resources applied to objectives, changes in taxpayers equity, and cash flows for the financial year.
3. HM Treasury has appointed the Chief Executive as Accounting Officer of the Department with overall responsibility for preparing the Department's accounts and for transmitting them to the Comptroller and Auditor General.
4. In preparing the accounts, the Accounting Officer is required to comply with the Financial Reporting Manual (FReM) prepared by HM Treasury, and in particular to:
  - a. observe the accounts direction issued by Her Majesty Treasury including relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
  - b. make judgement and estimates on a reasonable basis;
  - c. state whether applicable accounting standards, as set out in the FReM, have been followed, and disclose and explain any material departures in the accounts; and
  - d. prepare the accounts on a going-concern basis.
5. The responsibilities of an Accounting Officer (including responsibility for the propriety and regularity of the public finances for which the accounting officer is answerable, for keeping proper records and for safeguarding the Department's assets) are set out in the Accounting Officers Memorandum issued by HM Treasury and published in Managing Public Money.

## Governance Statement

### Introduction

The UKSC is a non-Ministerial department established by the Constitutional Reform Act 2005 and came into existence on 1 October 2009. The role of the Court is to determine arguable points of law of general public importance arising from civil cases throughout the United Kingdom; and from criminal cases in England and Wales and Northern Ireland. The Court also hears cases to determine issues relating to the legislative competence of the devolved administrations, Parliaments and Assemblies.

The UKSC administration assumed responsibility for the administration of the Judicial Committee of the Privy Council (JCPC) on 1 April 2011. The JCPC hears appeals from a number of Commonwealth countries, Crown Dependencies and British Overseas Territories.

As an independent non-Ministerial Government department, its governance structure differs from a conventional Ministerial Government Department, although it still complies with all the requirements of the Corporate Governance Code where relevant.

### Scope of responsibility

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the delivery of the UKSC's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am personally responsible, in accordance with the responsibilities assigned to me in Managing Public Money.

I was appointed Accounting Officer by HM Treasury with effect from 1 October 2009 in accordance with section 5, subsection (6) of the Government Resources and Accounts Act 2000. I am responsible for the non-judicial functions of the Court which have all been delegated to me by the President, in accordance with the Constitutional Reform Act 2005, section 48 (3).

There have been no adverse comments from either internal or external audit sources on the way in which these responsibilities are being managed.

### The governance framework of the organisation

The UKSC has a robust governance framework, appropriate for an organisation of its size. More details about this can be found in Section Six of the annual report.

The key elements in place are:

#### Management Board

The Management Board supports me in delivering the administration of the Court's strategic objectives and in ensuring effective corporate governance.

- The Management Board is chaired by me and comprises two Non-Executive Directors & all Heads of Division.
- The Board normally meets monthly and considers as standing agenda items:
  - Dashboard report of key performance indicators
  - Finance and fees incorporating financial performance reports
  - Media and communications update
  - Human Resources update
  - Parliamentary Questions and Freedom of Information requests; and
  - Case Update (on appeals before the UKSC/JCPC)
- Minutes of the Management Board meetings are posted on the website and made available to staff on the intranet.
- The attendance records of individual board members are disclosed in Section Six of the annual report.

In putting this statement together I have considered the various management reports reviewed and deliberated upon by the Management Board through the year as well as seeking and making use of various sources of assurances relating to governance, risk and control within the administration.

I have considered the effectiveness of the Board against the NAO's compliance checklist for corporate governance in central government departments and no significant weaknesses in Board effectiveness were identified. Agendas for Board meetings comprise a mixture of standard items as listed above and specific issues, some of which are dealt with quarterly, and others as the need arises. Individual members of the Board are held to account for decisions, and the Non-Executive Directors play a full role in challenging and supporting the Executive members of the Board.

The Board receives regular reports from sub-committees and has sight of the Risk Register at each of its meetings. Each quarter the Risk Register is subject to a formal review.

Board papers are generally distributed in good time, and minutes and matters arising are dealt with at each meeting. During the year, the monthly scorecard report was repackaged into a Dashboard report. The Dashboard is more intuitive and sets out key performance information which comes to the Board monthly. The statistics are challenged where necessary. The Board plays a full part in developing Strategic and Business Plans and exercises a monitoring role throughout the year. At least once a year the Board has an “away day” which enables time to be devoted to considering the wider context in which the Court is operating.

Taking all the above factors into account I am satisfied that the governance structure complies with the Code of Practice for Corporate Governance in Central Government Departments, insofar as it is relevant to us. Areas of the Code which require the involvement of Ministers do not apply to us because we are a non-Ministerial department. The size of the UKSC means that we do not require a separate Nominations Committee.

### Audit and Risk Assurance Committee

The Audit and Risk Assurance Committee provides assurance that all aspects of the court’s policies, procedures, internal controls and governance are effective and appropriate to deliver the court’s statutory responsibilities and strategic objectives. It is also responsible for assuring the Management Board that all aspects of the court’s risk management policies and procedures are effective and appropriate.

■ The Audit and Risk Assurance Committee is constituted in line with HM Treasury’s Audit Committee Handbook, to advise me as Accounting Officer. It is currently chaired by Alex Jablonowski who became the Chair of the Audit and Risk Assurance Committee in September 2013 in succession to Philip Robinson (the former Chair) who became the first chair of the Remuneration Committee for the last year of his term as a Non-Executive Director.

- The committee changed its name from Audit Committee to Audit and Risk Assurance Committee during the year in line with HM Treasury’s handbook. This is to reflect the committee’s important role in relation to Risk Assurance.
- The Audit and Risk Assurance Committee meets three times a year and includes representatives from Scotland and Northern Ireland.
- It considers regular reports by internal audit, to standards defined in the Public Sector Internal Audit Standards, which include the Head of Internal Audit’s independent opinion on the adequacy and effectiveness of the UKSC’s system of internal control together with recommendations for improvements
- It also reviews the adequacy of management responses to the external auditor’s management letter.
- It plays a key role in developing a risk management framework, and in considering the Risk Register. The Chairman of the Audit and Risk Committee is one of the nominated officers (together with the other Non-Executive Director) for whistle-blowers.
- It reviews and challenges management on the Annual Report and Accounts.

The Chair of the Audit and Risk Assurance Committee is of the opinion that there is nothing to suggest that the Audit and Risk Assurance Committee did not meet in full the criteria for good practice as outlined by the NAO self-assessment checklist.

The attendance details of the committee members for 2013/14 is as detailed below;

Audit Committee		
	Maximum number of meetings possible to attend	Number of meetings attended
Alex Jablonowski Chairman & Non Executive Director	3	3
Philip Robinson Non Executive Director	3	3
Charles Winstanley Representative from Scotland	3	3
Laurene McAlpine Representative from Northern Ireland	3	3

The Chief Executive, Director of Corporate Services and Director of Finance are regular attendees of the Audit Committee and they attended all the three meetings held in 2013/14.

### Remuneration Committee

The Remuneration Committee is chaired by the Non-Executive Director not chairing the Audit Committee. The Chief Executive and two Non-Executive Directors are the main committee members supported by the Director of Finance and the Head of HR. The Chief Executive leaves the meeting if issues relating to her remuneration are being discussed.

Meetings are held approximately quarterly and the terms of reference cover all issues affecting pay and benefits for staff. All policy decisions relating to pay and bonuses for each reporting year are agreed at the committee meeting in June each year for implementation in August, in line with the UKSC Pay and Allowances Policy agreed in 2013.

### Health and Safety Committee

- The Health and Safety committee facilitates co-operation and co-ordination between management, employees and contractors so as to ensure everyone's health and safety in the court.
- The committee is chaired by the Director of Corporate Services.
- It meets four times a year and includes representatives of the Trade Unions, and of the Facilities Management, Security Guarding, Cleaning and Catering providers.

Members of the Health and Safety Committee are named in Section Six of the Annual Report.

### UKSC Court User Group

The User Group is a standing body which provides a forum for practitioners and staff to review the operation of the Court and to make recommendations for changes to the Court's procedure and practice. More details are in Section Four (Listening to our users) of the Annual Report.

### Performance against Business Plans

The UKSC publishes an annual Business Plan and the objectives of individual members of staff are derived from that Business Plan. The Business Plan is reviewed regularly and a formal review is conducted by the Management Board at the half-year point. The detailed account of performance against the

preceding year's Business Plan is contained in the Annual Report for that year and quarterly reports are also provided to the jurisdictions, detailing performance over the reporting period.

Other elements of the Court's Corporate Governance arrangements include:

- provision of relevant Corporate Governance pages on the UKSC intranet linked to all available guidance and instructions. These are reviewed and updated regularly.
- business and financial planning processes which explicitly take into consideration business risk;
- formal letters of delegated financial authority supported by a system of central budgetary control;
- signed assurance statements from divisional Heads on how they manage budgets within their delegated authority, in order to meet their objectives and comply with their corporate governance responsibilities.

### Risk assessment

The UKSC is committed to high standards of corporate governance, including the need for an effective risk management system and internal control environment. The Management Board and the Audit and Risk Assurance Committee both play a full role in this, and members of the Management Board are responsible for owning, monitoring, and managing risks and controls within their areas of direct responsibility. The UKSC Management team, under my leadership, incorporates risk management as a monthly Management Board meeting agenda item. Risk owners formally review risks on a monthly basis and report back to the Management Board and Audit and Risk Assurance Committee.

In 2013/14, the major risk identified was that of moving the court's IT infrastructure and application services from MOJ's platform which is managed by Atos Origin and Logica CMG to its own new platform. This risk was successfully managed and the new system went live on 5 January 2014.

### The risk and control framework

A Risk Register that identifies, assesses, and sets out mitigating actions to significant risks is in place across the Court. Management and review of the risks identified is carried out at Board level during the Management Board monthly meetings. The key elements of the UKSC's risk management strategy for identifying, evaluating and controlling risk include:

- The establishment of appropriate committees to maintain strategic oversight of the court's business and activities.
- Identification of new or emerging risks throughout the year. The Management Board always consider risks when decisions are taken or as the risk environment changes. Risks that have a high impact and high likelihood are given the highest priority.
- Business Continuity Plans (BCP) to manage the risk of disruption to business.
- The role of the Senior Information Risk Owner (SIRO). An Information Security policy, information asset register and risk assessment procedure are in place alongside guidance on protective marking and handling documents. Information Asset Owners' roles have been delegated with appropriate guidance rolled out.
- Regular engagement with key stakeholders, particularly through the Users' group.
- Information assurance training for all staff by means of the Civil Service Learning's on-line e learning 'protecting information' package. This package is refreshed annually and is mandatory for all staff to complete. There were no 'loss of data' incidents during the year.
- The Departmental "Whistle Blowing" policy for confidential reporting of staff concerns.

### Review of the effectiveness of risk management and internal control

In 2013/14 the Management Board held a session on 26 July 2013 to consider the strategic context in which the administration was operating and potential risks. The Risk Register was also comprehensively reviewed.

The UKSC makes stringent efforts to maintain and review the effectiveness of the system of internal control. Some of these processes are:

- periodic review by Internal Auditors;
- regular review of the Risk Register;
- signed assurance statements from Heads of Division on how they have discharged their corporate governance responsibilities;
- quarterly meetings of the Audit and Risk Assurance Committee; and
- monthly Management Board meetings with a financial planning report review as a standing item.

Any additional measures to strengthen controls will be incorporated if gaps are identified.

As Accounting Officer, I have responsibility for reviewing the effectiveness of the system of internal control. My review is informed by the work of the internal auditors and the managers within the Court who have responsibility for the development and maintenance of the internal control framework, and comments made by the external auditors in their management letter and other reports. I have been advised on the implications of the effectiveness of the system of internal control by the Board and the Audit and Risk Assurance Committee and where any weaknesses have been identified, plans have been put in place to rectify them.

### Significant Issues

There were no significant internal control issues, and no significant findings from Internal Audit during the year. The Head of Internal Audit in his annual report for Internal Audit Activity for 2013/14 has given UKSC a high level of assurance on the adequacy and effectiveness of the system of governance, risk management and internal control.

The following were considered as significant issues by the Management Board.

#### ■ Policy Changes with the Potential to Result in Changes to the Workload of the Court

The Management Board and the Executive team have been monitoring the impact of policy changes on the nature and volume of work of the court. Examples of these are Reform of legal aid and Judicial review. A particular concern was potential increase in the number of litigants in person.

#### ■ IT Implementation Project

One of the main projects undertaken by the Court during the 2013-14 financial year was the IT transformation project. A key element of this was that, for practical and for constitutional reasons, the UKSC and JCPC decided to apply for new domain names: [supremecourt.uk](http://supremecourt.uk) and [jcpc.uk](http://jcpc.uk). The application was supported by the Cabinet Office and the Ministry of Justice but took longer to be agreed than originally envisaged. This created a delay of about three months in the project delivery timetable.



Jenny Rowe  
Chief Executive  
22 May 2014

## Audit Certificate

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

I certify that I have audited the financial statements of the United Kingdom Supreme Court for the year ended 31 March 2014 under the Government Resources and Accounts Act 2000. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes. I have also audited the Statement of Parliamentary Supply 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, certify and report on the financial statements in accordance with the Government Resources and Accounts Act 2000. I conducted my audit in accordance with International Standards on Auditing (UK and Ireland). Those standards require me and my staff to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### Scope of the audit of the financial statements

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

any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements or inconsistencies I consider the implications for my certificate.

I am required to obtain evidence sufficient to give reasonable assurance that the Statement of Parliamentary Supply properly presents the outturn against voted Parliamentary control totals and that those totals have not been exceeded. The voted Parliamentary control totals are Departmental Expenditure Limits (Resource and Capital), Annually Managed Expenditure (Resource and Capital), Non-Budget (Resource) and Net Cash Requirement. I am also required to obtain evidence sufficient to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### Opinion on regularity

In my opinion, in all material respects:

- the Statement of Parliamentary Supply properly presents the outturn against voted Parliamentary control totals for the year ended 31 March 2014 and shows that those totals have not been exceeded; and
- the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

### Opinion on financial statements

In my opinion:

- the financial statements give a true and fair view of the state of the Department's affairs as at 31 March 2014 and of its net operating cost for the year then ended; and
- the financial statements have been properly prepared in accordance with the Government Resources and Accounts Act 2000 and HM Treasury directions issued thereunder.



## Opinion on other matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with HM Treasury directions made under the Government Resources and Accounts Act 2000; and
- the information given in the Management Commentary and the Supporting the Court: Corporate Services section of the Annual Report 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 returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- I have not received all of the information and explanations I require for my audit; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

## Report

I have no observations to make on these financial statements.

Amyas C E Morse  
2 June 2014

Comptroller and Auditor General  
National Audit Office

157-197 Buckingham Palace Road  
Victoria  
London  
SW1W 9SP

# Statement of Parliamentary Supply

## SUMMARY OF RESOURCE AND CAPITAL OUTTURN 2013-14

	Request for Resources	SoPs Note	Estimate			Outturn			2013-2014	2012-2013
			Voted	Non-voted	Total	Voted	Non-voted	Total	Voted outturn compared with Estimate: saving/(excess)	Outturn Total
			£'000	£'000	£'000	£'000	£'000	£'000	£'000	
<b>Departmental Expenditure Limit</b>										
	- Resources	2.1	3,226	2,825	6,051	2,895	2,796	5,691	331	5,439
	- Capital	2.2	346	-	346	331	-	331	15	40
<b>Annually Managed Expenditure</b>										
	- Resource	2.1	1,000		1,000	(506)	-	(506)	1,506	461
<b>Total Budget</b>			4,572	2,825	7,397	2,720	2,796	5,516	1,852	5,940
<b>Non Budget</b>			-	-	-	-	-	-	-	-
<b>Total</b>			4,572			2,720		5,516	1,852	
<b>Total Resource</b>			4,226	2,825	7,051	2,389	2,796	5,185	1,837	5,900
<b>Total Capital</b>			346	-	346	331	-	331	15	40
<b>Total</b>			4,572	2,825	7,397	2,720	2,796	5,516	1,852	5,940

## NET CASH REQUIREMENT 2013-2014

			Estimate	Outturn	Outturn compared with Estimate: saving/(excess)	Outturn
	SoPS Note	£'000	£'000	£'000	£'000	£'000
Net cash requirement	4	1,990	1,165	825	1,814	

## ADMINISTRATIVE COSTS 2013-2014

		Estimate	Outturn	Outturn compared with Estimate: saving/(excess)	Outturn
	Note	£'000	£'000	£'000	£'000
	3.2	1,159	725	434	713

Figures in the areas outlined in bold are voted totals subject to Parliamentary control. In addition, although not a separate voted limit, any breach of the administration budget will also result in an excess vote.

### Explanations of variances between Estimate and Outturn

Explanations of variances between Estimates and outturn are given in Note 2 and in the Management Commentary.

The notes on pages 86 to 88 form part of these accounts.

## Notes to the Departmental Resource Accounts (Statement of Parliamentary Supply)

### SOPS 1 Statement of Accounting Policies

The Statement of Parliamentary Supply and supporting notes have been prepared in accordance with the 2013-14 Government Financial Reporting Manual (FRoM) issued by HM Treasury. The Statement of Parliamentary Supply accounting policies contained in the FRoM are consistent with the requirements set out in the 2013-14 Consolidated Budgeting Guidance and Supply Estimates Guidance Manual.

#### SOPS 1.1 Accounting Convention

The Statement of Parliamentary Supply and related notes are presented consistently with Treasury budget control and Supply Estimates. The aggregates are measured using National Accounts, prepared in accordance with the internationally agreed framework "European System of Accounts" (ESA95). ESA95 is in turn consistent with the System of National accounts (SNA93), which is prepared under the auspices of the United Nations.

The budgeting system and the consequential presentation of Supply Estimates and the Statement of Parliamentary Supply and related notes, have different objectives to IFRS-based accounts. The system supports the achievement of macro-economic stability by ensuring that public expenditure is controlled, with relevant Parliamentary authority, in support of the Government's fiscal framework. The system provides incentives to departments to manage spending well so as to provide high quality public services that offer value for money to the taxpayer.

The Government's objectives for fiscal policy are set out in the Charter for Budget Responsibility. These are to:

- i. ensure sustainable public finances that support confidence in the economy, promote intergenerational fairness, and ensure the effectiveness of wider government policy; and
- ii. Support and improve the effectiveness of monetary policy in stabilising economic fluctuations

#### SOPS 1.2 Comparison with IFRS-based accounts

Many transactions are treated in the same way in National Accounts and IFRS-based accounts, but there can be a number of differences. A reconciliation of the department's outturn as recorded in the SoPS compared to the IFRS-based SoCNE is provided in SoPS note 3.2. UKSC does not have any reconciling items themselves.

## SOPS 2. Net outturn

### SOPS 2.1 Analysis of net resource outturn by section

	Outturn							2013-14	2012-13		
								Estimate	Outturn		
	Administration			Programme				Total	Net Total	Net total compared to Estimate:	Prior Year Outturn
	Gross	Income	Net	Gross	Income	Net					
£'000	£'000		£'000	£'000	£'000		£'000	£'000	£'000		
Spending in Departmental Expenditure limit											
Voted	819	(94)	725	9,638	(7,468)	2,170	2,895	3,226	331	2,715	
Non Voted	0	0	0	2,796	0	2,796	2,796	2,825	29	2,724	
Annually Managed Expenditure											
Voted	0	0	0	(506)	0	(506)	(506)	1,000	1,506	461	
<b>Total</b>	<b>819</b>	<b>(94)</b>	<b>725</b>	<b>11,928</b>	<b>(7,468)</b>	<b>4,460</b>	<b>5,185</b>	<b>7,051</b>	<b>1,866</b>	<b>5,900</b>	

### SOPS 2.2 Analysis of net capital outturn by section

	Outturn				2013-14	2012-13
				Estimate	Net total compared to Estimate:	Outturn
	Gross	Income	Net	Net Total		
	£'000	£'000	£'000	£'000	£'000	£'000
Spending in Departmental Expenditure Limit						
Voted	331	0	331	346	15	40

## SOPS 3. Reconciliation of outturn to net operating cost and against Administration Budget

### SOPS 3.1 Reconciliation of net resource outturn to net operating cost

	SoPS Note	2013-14	2012-13
		Outturn	Outturn
		£'000	£'000
Total Resource Outturn in Statement of Parliamentary Supply	2.1	5,185	5,900
Non Budget		0	0
Less Income payable to the Consolidated Fund		0	0
<b>Net Operating Costs in Consolidated Statement of Comprehensive Net Expenditure</b>		<b>5,185</b>	<b>5,900</b>

## SOPS 3.2 Outturn against final Administration Budget and Administration net operating cost

	2013-14	2012-13
	£'000	£'000
Estimate – Administration costs limit	1,159	1,008
Outturn – Gross Administration Costs	819	850
Outturn – Gross Income relating to administration costs	(94)	(137)
Outturn – Net administration costs	725	713
Reconciliation to operating costs		
Less: provisions utilised (transfer from Programme)	0	0
<b>Administration Net Operating Costs</b>	<b>725</b>	<b>713</b>

## SOPS 4. Reconciliation of Net Resource Outturn to Net Cash Requirement

		2013-14	2012-13		
		Estimate	Outturn	Net total outturn compared with Estimate: Saving/(excess)	Outturn
	SoPS Note	£'000	£'000	£'000	£'000
Resource Outturn	2.1	7,051	5,185	1,866	5,900
Capital Outturn	2.2	346	331	15	40
Accruals to cash adjustments					
Adjustments to remove non-cash items:					
– Depreciation		(2,537)	(825)	(1,712)	(1,470)
– Other non-cash items		(45)	(38)	(7)	(43)
Adjustments to reflect movements in working balances:		-			
– Increase /(decrease) in inventories			(12)	12	31
– Increase /(decrease) in receivables			(382)	382	389
– Increase /(decrease) in payables			(225)	225	(132)
– Changes in payables falling due after more than one year		-	(73)	73	(179)
Removal of non-voted budget items:					
Non Voted Expenditure		(2,825)	(2,796)	(29)	(2,722)
Use of provision		-	-	-	-
<b>Net cash requirement</b>		<b>1,990</b>	<b>1,165</b>	<b>825</b>	<b>1,814</b>

## SOPS 5. Income payable to the Consolidated Fund

### SOPS 5.1 Analysis of income payable to the Consolidated Fund

During the financial period, there were no amount payable to the consolidated fund.

## Statement of Comprehensive Net Expenditure

FOR THE YEAR ENDED 31 MARCH 2014

		2013-2014	Restated as at 2012-2013
	Note	£'000	£'000
<b>Administration Costs</b>			
Staff costs	2	607	640
Other administration costs	3	212	210
Income	5	(94)	(137)
<b>Programme Expenditure</b>			
Staff costs	2	5,134	4,967
Other programme costs	4	6,794	7,550
Income	5	(7,468)	(7,330)
<b>Total Expenditure</b>		<b>12,747</b>	<b>13,367</b>
<b>Total Income</b>		<b>(7,562)</b>	<b>(7,467)</b>
<b>Net Operating Cost for the year ended 31 March 2014</b>		<b>5,185</b>	<b>5,900</b>
<b>Other Comprehensive Expenditure</b>			
Net (gain)/loss on revaluation of property, plant and equipment		(1,131)	(2,992)
<b>Total Comprehensive Net Expenditure for the year ended 31 March 2014</b>		<b>4,054</b>	<b>2,908</b>

The notes on pages 93 to 105 form part of these accounts.



## Statement of Financial Position

	Note	as at 31 March 2014		Restated as at 31 March 2013		Restated as at 31 March 2012	
		£'000	£'000	£'000	£'000	£'000	£'000
<b>Non-current assets</b>							
Property, Plant & Equipment	6	29,613		28,532		26,728	
Intangible assets	7	143		588		748	
<b>Total non-current assets</b>			29,756		29,120		27,476
<b>Current assets:</b>							
Assets classified as held for sale							
Inventories	10	40		52		21	
Trade and other receivables	11	807		1,189		800	
Cash and cash equivalents	12	190		36		76	
<b>Total current assets</b>			1,037		1,277		897
<b>Total assets</b>			30,793		30,397		28,373
<b>Current liabilities</b>							
Trade and other payables	13	(1,194)		(872)		(780)	
Finance lease	13	(2,295)		(2,238)			
<b>Total current liabilities</b>			(3,489)		(3,110)		(780)
<b>Non current assets plus/less net current assets/liabilities</b>			27,304		27,287		27,593
<b>Non current liabilities:</b>							
Other payables	13	(34,259)		(34,186)		(36,245)	
<b>Total non current liabilities</b>			(34,259)		(34,186)		(36,245)
<b>Total Assets less liabilities</b>			(6,955)		(6,899)		(8,652)
<b>Taxpayers' equity and other reserves</b>							
General fund			(14,676)		(13,489)		(12,250)
Revaluation reserve			7,721		6,590		3,598
<b>Total Equity</b>			(6,955)		(6,899)		(8,652)

*J. Rowe*

Jenny Rowe  
Chief Executive and Accounting Officer  
22 May 2014

The notes on pages 93 to 105 form part of these accounts.

## Statement of Cash Flows

FOR THE YEAR ENDED 31 MARCH 2014

		2013-14	2012-13
	Note	£'000	£'000
<b>Cash flows from operating activities</b>			
Net operating cost		(5,185)	(5,900)
Adjustment for non-cash transactions	4	863	1,513
(Increase)/Decrease in trade and other receivables		382	(389)
(Increase)/Decrease in Inventories		12	(31)
Increase/(Decrease) in current trade payables		322	37
Increase/(Decrease) in Finance lease		57	55
less movements in payables relating to items not passing through the SCNE		(154)	40
<b>Net cash outflow from operating activities</b>		<b>(3,703)</b>	<b>(4,675)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	6	(245)	(40)
Purchase of intangible assets	7	(86)	0
<b>Net Cash outflow from investing activities</b>		<b>(331)</b>	<b>(40)</b>
<b>Cash flows from financing activities</b>			
From the Consolidated Fund (Supply) – current year		1,319	1,774
From the Consolidated Fund (non-Supply)		2,796	2,722
Capital increase in respect of finance leases		73	179
<b>Net Financing</b>		<b>4,188</b>	<b>4,675</b>
<b>Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to the Consolidated Fund</b>		<b>154</b>	<b>(40)</b>
Receipts due from the Consolidated Fund which are outside the scope of the Department's activities		-	-
Payments of amounts due to the Consolidated Fund			
<b>Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to the Consolidated Fund</b>		<b>154</b>	<b>(40)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	12	<b>36</b>	<b>76</b>
<b>Cash and cash equivalents at the end of the period</b>	12	<b>190</b>	<b>36</b>

The notes on pages 93 to 105 form part of these accounts.

## Statement of Changes in Taxpayers' Equity

FOR THE YEAR ENDED 31 MARCH 2014

		General Fund	Revaluation Reserve	Total Reserves
	Note	£'000	£'000	£'000
<b>Balance as at 31 March 2012</b>		<b>(10,894)</b>	<b>3,590</b>	<b>(7,304)</b>
Prior period Adjustment	24	(1,356)	8	(1,348)
<b>Balance at 1 April 2012</b>		<b>(12,250)</b>	<b>3,598</b>	<b>(8,652)</b>
Net Parliamentary Funding – drawn down		1,774		1,774
Net Parliamentary Funding – deemed		76		76
Consolidated Fund Standing Services		2,722		2,722
Supply (payable)/receivable adjustment		(36)		(36)
Excess Vote – Prior Year		-		-
CFERs payable to the Consolidated Fund		-		-
Comprehensive Expenditure for the Year		(5,900)	-	(5,900)
<b>Non-Cash Adjustments</b>				
Non-cash charges – auditors remuneration	4	43		43
<b>Movement in Reserves</b>				
Movement in Revaluation Reserve		82	2,992	3,074
Recognised in Statement of Comprehensive Expenditure		-	-	-
Transfer between reserves		-	-	-
<b>Restated balance at 31 March 2013</b>		<b>(13,489)</b>	<b>6,590</b>	<b>(6,899)</b>
Net Parliamentary Funding – drawn down		1,319		1,319
Net Parliamentary Funding – deemed		36		36
Consolidated Fund Standing Services		2,795		2,795
Supply (payable)/receivable adjustment		(190)		(190)
Excess Vote – Prior Year		-		-
CFERs payable to the Consolidated Fund		-		-
Comprehensive Expenditure for the Year		(5,185)		(5,185)
Non-cash charges – auditors remuneration	4	38		38
Movement in Revaluation Reserve			1,131	1,131
Transfer between reserves		-	-	-
<b>Balance at 31 March 2014</b>		<b>(14,676)</b>	<b>7,721</b>	<b>(6,955)</b>

The notes on pages 93 to 105 form part of these accounts.

## Notes to the Departmental Resource Accounts

### Statement of Accounting Policies

#### 1.1 Basis of Preparation

The financial statements have been prepared in accordance with the 2013-14 Government Financial Reporting Manual (FRoM) issued by HM Treasury. The accounting policies contained in the FRoM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. Where the FRoM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Supreme Court of the United Kingdom (UKSC) for the purpose of giving a true and fair view has been selected. The particular policies adopted by the Supreme Court of the United Kingdom (UKSC) are described below. They have been applied consistently in dealing with items which are considered material to the accounts.

In addition to the primary statements prepared under IFRS, the FRoM also requires the Department to prepare two additional primary statements. *The Statement of Parliamentary Supply* and supporting notes show outturn against Estimate in terms of the net resource requirement and the net cash requirement.

#### 1.2 Accounting Convention

These accounts have been prepared on the going concern basis under the historical cost convention modified to account for the revaluation of land and building.

#### 1.3 Property Plant and Equipment

The Minimum level for the capitalisation of Property, Plant & Equipment is £5,000.

##### i. Land & Building

The UKSC Land & Building are deemed to be specialised operational properties and fair value was arrived at using DRC methodology. This was based on the assumption that the property could be sold as part of the continuing enterprise in occupation. On the basis of the above assumption, Fair Value under IAS 16 is identical to Existing Use Value. The year end valuation was carried out by the Westminster Valuation Office (VOA) using professionally qualified valuers, who are also members of the Royal Institution of Chartered Surveyors; using 31st March 2014 and 31st March 2013 as valuation dates. The VOA and its staffs are independent of the UK Supreme

Court. The Revaluation Surplus balance at year end was £7.7M, with an increase of £1.1m within the financial year.

##### ii. Other Plant & Equipment

These were included at cost. In prior years they were restated at the end of the year using Price Index Numbers for Current Cost accounting however the department has decided from 2012-13 to discontinue with the Modified Historic Cost method of accounting for Other Plant & Equipment.

#### 1.4 Intangible Fixed Assets

Computer software licences with a purchased cost in excess of £5,000 (including irrecoverable VAT and delivery) are capitalised at cost.

#### 1.5 Depreciation or Amortisation

Freehold land and assets in the course of construction are not depreciated. All other assets are depreciated and amortised from the month following the date of acquisition. Depreciation and amortisation is at the rates calculated to write-off the valuation of the assets by applying the straight-line method over the following estimated useful lives

Property, Plant & Equipment:

Building	40 years
Office Equipment	7 years
Furniture and fittings	4-7 years
Robes	50 years

Intangible assets:

Computer Software and software licences	7 Years
---	---------

#### 1.6 Inventory

Closing stocks of gift items for re-sale are included at cost. Cost of consumables stores held by the Department are not considered material and are written off in the operating cost statement as they are purchased.

#### 1.7 Operating Income

Operating income is income which relates directly to the operating activities of the UKSC. Operating Income includes judicial fees, sale of gift items, hire of court facilities for corporate events and contributions from the Jurisdictions (Her Majesty's Courts and Tribunal Service, Northern Ireland Courts and Tribunal Service and Scottish Parliament). Judicial fees are payable at different stages that fairly reflect status of cases. UKSC recognises all fees received in each reporting period as income.

## 1.8 Administration and Programme Expenditure

The Statement of Comprehensive Net Expenditure is analysed between administration and programme costs. The classification of expenditure and income as administration or as programme follows the definition of administration costs set out in *Managing Public Money* by HM Treasury.

### 1.9 Pensions

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

The contributions to PCSPS are set out in note 2.

### 1.10 Leases

Where substantially all risks & rewards of ownership are borne by the UKSC, the lease term is for the major part of the economic life of the asset and at the inception of the lease, the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset. The asset is recorded as a tangible asset and the debt is recorded to the lessor over the minimum lease payment discounted by the interest rate implicit in the lease. The finance cost of the finance lease is charged to the operating cost statement over the lease period at a constant rate in relation to the balance outstanding and a liability is recognised equal to the minimum lease payments discounted by an annual rate of 6.88%. The finance lease relate to the refurbishment of UKSC building carried out in 2009. Other leases are charged to the operating cost statement as a straight-line item over the terms of the lease.

### 1.11 Audit Costs

A charge reflecting the cost of the audit is included in the operating costs. The UKSC is audited by the Comptroller and Audit General. No charge by the C&AG is made for this service but a non cash charge representing the cost of the audit is included in the accounts.

### 1.12 Value Added Tax

The net amount of Value Added Tax (VAT) due to or from Her Majesty's Revenue and Customs is shown as a receivable or payable on the Statement of Financial Position. Irrecoverable VAT is charged to the Operating Cost Statement, or if it is incurred on the purchase of a fixed asset it is capitalised in the cost of the asset.

### 1.13 Provisions

The Department provides for legal or constructive obligations which are of uncertain timing or amount on the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation.

Provisions are recognised in the accounts where;

- a) there is a present obligation as a result of a past event;
- b) it is probable that a transfer of economic benefits will be required to settle the obligation, and;
- c) a reliable estimate can be made of the amount.

There are no provisions recognized in the accounts.

Contingencies are disclosed in the notes to the accounts unless the possibility of transfer in settlement is remote.

### 1.14 Contingent Liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37, the Department discloses for parliamentary reporting and accountability purposes certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which have been reported to Parliament in accordance with the requirements of *Managing Public Money*.

Where the time value of money is material, contingent liabilities which are required to be disclosed under IAS 37 are stated at discounted amounts and the amount reported to Parliament separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to Parliament.

### 1.15 Significant Accounting Estimates and Assumption

There are no significant estimates or accounting judgements used in the preparation of these accounts.

### 1.16 Changes in Accounting Policies

There are no changes to accounting policies arising from new IFRSs and any new or amended standards announced but not yet adopted. There are also no voluntary changes to accounting policies that have had an impact in these accounts.

## 2. Staff/Justices numbers and related costs

A – STAFF/JUSTICES COSTS COMPRISE					2013–2014	2012–2013
	Permanent		Others		Total	Total
	Justices	Front line staff	Administrative staff	Judicial assistants		
	£'000	£'000	£'000	£'000	£'000	£'000
Wages & Salaries	2,471	1,012	470	201	4,154	3,995
Social security costs	326	85	44	19	474	458
Supplementary Judges & Special Advisers	6	0	0	0	6	18
Other pension costs	794	173	93	17	1,077	1,051
<b>Sub Total</b>	<b>3,597</b>	<b>1,270</b>	<b>607</b>	<b>237</b>	<b>5,711</b>	<b>5,522</b>
Inward secondments	0	0	0	0	0	0
Agency Staff	0	30	0	0	30	85
<b>Total</b>	<b>3,597</b>	<b>1,300</b>	<b>607</b>	<b>237</b>	<b>5,741</b>	<b>5,607</b>
Less recoveries in respect of outward secondments	0	0	0	0	0	0
<b>Total Net Costs</b>	<b>3,597</b>	<b>1,300</b>	<b>607</b>	<b>237</b>	<b>5,741</b>	<b>5,607</b>

No salary costs have been capitalised. Judicial Salaries and Social Security costs are paid directly from the Consolidated Fund while the Pension costs are paid for by the UKSC.

### B. PRINCIPAL CIVIL SERVICE PENSION SCHEME

The Principal Civil Service Pension Schemes (PCSPS) is an unfunded multi-employer defined benefit scheme but the UK Supreme Court is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out as at 31 March 2007. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation ([www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk))

For 2013-14, employer's contributions £282,414 were payable to the PCSPS (2012-13 £276,663) at one of four rates in the range of 16.7 to 24.3 per cent of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates were last revised in 2008-09 but the salary bands were revised from 1 April 2010.

The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £4,025 (2012-13 £NIL) were paid to one or more of a panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3.0 to 12.5 per cent (2012-13 3.0 to 12.5 per cent) of pensionable pay. Employers also match employee contributions up to 3 per cent of pensionable pay. In addition, employer contributions of £NIL, (2012-13: £NIL) of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirement of these employees.

Contributions due to the partnership pension providers at the balance sheet date were £572.

There were no early retirements on ill health grounds in 2013-14. (2012-13 None)

### C. AVERAGE NUMBER OF PERSONS EMPLOYED AND JUSTICES THAT SERVED

The average number of whole-time equivalent persons employed and Justices that served during the year is shown in the table below. These figures include those working in the UKSC (including senior management) as included within the departmental resource account.

THE SUPREME COURT OF THE UNITED KINGDOM					2013-2014	2012-2013
	PERMANENT			OTHER	Total	Total
	Justices	Frontline Staff	Administrative Staff	Judicial Assistants		
	12	32	10	8	62	59
<b>Total</b>	<b>12</b>	<b>32</b>	<b>10</b>	<b>8</b>	<b>62</b>	<b>59</b>

### 3. Other Administration Costs

	2013-2014		2012-2013	
	£'000	£'000	£'000	£'000
Catering Costs	15		44	
Other Staff Costs	46		37	
Staff Travel	3		14	
Hospitality & Events	22		14	
Printing, Postage, Stationery & Publications	110		93	
Internal Audit & Governance Expenses	16		8	
<b>Total Administration Costs</b>		<b>212</b>		<b>210</b>



## 4. Programme costs

	Notes	2013–2014		2012–2013	
		£'000	£'000	£'000	£'000
Accommodation Costs		1,812		1,992	
Finance Costs		2,516		2,510	
Library Costs		221		239	
IT Costs		493		207	
Publicity & Communications		107		121	
Broadcasting Costs		163		167	
Repairs & Maintenance		512		633	
Recruitment & Judicial Appointment Costs		27		45	
Transportation Costs		71		98	
Other case costs		-		19	
International Judicial Travel		9		6	
			5,931		6,037
<b>Non-cash items</b>					
Depreciation	6	800		849	
Amortisation	7	126		160	
Recognized gain from building		(506)			
Impairment	7	405		461	
Auditors' Remuneration & Expenses		38		43	
<b>Total Non Cash</b>			863		1,513
<b>Total Programme Costs</b>			6,794		7,550

## 5. Income

OPERATING INCOME, ANALYSED BY CLASSIFICATION AND ACTIVITY, IS AS FOLLOWS:

	2013–2014		2012–2013	
	£'000	£'000	£'000	£'000
Contribution from HMCTS	(5,723)		(5,698)	
Contribution from Scottish Government	(478)		(478)	
Contribution from Northern Ireland Courts and Tribunals Service	(239)		(239)	
<b>Total Contributions</b>		(6,440)		(6,415)
Court Fees – UKSC		(849)		(851)
Court Fees – JCPC		(179)		(64)
Wider Market Initiatives		(94)		(137)
<b>Total Income</b>		(7,562)		(7,467)

	2013–2014			2012–2013		
	Income	Full Cost	Surplus/ (Deficit)	Income	Full Cost	Surplus/ (Deficit)
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Total Court Fees</b>	(1,028)	12,653	(11,625)	(915)	13,230	(12,315)
<b>Wider Market Initiatives</b>	(94)	94	0	(137)	137	0
	(1,122)	12,747	(11,625)	(1,052)	13,367	(12,315)

These are provided for fees' & charges' purposes & not for IFRS 8.

The UK Supreme Court does not recover its full cost of operations from Court fees as this might impede access to Justice.

The UK Supreme Court has complied with the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance.

## 6. Property, Plant and Equipment

	Land	Building	Office Equipment	Furniture and Fittings	Robes	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>						
At 1 April 2013	13,000	15,327	1,010	1,904	154	31,395
Additions	-	-	222	23	-	245
Revaluations	1,000	636	-	-	-	1,636
<b>At 31 March 2014</b>	<b>14,000</b>	<b>15,963</b>	<b>1,232</b>	<b>1,927</b>	<b>154</b>	<b>33,276</b>
<b>Depreciation</b>						
At 1 April 2013	-	(1,387)	(483)	(981)	(12)	(2,863)
Charged in year	-	(382)	(146)	(269)	(3)	(800)
<b>At 31 March 2014</b>	<b>-</b>	<b>(1,769)</b>	<b>(629)</b>	<b>(1,250)</b>	<b>(15)</b>	<b>(3,663)</b>
<b>Carrying amount at 31 March 2014</b>	<b>14,000</b>	<b>14,194</b>	<b>603</b>	<b>677</b>	<b>139</b>	<b>29,613</b>
<b>Asset Financing</b>						
Owned	1,419					
Finance Leased	28,194					
<b>On-balance sheet</b>	<b>29,613</b>					
PFI contracts	-					

	Land	Building	Office Equipment	Furniture and Fittings	Robes	Total
	£'000	£'000	£'000	£'000	£'000	£'000
<b>Cost or valuation</b>						
At 1 Apr 2012	10,000	15,750	998	1,876	154	28,778
Additions	-	-	12	28	-	40
Revaluations	3,000	(423)	-	-	-	2,577
<b>At 31 March 2013</b>	<b>13,000</b>	<b>15,327</b>	<b>1,010</b>	<b>1,904</b>	<b>154</b>	<b>31,395</b>
<b>Depreciation</b>						
At 1 Apr 2012	-	(995)	(343)	(703)	(9)	(2,050)
Charged in year	-	(392)	(140)	(278)	(3)	(813)
<b>At 31 March 2013</b>	<b>-</b>	<b>(1,387)</b>	<b>(483)</b>	<b>(981)</b>	<b>(12)</b>	<b>(2,863)</b>
<b>Restated carrying value at 31 March 2013</b>	<b>13,000</b>	<b>13,940</b>	<b>527</b>	<b>923</b>	<b>142</b>	<b>28,532</b>
<b>Asset Financing</b>						
Owned	1,592					
Finance Leased	26,940					
<b>On-balance sheet</b>	<b>28,532</b>					
PFI contracts	-					

## 7. Intangible non-current assets

Intangible fixed assets comprise software licences		Purchased software licences
		£'000
<b>Cost or valuation</b>		
At 1 April 2013		1,133
Additions		86
Revaluations		-
Impairment		(1,016)
Donations		-
<b>At 31 March 2014</b>		<b>203</b>
<b>Amortisation</b>		
At 1 April 2013		(545)
Charged in year		(126)
Revaluations		(0)
Impairment		611
<b>At 31 March 2014</b>		<b>(60)</b>
<b>Net book value at 31 March 2014</b>		<b>143</b>

		Purchased software licences
		£'000
<b>Cost or valuation</b>		
At 1 April 2012		1,133
Additions		-
Revaluations		-
Disposals		-
Donations		-
<b>At 31 March 2013</b>		<b>1,133</b>
<b>Amortisation</b>		
At 1 April 2012		(385)
Charged in year		(160)
Revaluations		-
Disposals		-
<b>At 31 March 2013</b>		<b>(545)</b>
<b>Net book value at 31 March 2013</b>		<b>588</b>

The erstwhile Case Management System which was purchased when UKSC was established in 2009 became impaired during the year. It was replaced with a new system which was deemed to be more flexible and robust.

## 8. Financial Instruments

As the Cash requirements of the department are met through the Estimates process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body of a similar size. The majority of financial instruments relate to contracts for non-financial items in line with the Department's expected purchase and usage requirements and the Department is therefore exposed to little credit, liquidity or market risk.

## 9. Impairments

		2013-2014	2012-2013
	Note	£'000	£'000
The total impairment charge for the year is analysed below:			
Amount charged direct to Operating Cost Statement	4	405	461
Amount taken through the revaluation reserve	6	0	-
<b>Total</b>		<b>405</b>	<b>461</b>

## 10. Inventories

		2013-2014	2012-2013
		£'000	£'000
Opening balances		52	21
In year movement		(12)	31
<b>Total</b>		<b>40</b>	<b>52</b>

## 11. Trade Receivables and other current assets

A – ANALYSIS BY TYPE		2013-2014	2012-2013
		£'000	£'000
<b>Amounts falling due within one year</b>			
Trade Receivables		1	0
VAT Recoverable		128	110
Staff Receivables		18	17
Prepayment & Accrued Income		660	1,062
<b>Total</b>		<b>807</b>	<b>1,189</b>

B – INTRA-GOVERNMENT BALANCES		2013-2014	2012-2013
		£'000	£'000
Balances with other central government bodies		128	110
Balances with local authorities		-	462
Balances with NHS Bodies		-	-
Balances with public corporations and trading funds		-	-
<b>Subtotal: intra-government balances</b>		<b>128</b>	<b>572</b>
Balances with bodies external to government		679	617
<b>Total receivables at 31 March</b>		<b>807</b>	<b>1,189</b>

## 12. Cash and Cash Equivalents

		2013-2014	2012-2013
		£'000	£'000
Balance at 1 April		36	76
Net changes in cash and cash equivalent balances		154	(40)
<b>Balance at 31 March</b>		<b>190</b>	<b>36</b>
<b>The following balances at 31 March were held at:</b>			
Government Banking Service (RBS & Citibank)		190	36
<b>Balance at 31 March</b>		<b>190</b>	<b>36</b>

## 13. Trade Payables and other current liabilities

A – ANALYSIS BY TYPE	2013–2014	2012–2013
	£'000	£'000
<b>Amounts falling due within one year</b>		
Other taxation and social security	(120)	(107)
Trade payables	(1)	4
Amounts issued from the Consolidated Fund for supply but not spent at year end.	(190)	(36)
Accruals and Deferred Income	(883)	(733)
Finance leases	(2,295)	(2,238)
<b>Total</b>	<b>(3,489)</b>	<b>(3,110)</b>
<b>Amounts falling due after more than one year</b>		
Finance leases	(34,259)	(34,186)
	<b>(37,748)</b>	<b>(37,296)</b>
<b>B – INTRA-GOVERNMENT BALANCES</b>	<b>2013–2014</b>	<b>2012–2013</b>
	£'000	£'000
Balances with other central government bodies	(310)	(144)
Subtotal: intra-government balances	(310)	(144)
Balances with bodies external to government	(37,438)	(37,152)
<b>Total payables at 31 March</b>	<b>(37,748)</b>	<b>(37,296)</b>

## 14. Provisions for Liabilities and Charges

There were no provisions or claims during the year and in 2013/14.

## 15. Capital Commitments

There were no capital commitments.

## 16. Commitments under leases

### 16.1 – FINANCE LEASES

Total future minimum lease payments under finance leases are given in the table below for each of the following periods

	2013–2014	2012–2013
	£'000	£'000
Obligations under finance leases comprise:		
<b>Land</b>		
Not later than 1 year	1,216	1,101
Later than 1 year and not later than 5 years	5,177	4,687
Later than 5 years	34,925	33,656
	41,318	39,444
Less: Interest Element	(23,168)	(22,661)
<b>Net total</b>	<b>18,150</b>	<b>16,783</b>
<b>Building</b>		
Not later than 1 year	1,234	1,289
Later than 1 year and not later than 5 years	5,250	5,485
Later than 5 years	35,412	39,386
	41,896	46,160
Less: Interest Element	(23,492)	(26,519)
<b>Net Total</b>	<b>18,404</b>	<b>19,641</b>
<b>Grand total</b>	<b>36,554</b>	<b>36,424</b>

	2013–2014	2012–2013
	£'000	£'000
Present Value of Obligations under finance lease for the following periods comprise:		
<b>Land</b>		
Not later than 1 year	1,139	1,031
Later than 1 year and not later than 5 years	4,118	3,730
Later than 5 years	12,893	12,022
	18,150	16,783
<b>Building</b>		
Not later than 1 year	1,156	1,207
Later than 1 year and not later than 5 years	4,175	4,365
Later than 5 years	13,073	14,069
	18,404	19,641
<b>Grand total</b>	<b>36,554</b>	<b>36,424</b>

## 17. Commitments under PFI contracts

There were no commitments under PFI contracts.

## 18. Other financial commitments

UKSC has not entered into any non-cancellable contracts (which are not operating leases or PFI contracts).

## 19. Contingent liabilities disclosed under IAS 37

UKSC has entered into a loan agreement with the Middlesex Guidhall Collection Trust in respect of Works of Arts located in the building. The department agreed to indemnify the Trust against loss or damage occasioned to the items and has put an insurance policy in place to cover any incidental financial loss.

None of these is a contingent liability within the meaning of IAS 37 since the possibility of a transfer of economic benefit in settlement is too remote.

## 20. Losses and Special Payments

No exceptional kinds of expenditure such as losses and special payments, that require separate disclosure because of their nature or amount, have been incurred.

## 21. Related-Party Transactions

None of the Non Executive Board Members, President, Key managerial staff or related parties have undertaken any material transactions with UKSC during the year.

UKSC had a number of significant transactions with other government departments and other central government bodies:

The Ministry of Justice provide shared services for UKSC. There were no outstanding balance as at 31 March 2014.

## 22. Third Party Assets

In all civil cases where an Appeal lay to the House of Lords under the provisions of the Appellate Jurisdiction Act 1876, Appellants must provide security for the costs of such Appeals. This payment was made to the House of Lords Security Fund Account which recorded the receipt, payment and disposition of the lodgements for each financial year. The balance on this Security Fund Account was transferred to The Supreme Court on 1st October 2009 and is now operated as The Supreme Court Security Fund Account. No interest is paid on the lodgements, nor are any fees deducted. Security Fund monies are payable to the relevant party, usually on the issue of the Final Judgement or Taxation of the Bill of Costs.

Securities held on behalf of third parties are not included in UKSC's Statement of Financial Position.

	2013-2014	2012-2013
	£'000	£'000
Balance as at 01 April	345	325
Add; receipts – Lodgements by Appellants	25	120
Less: Repayments to Appellants/ Respondents	(50)	(100)
<b>Balance as at 31 March</b>	<b>320</b>	<b>345</b>

## 23. Events after the reporting period date

The Accounting Officer authorised these financial statements for issue on May 2014. There were no disclosable post balance sheet events.



## 24. Prior Period Adjustment – Revaluation of Building Adjustments

The valuation of the building was restated because a wrong Gross Internal Area (GIA) of 7,189sqm had been used for the valuation since 2009 instead of 6,587sqm. The Statements of Financial Position were restated for these effects in both 2012-13 and 2011-12. The Statement of Comprehensive Net Expenditure and related notes were restated for this effect in 2012-13.

	2012-2013	2011-2012
	£'000	£'000
Net Resource Outturn ( Statement of Parliamentary Supply)	5,900	5,693
Revaluation of Building Adjustment	(83)	(90)
<b>Adjusted Net Resource Outturn</b>	<b>5,817</b>	<b>5,603</b>

The tables below show the impact of the Depreciated Replacement Cost (DRC) revaluation of UKSC Building on the Statement of Comprehensive Net Expenditure and the Statement of Financial Position for the following periods.

### RESTATED STATEMENT OF FINANCIAL POSITION

	As Reported 31 March 2012	DRC Valuation Adjustment	Restated 31 March 2012
	£'000	£'000	£'000
<b>Property, Plant &amp; Equipment</b>	<b>28,076</b>	<b>(1,348)</b>	<b>26,728</b>
<b>Total Assets less Total Liabilities</b>	<b>(7,304)</b>	<b>(1,348)</b>	<b>(8,652)</b>
General Fund	(10,894)	(1,356)	(12,250)
Revaluation Reserve	3,590	8	3,598
<b>Total Taxpayers Equity</b>	<b>(7,304)</b>	<b>(1,348)</b>	<b>(8,652)</b>

### RESTATED STATEMENT OF FINANCIAL POSITION

	As Reported 31 March 2013	DRC Valuation Adjustment	Restated 31 March 2013
	£'000	£'000	£'000
<b>Property, Plant &amp; Equipment</b>	<b>29,806</b>	<b>(1,274)</b>	<b>28,532</b>
<b>Total Assets less Total Liabilities</b>	<b>(5,625)</b>	<b>(1,274)</b>	<b>(6,899)</b>
General Fund	(12,215)	(1,274)	(13,489)
<b>Total Taxpayers Equity</b>	<b>(5,625)</b>	<b>(1,274)</b>	<b>(6,899)</b>

## annex

# Jurisdictions where the Privy Council is the final Court of Appeal

Anguilla  
 Antigua and Barbuda  
 Ascension\*  
 The Bahamas  
 Bermuda  
 British Antarctic Territory  
 British Indian Ocean Territory  
 British Virgin Islands  
 Cayman Islands  
 Cook Islands and Niue  
 Dominica  
 Falkland Islands  
 Gibraltar  
 Grenada  
 Guernsey  
 Isle of Man  
 Jamaica  
 Jersey  
 Kiribati  
 Mauritius  
 Montserrat  
 Pitcairn Islands  
 Saint Christopher and Nevis  
 St Helena\*  
 St Lucia  
 St Vincent and the Grenadines  
 Sovereign Base of Akrotiri and Dhekelia  
 Trinidad and Tobago  
 Tristan da Cunha\*  
 Turks and Caicos Islands  
 Tuvalu

## UK

Royal College of Veterinary Surgeons  
 Church Commissioners  
 Arches Court of Canterbury  
 Chancery Court of York  
 Prize Courts  
 Court of the Admiralty of the Cinque Ports  
 High Court of Chivalry

## Brunei

Civil Appeals from the Court of Appeal to the Sultan and Yang di-Perchian for advice to the Sultan

Power to refer any matter to the Judicial Committee under section 4 of the Judicial Committee Act 1833

\* St Helena, Ascension and Tristan da Cunha became three separate territories forming a single territorial grouping in 2009

ISBN 978-1-4741-0321-3



9 781474 103213