

Main Estimates memorandum (2023-24) for HM Procurator General and Treasury Solicitor

1 Overview

1.1 Objectives

The Estimate for HM Procurator General and Treasury Solicitor (HMPG&TS) provides for the expenditure and income of the Government Legal Department (GLD), the Attorney General's Office (AGO) and HM Crown Prosecution Service Inspectorate (HMCPSI).

GLD is a non-ministerial government department and its predecessor (the Treasury Solicitor's Department) was established as an Executive Agency on 1 April 1996. It has no policy responsibility. Ministerial responsibility lies with the Attorney General. GLD provides high quality legal services to most Whitehall Departments and to more than a hundred other government and public bodies. It applies its combined legal professional skills to provide consistently excellent legal services, drawing on its unique perspective of the law across the legal landscape of government. GLD is predominantly funded by fees charged to clients on a full cost recovery basis; with Supply making up only a small proportion of its total funding.

The AGO is a specialist ministerial department serving the Attorney General and the Solicitor General (the Law Officers) across the full range of their functions. The Law Officers are the Government's chief legal advisers and help the Government to deliver policy in the context of upholding the rule of law and perform a visible and effective role as leaders in the domestic and international legal community. They also have superintendence responsibilities in relation to the public prosecutions conducted by the Crown Prosecution Service and the Serious Fraud Office.

The purpose of HMCPSI is to inspect the operation of the Crown Prosecution Service and the Serious Fraud Office and to provide independently assessed evidence to allow others to hold these agencies to account thereby encouraging improvement. The Chief Inspector, who also fulfils the role of Chief Executive, has been appointed as Accounting Officer for HMCPSI.

1.2 Spending controls

HMPG&TS's net spending is broken down into several different spending totals, for which Parliament's approval is sought.

The spending totals which Parliament votes are:

- Resource Departmental Expenditure Limit (**Resource DEL**) - this limit is to fund the public interest casework of GLD and AGO both in terms of time spent and disbursements, the administration costs of AGO and HMCPSI, and the programme cost of the AGO's work on exiting the EU. The balance of GLD's operating costs, including the cost of legal disbursements, are recovered from client departments.
- Capital Departmental Expenditure Limit (**Capital DEL**): - investment in capital equipment such as ICT and furniture and fittings, and leasehold improvements.

In addition, Parliament votes a net cash requirement, designed to cover the elements of the above budgets that require HMPG&TS to pay out cash in year.

1.3 Comparison of net spending totals sought

The table below shows how the net spending totals sought for HMPG&TS compares with last year:

Spending total Amounts sought this year (Main Estimate 2023-24)		Compared to final budget last year (Supplementary Estimate 2022-23)		Compared to original budget last year (Main Estimate 2022-23)	
		£ m	%	£m	%
Resource DEL	11.703	10.304	14%	11.818	-1%
Capital DEL	2.000	4.350	-54%	2.850	-30%
Resource AME	-	0.500	-	-	-

A breakdown of spending and income within the net total is shown in section 1.7 and 2.1.

1.4 Key drivers of spending changes since last year

The net Resource DEL is broadly consistent with the 2022-23 Main Estimate. RDEL reduced in the Supplementary Estimate in 2022-23 as £1.5m was transferred to CDEL.

The Capital DEL requirement has decreased as no lease additions are included in the 2023-24 baseline.

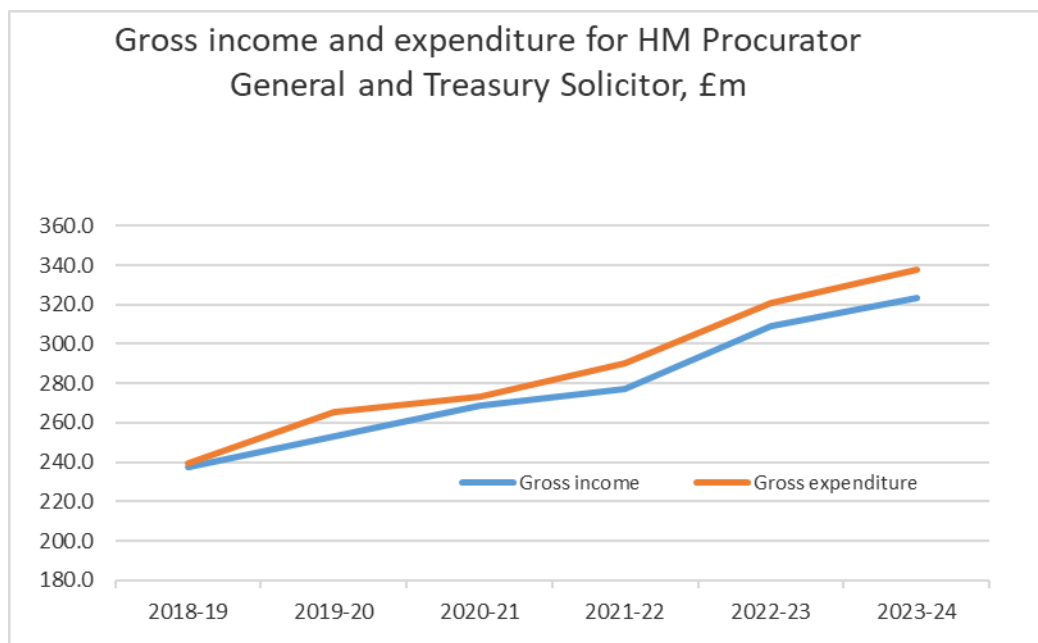
£500k of Resource AME was sought in 2022-23 to cover creation of and revaluation of provisions for potential employee or supplier related litigation liabilities.

1.5 New policies and programmes; ambit changes

There are no changes to the ambit.

1.6 Spending and income trends

The charts below show overall Resource DEL spending and income trends for the last five years, and plans presented in Estimates for 2023-24. The increase in profile has resulted from the on-boarding of previously devolved legal teams into GLD under the Sharing Legal Services programme, and more recent growth in demand for GLD's legal services from client departments.



1.7 Administration costs and efficiency plans

Administration costs are set to decrease by 3% in 2022-23 compared to last year's final budget.

Spending total Amounts sought this year (Main Estimate 2023-24)		Compared to final budget last year (Supplementary Estimate 2022-23)		Compared to original budget last year (Main Estimate 2022-23)	
		£ m	%	£m	%
Administration costs	11.438	10.038	14%	11.552	-1%
<i>Of which</i>					
GLD	2.180	0.766	185%	2.266	-4%
AGO	6.188	6.233	-1%	6.247	-1%
HMCPST	3.070	3.039	1%	3.039	1%

GLD's gross administration costs of £322m are predominantly funded by fees charged to clients. Fees are set to fully recover the costs of the legal service but as these are based on forecasts of future income and costs, accidental surpluses or deficits will arise. Given the significant level of GLD income and costs, a small surplus may have a significant impact on the overall Outturn.

1.8 Funding: Spending Review and Budgets

In the 2021 Spending Review, covering the budget for the financial years 2022-23, 2023-24 and 2024-25, AGO secured funding of £0.3m to continue to support work on EU Exit. HMCPSI reduced their budget against baseline by £0.18m in 2022-23, £0.13m in 2023-24 and £0.07m in 2024-25.

2. Spending and income detail

2.1 Explanations of changes in spending and income

Resource DEL

The table below shows how spending plans for Resource DEL compare with the Main Estimate.

	Resource	DEL			
	<i>This year (2023-24 Main Estimates budget sought)</i>	<i>Last year (2022-23 Supplementary Estimates budget approved)</i>			Is the change significant? see explanation, note number
			Change from last year		
subhead	£ million			%	
A GLD Administration Expenditure	325.9	309.7	16.2	5%	
A GLD Administration Income	-323.7	-308.9	-14.8	5%	
A GLD Administration Net	2.2	0.8	1.4	175%	1
B AGO Administration Expenditure	6.2	6.2	-	-	
B AGO Administration Income	-	-	-	-	
B AGO Administration Net	6.2	6.2	-	-	
B AGO Programme Gross	0.3	0.3	-	-	
C HMCPSI Administration Expenditure	3.1	3.0	0.1	3%	
C HMCPSI Administration Income	-	-	-	-	
C HMCPSI Administration Net	3.1	3.0	0.1	3%	

Note 1. Most of GLD's costs are recovered from clients, but there is a small element of funding from the Vote for public interest work. The net change relates to Admin budget transferred to Capital for 2022-23.

Resource AME

Resource AME of £0.5m was sought in 2022-23 to cover provisions for potential supplier and employee related liabilities.

2.3 Ring fenced budgets

Within the totals, the following elements are ring fenced i.e. savings in these budgets may not be used to fund pressures on other budgets:

Resource DEL

Ring fenced budgets Amounts sought this year (Main Estimate 2023-24)		Compared to final budget last year. (Supplementary Estimate 2022-23)		Compared to original budget last year (Main Estimate 2022-23)	
		£ m	%	£m	%
Depreciation	12.025	11.883	1%	11.883	1%

3. Priorities and performance

3.1 How spending relates to objectives

Expenditure in each subhead supports the objectives of the relevant entity (GLD, AGO, HMCPSI). These may be found in the published statements and Business Plans on each entity's website.

3.2 Measures of performance against each priority

GLD's performance measures, agreed with HM Treasury for 2023-24, reflect its continued commitment to maintain its high professional standards as well as delivering excellent client satisfaction.

The measures are:

- Our client satisfaction rating (our aim is for 95% or above)
- to maintain Lexcel (the Law Society's Practice Standard) accreditation
- to recover from clients the full operating costs of chargeable services

4. Other information

4.1 Additional specific information required by the select committee

No additional information has been requested by the Justice Committee.

5. Accounting Officer Approval

This memorandum has been prepared according to the requirements and guidance set out by HM Treasury and the House of Commons Scrutiny Unit, available on the Scrutiny Unit website.

The information in this Estimates Memorandum has been approved by myself as Departmental Accounting Officer.

A handwritten signature in black ink, appearing to read 'Susanna J', followed by a horizontal line and a small vertical tick mark.

Susanna McGibbon

Permanent Secretary and Treasury Solicitor

9th May 2023