

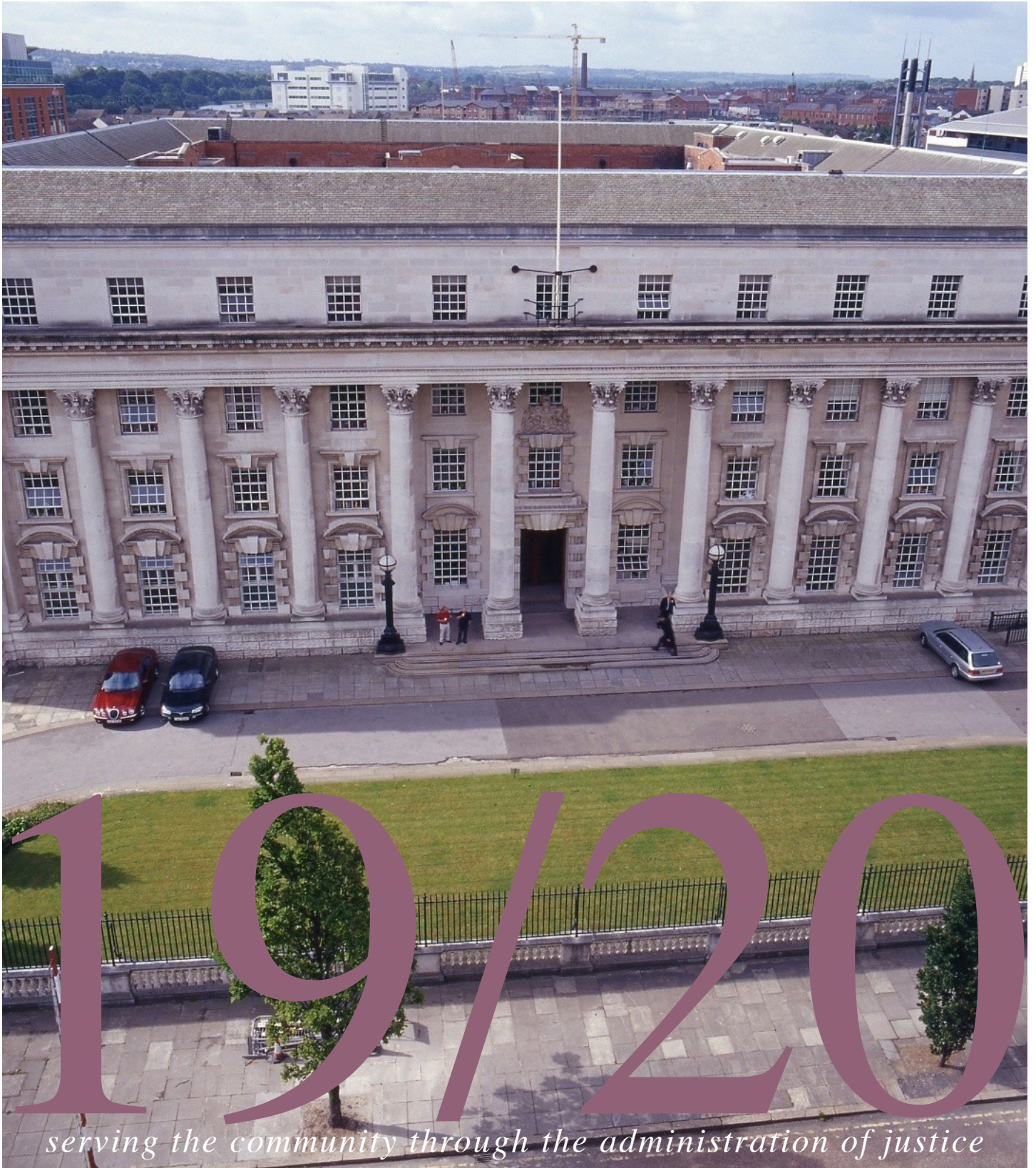


Northern Ireland

Courts and
Tribunals Service

www.justice-ni.gov.uk/courts-and-tribunals

Annual Report and Accounts



serving the community through the administration of justice

Northern Ireland Courts and Tribunals Service

Annual Report and Accounts for the year ended 31 March 2020

Laid before the Northern Ireland Assembly under section 11(3) (c)
of the Government Resources and Accounts Act (Northern Ireland)
2001 by the Department of Justice

on

6 November 2020



© Crown Copyright 2020

This publication is licenced under the terms of the Open Government Licence v3.0 except where otherwise stated. To view this licence visit www.nationalarchives.gov.uk/doc/open-government-licence/version/3/ or email psi@nationalarchives.gsi.gov.uk.

Where we have identified any third party copyright information, you will need to obtain permission from the copyright holders concerned.

This publication is also available for download from our website at www.justice-ni.gov.uk/courts-and-tribunals

Any queries regarding this document should be sent to us at:
Northern Ireland Courts and Tribunals Service
Laganside House
23-27 Oxford Street
Belfast, BT1 3LA

ISBN 978-1-912313-41-9

CONTENTS

Glossary	4
Part 1 Performance Report	6
Overview	6
Performance Analysis	15
Part 2 Accountability Report	33
Corporate Governance Report	34
Directors' Report	34
Statement of Accounting Officer's Responsibilities	38
Non-Executive Members Report	39
Governance Statement	41
Remuneration and Staff Report	51
Assembly Accountability and Audit Reports	65
Other Accountability Disclosures	65
Certificate and Report of the Comptroller and Auditor General to the NI Assembly	67
Part 3 Financial Statements	70
Statement of Comprehensive Net Expenditure	70
Statement of Financial Position	71
Statement of Cash Flows	72
Statement of Changes in Taxpayers' Equity	73
Notes to the Agency Accounts	74
Part 4 Appendices	114

GLOSSARY

AME	Annually Managed Expenditure
ARAC	Audit and Risk Assurance Committee
BCS	Business Consultancy Services
BEMS	Building Energy Management Systems
CARE	Career Average Revalued Earnings
C&AG	Comptroller & Auditor General
CETV	Cash Equivalent Transfer Values
CFO	Court Funds Office
COVID-19	Coronavirus Disease 2019
CPD	Central Procurement Directorate
CPI	Consumer Price Index
CRC	Carbon Reduction Commitment
CSNI	Coroners Service for Northern Ireland
DAO	Dear Accounting Officer
DEL	Departmental Expenditure Limit
DfC	Department for Communities
DoF	Department of Finance
DoJ	Department of Justice
DRC	Depreciated Replacement Cost
EJO	Enforcement of Judgments Office
FCS	Fine Collection and Enforcement Service
FPJPS	Fee Paid Judicial Pension Scheme
FReM	Government Financial Reporting Manual
GAD	Government Actuary's Department
GDPR	General Data Protection Regulations
HIA	Historical Institutional Abuse
IAS	International Accounting Standard
ICO	Information Commissioner's Office
ICOS	Integrated Court Operations System
IFRS	International Financial Reporting Standards
JPS	Judicial Pension Scheme
LIU	Legacy Inquest Unit
LPS	Land and Property Services
MHRT	Mental Health Review Tribunal
MoJ	Ministry of Justice
MPMNI	Managing Public Money Northern Ireland

NIAO	Northern Ireland Audit Office
NICF	Northern Ireland Consolidated Fund
NICS	Northern Ireland Civil Service
NICTS	Northern Ireland Courts and Tribunals Service
NIJAC	Northern Ireland Judicial Appointments Commission
NIJPS	Northern Ireland Judicial Pension Scheme
NISRA	Northern Ireland Statistics and Research Agency
NSPCC	National Society for the Prevention of Cruelty to Children
OBC	Outline Business Case
OCP	Office of Care and Protection
OLCJ	Office of the Lord Chief Justice
OSO	Official Solicitor's Office
PACWAC	Planning Appeals Commission and Water Appeals Commission
PCNI	Parole Commissioners for Northern Ireland
PCSPS	Principal Civil Service Pension Scheme
PfG	Programme for Government
PFI	Private Finance Initiative
PPS	Public Prosecution Service
PRONI	Public Record Office of Northern Ireland
PSNI	Police Service of Northern Ireland
RTTCWG	Report to Those Charged with Governance
SCS	Senior Civil Service
SMC	Substance Misuse Court
SOC	Strategic Outline Case
SoCNE	Statement of Comprehensive Net Expenditure
SoFP	Statement of Financial Position
SPG	Strategic Planning Group
TAS	The Appeals Service
TEO	The Executive Office
VAT	Value Added Tax
VSNI	Victim Support Northern Ireland

PART 1 PERFORMANCE REPORT

OVERVIEW

This overview aims to provide sufficient information to ensure the remit and purpose of the Northern Ireland Courts and Tribunals Service (NICTS) is understood. It includes:

- a statement from the Director of NICTS providing his perspective on the performance of NICTS over the period;
- a statement of the purpose and activities of NICTS;
- the key issues and risks that could impact delivery of objectives; and
- a performance summary.

FOREWORD BY THE DIRECTOR OF NICTS

In my new role as Director of NICTS I am pleased to present the 2019-20 Annual Report and Accounts for NICTS. NICTS is an Agency of the Department of Justice (DoJ), responsible for the provision of administrative support for all Northern Ireland's courts and the majority of Northern Ireland's tribunals. We provide administrative support to the Coroners Service for Northern Ireland (CSNI) and are also responsible for enforcing the judgments of the civil courts through the Enforcement of Judgments Office (EJO), for collecting and enforcing outstanding financial penalties imposed (or registered) by a criminal court through the Fine Collection and Enforcement Service (FCS), for funds held in court by the Court Funds Office (CFO) and the Parole Commissioners Secretariat.

At the outset, I would like to place on record my gratitude to Peter Luney for leading this organisation as the acting Chief Executive through extraordinary, unprecedented times. I look forward to continuing to work with Peter in his new role as Chief Operating Officer.

Additionally, I would like to take this opportunity to formally thank NICTS staff for their continued dedication and commitment. The Coronavirus Disease 2019 (COVID-19) pandemic has changed many of the established ways in which we work and required many staff across the Agency to work in a more flexible way. Against this backdrop and concerns about their own personal circumstances, staff across the organisation, continue to remain focused on delivering a high quality service to the broad range of courts and tribunal users.

During this unprecedented public health emergency, we are working hard to keep our justice system functioning. We're focusing on priority cases, changing working practices and introducing new procedures to minimise risks to the judiciary, staff and all those who use our courts and tribunals. NICTS developed a graduated response working with the judiciary, partner organisations and other stakeholders to slow down lower priority business. We worked closely with the Office of the Lord Chief Justice (OLCJ) on practical arrangements to reduce the need for attendance at court including the adjournment of cases administratively, dispensing with the requirement for parties to attend court other

than under certain specified circumstances, and making greater use of technology to facilitate remote and virtual hearings in place of traditional face to face hearings.

This has been a challenging but rewarding year for the Agency. A more detailed commentary on performance against our Business Plan is included in the main body of the report. However some of the key highlights include our ongoing work to modernise how we deliver services as part of our Modernisation Programme, implementing a Review Tribunal, establishing the Legacy Inquest Unit (LIU) and assisting in the setup of the Historical Institutional Abuse (HIA) Redress Board.

During the business year our Modernisation Portfolio largely focused on gathering the necessary information and approvals to structure the overall programme and initiate the various portfolio work streams. The Digital Services strand delivered a major review of our line of business systems with findings and recommendations due to be presented to the Senior Management Team.

The estate strand of the Portfolio also developed during the course of the year with a Strategic Outline Case (SOC) approved in respect of accommodation in the North West of the province along with the completion of a feasibility report of Bishop Street accommodation to inform the future Outline Business Case (OBC) options evaluation. An initial draft of an Estates Strategy has been completed with stakeholder engagement planned as the next key stage of the project.

In April 2019 approval was given for the partial commencement of the Mental Capacity Act (NI) 2016 (the Act). This partial enactment resulted in the need to reconstitute the former Mental Health Review Tribunal (MHRT), which dealt solely with appeals against detentions in psychiatric facilities, as the new Review Tribunal. The Review Tribunal has been operational since 2 December 2019 and continued to operate without interruption during the pandemic crisis.

Progress was made during the reporting period in establishing the LIU to support the target to complete outstanding legacy inquests within a six year period. The Legacy Inquests Implementation Steering Group continues to advise on LIU's business plan, strategic priorities and targets to support delivery of the Lord Chief Justice's five year plan.

Assisting The Executive Office (TEO) with the establishment of the HIA Redress Board was a major unplanned commitment for the Agency and an internal team was established in December 2019 to support this project. The HIA Redress Board is an Arm's Length Body of TEO which became operational on the 31 March 2020 with the first panel sitting to determine applications on 24 April 2020.

As we look ahead, we will again face many challenges and opportunities in the new 2020-21 business year. Our primary focus will be business recovery taking account of public health advice and guidance. The pandemic crisis has greatly limited the way we traditionally conducted court business and, in conjunction with stakeholders, we have had to react to the emerging position. Already we have looked to maximise the number of staff that can work remotely and have made greater use of remote evidence via a range of video conferencing platforms.

In concluding, I wish to thank the members of the NICTS Agency Board for their help, support and co-operation over the past year. I also want to take this opportunity to thank justice partners and other stakeholders for the contribution they make to the work of NICTS.

A handwritten signature in cursive script that reads "Anthony Harbinson".

Anthony Harbinson

Director of NICTS

STATEMENT OF PURPOSE AND ACTIVITIES

This is the Annual Report and Accounts for NICTS for the financial year ended 31 March 2020. These Statements have been prepared in accordance with directions given by the Department of Finance (DoF) in pursuance of the Government Resources and Accounts Act (Northern Ireland) 2001.

Who we are

NICTS is an Executive Agency of the DoJ of Northern Ireland. During this reporting year the power-sharing Executive was restored on 11 January 2020 with Naomi Long MLA appointed as Justice Minister. From this date NICTS is accountable to the Northern Ireland Assembly and the Minister.

The role of NICTS is to:

- provide administrative support for Northern Ireland's courts, tribunals, Parole Commissioners for Northern Ireland (PCNI) and the Planning Appeals Commission and Water Appeals Commission (PACWAC);
- support an independent Judiciary;
- provide advice to the Department on matters relating to the operation of the courts, tribunals, EJO and PCNI;
- enforce civil court judgments through EJO;
- collect and enforce outstanding financial penalties imposed (or registered) by a criminal court through FCS;
- manage funds held in court on behalf of minors and patients;
- provide suitable courthouses and tribunal hearing centres; and
- act as the Central Authority under certain international conventions.

Corporate Aims and Values

Our corporate aim is: "Serving the community through the administration of justice".

Delivery of this aim is assessed against the 2016-21 Northern Ireland Civil Service (NICS) Programme for Government (PfG). The PfG encourages cross-departmental collaborative working and external stakeholder agreement to successfully deliver the desired outcomes. NICTS aims to deliver against two outcomes:

1. Outcome 7 – We have a safe community where we respect the law and each other.
2. Outcome 11 – We connect people and opportunities through our infrastructure.

We aim, at all times, to demonstrate the following corporate values:

Integrity	to interact with our customers with the highest degree of integrity, promoting an atmosphere of honesty and trust;
Openness	to undertake our work in an open and transparent manner;
Professionalism	to conduct our business to the highest standard;
Accountability	to be responsible for delivering a high quality service to the public; and
Fairness	to treat everyone fairly.

How we are structured

There are 18 courthouses in operation, the largest being Laganside Courts and the Royal Courts of Justice in Belfast, and a number of tribunal hearing centres across Northern Ireland. Further information on our structure is included in the appendices to this Report:

Appendix 1	Administrative Court Divisions;
Appendix 2	NICTS Structure; and
Appendix 3	Judicial Complement in Northern Ireland.

The Agency Framework Document sets out the arrangements for the effective governance, financing and operation of NICTS and is available on the NICTS website at www.justice-ni.gov.uk/courts-and-tribunals.

Support for the Northern Ireland Judiciary

NICTS is responsible for providing administrative support to the Northern Ireland Judiciary. There are 67 salaried judicial office holders (along with 5 vacancies), 65 deputy court judicial officers, 125 Lay Magistrates, 45 Parole Commissioners, 14 PACWAC Commissioners (along with 3.5 vacancies) and 376 tribunal members.

The Lord Chief Justice of Northern Ireland is head of the Judiciary and President of the Courts of Northern Ireland. In addition, he is responsible for:

- assigning the Judiciary to the courts, listing business with the courts and determining sitting times;
- dealing with complaints against members of the Judiciary. The Code of Practice on Complaints and the Protocol on Judicial Discipline are published on the judiciary in Northern Ireland website (<https://judiciaryni.uk/>);
- maintaining arrangements for the welfare, training and guidance of the Judiciary; and
- representing the views of the Northern Ireland Judiciary to Parliament and, when sitting, to the Northern Ireland Assembly.

The Lord Chief Justice, the Rt Hon Sir Declan Morgan, is supported by the Presiding Coroner (The Hon Mrs Justice Keegan), the Presiding County Court Judge (His Honour Judge McFarland, Recorder of Belfast), the Presiding District Judge (Magistrates' Courts) (Judge Bagnall), the Presiding District Judge (Judge Brownlie), the Presiding Master (Master McCorry) and the Presiding Lay Magistrate (Ms Carruthers). Further information on the judicial complement can be found in Appendix 3.

Principal Risks and Uncertainties

NICTS has well-established governance structures that include the identification and mitigation of risks within a formal risk management process. A risk management review is commissioned each quarter across all areas of the Agency and a Corporate Risk Register is maintained to reflect the Departmental format and scoring methodology. The Corporate Risk Register is reviewed each quarter by the Senior Management Team and is then presented to the Audit and Risk Assurance Committee (ARAC). Each risk is pro-actively managed with controls and countermeasures agreed, with a view to minimising impact on the objectives of the Agency. A summary of the organisation's top risks are as follows:

1. Resource - Insufficient resource to deliver operational services.
2. Court Estate – The deterioration of property assets adversely impacts business continuity and service delivery.
3. Records and Information Management - The confidentiality, integrity or availability of records are compromised resulting in non-compliance with legislation including Departmental Data Protection Act /General Data Protection Regulations (GDPR).
4. Brexit - Failure to effectively plan for Brexit will impact on business levels and the ability to continue to deliver certain functions.

There will be several risks associated with the COVID-19 pandemic that will feature in the 2020-21 Corporate Risk Register. These will include areas such as the impact on business performance including court disposals, the impact on budget through reduced court fee income and the continuing welfare of staff to reflect concerns about returning to a much changed work environment or the continued need to work remotely. Work has already commenced on several strands including risk assessments of the court estate, working with the judiciary and stakeholders to agree how current court business levels can be increased safely taking account of environmental and social distancing requirements through, for example, increased use of remote hearings and early discussions on the impact of reduced income as part of the in-year monitoring round process.

2019-20 PERFORMANCE SUMMARY

The NICTS Business Plan for 2019-20 sets out Business Objectives to measure the Service's performance. Our overarching corporate aim is supported by four key themes:

Deliver efficient and effective Court, Tribunal and Enforcement services

- During 2019-20 NICTS met or exceeded 32 out of 35 of its performance standards. A summary of performance can be found at Annex D.
- The LIU was established in April 2019.
- A Review Tribunal was established and became fully operational in December 2019 to deal with appeals in Deprivation of Liberty cases; this stemmed from the partial commencement of the Mental Capacity Act (NI) 2016.
- In conjunction with the Department and other Justice Partners an EU Exit Strategy has been developed.

Deliver high quality services that support an independent Judiciary and meet the needs of our customers

- Modernisation of Service Delivery – Line of Business Review has been completed.
- Courtroom Technology has been upgraded in a total of 22 courtrooms and Wifi facilities installed. The rollout plan was suspended on 23 March to comply with COVID-19 guidance.
- The results of the public consultation on the reform of CFO was published in December 2019.

Develop and lead our people to achieve our business objectives

- A corporate training plan for 2019-20 was agreed and delivered which increased effectiveness and better supported the delivery of business objectives.
- Agreed actions in the Staff Engagement Action Plan 2017-19 to address the issues raised by staff in the NICS Staff Attitude Survey; and complete the formal review process with NICS-HR and Trade Union colleagues were implemented across the Agency.
- Recommendations from the review of Court Operations began to be implemented in accordance with the Year One timetable.

Deliver a controlled financial and commercial environment achieving value for money

- Overall expenditure was contained within the total budget set by DoJ, with an underspend in Resource DEL of £846k.

- Legislation became effective in October 2019 to allow a further increase to civil and family court fees by 5%.
- Work continued to deliver value for money and generate savings through best practice contract management and procurement during 2019-20.
- GDPR was embedded into business practices and reviewed throughout the year.

2020-21 FORWARD LOOK

The primary focus for the 2020-21 financial year will be business recovery taking account of public health advice and guidance. The pandemic crisis has greatly limited the way NICTS traditionally conducted court business and in conjunction with stakeholders NICTS has had to react to the emerging position. The organisation has maximised the number of staff that can work remotely and has made greater use of remote evidence via a range of audio and video conferencing platforms.

Moving forward, social distancing requirements and the physical restrictions of a number of court buildings will continue to heavily influence how business can be conducted and the range of services that can be offered in a more traditional way. This will undoubtedly force NICTS, along with stakeholders, to consider alternative options and solutions that may include identifying more cases that can be dealt with remotely, reviewing scheduled hearing times and considering methods that will reduce the overall footfall in court buildings. Some of the key areas to be considered during this period will include:

- Completing COVID-19 risk assessments on our court estate including guidelines for court users;
- Increasing provision of video conferencing technology to support remote court hearings, support changing operational process and maximise remote working facilities; and
- Developing procedures to support the recovery of court and tribunal business.

In this context business recovery will be the overriding focus for the Agency over the course of the 2020-21 financial year. Planning for and committing to other targets in the current circumstances is problematic, however other business will proceed albeit at perhaps not the pace originally planned. Plans for the period include the following key areas of work:

- As part of the Modernisation Portfolio NICTS will review the court estate ahead of consulting on an Overall Estates Strategy in 2021, by completing building condition and functionality surveys by December 2020 and pre-consultation engagement with a view to issuing a consultation document early in the 2021-22 financial year;
- Progressing the recommendations from the Line of Business Review including developing a Digital Strategy the continued upgrade of courtroom technology across the court estate;

- Continuing to work with the Department for Communities (DfC) to prepare for the effective statutory transfer of the Tribunals Appeals Service (TAS);
- Continuing to support the Department in a range of policy initiatives and reforms as set out in the Departmental Business Plan; and
- Taking forward further recommendations arising from the Business Consultancy Service (BCS) review to ensure that staff are better equipped to deliver change and support enhanced service delivery.

The full range of objectives and targets for the incoming business period will be published in the NICTS Business Plan in due course and will be available at: <https://www.justice-ni.gov.uk/publications/north-ireland-courts-and-tribunal-service-business-plan>

PERFORMANCE ANALYSIS

The NICTS Business Plan for 2019-20 sets out Business Objectives to measure the Agency's performance. Our overarching corporate aim is supported by four key themes:

- Deliver efficient and effective Court, Tribunal and Enforcement services;
- Deliver high quality services that support an independent Judiciary and meet the needs of our customers;
- Develop and lead our people to achieve our business objectives; and
- Deliver a controlled financial and commercial environment achieving value for money and good corporate governance.

As noted in the Business Plan, the Agency is committed to supporting DoJ in delivering the Executive's draft PfG. To that end, the business objectives contribute to specific PfG outcomes:

- Outcome 7: We have a safe community where we respect the law and each other; and,
- Outcome 11: We connect people and opportunities through our infrastructure.

The following tables summarise the key activities and priorities as noted in the 2019-20 NICTS Business Plan including a statement on the year end position.

Theme 1: Deliver efficient and effective Court, Tribunal and Enforcement services.			
Ref	Area	Business Objective	Year End Position
1.1	Performance	Meet our business performance standards and Causeway Service Level Agreement standards.	Substantially Achieved 32 out of 35 standards have been achieved. Crown Court Standard for sentencing continues to present challenges and will be continually monitored.
1.2	Reform	Support DoJ in the implementation of reforms such as the Justice Act (Northern Ireland) 2015 and in areas such as Committal Reform and Victim & Witness Charters.	Achieved Work to deliver against Committal Reform, Victims & Witness Charter and related commitments continues to be supported. Victim & Witness action plan for 2020 and beyond is in the early stages of development and NICTS is contributing to the development process of new Outcome Based Accountability actions. Work will roll forward into

			next year.
1.3	Reform	Support DoJ in the evaluation of FCS.	Achieved The BCS Evaluation Report was received in April 2020 and is currently under consideration.
1.4	Reform	Support the pilot Substance Misuse Court (SMC) in Laganside Courts and establish an evaluation process.	Achieved The draft evaluation report was produced as per the expected timetable and shared with stakeholders. DoJ/Northern Ireland Statistics and Research Agency published the formal report in March 2020. Phase 2 of the pilot commenced in July 2019 and continues to be supported by NICTS.
1.5	Legacy	Work with DoJ and OLCJ to establish the LIU to complete outstanding legacy inquests within a six year period.	Achieved LIU has been established with administrative staff appointed and recruitment plans agreed for posts such as legal advisors. IT requirements are confirmed and work is ongoing with Central Procurement Directorate (CPD) to develop tenders for investigative and bundling software. The Presiding Coroner's Case Management Protocol has been operational since September 2019. Work is ongoing to support the development of the Presiding Coroner's Witness Protocol.
1.6	Civil and Family Justice	Support the delivery of the prioritised recommendations from the Civil and Family Justice Reviews.	Achieved DoJ prioritisation is on-going with projects such as Commercial Hub and the Litigants in Person Steering Group fully supported.
1.7	Mental Health Review Tribunal	Support DoJ in the development and delivery of a costed plan to partially commence the Mental	Achieved The Review Tribunal is fully operational and continues to meet listing standards. A post project

		Capacity Act (NI) 2016 to establish a Review Tribunal to deal with appeals in Deprivation Of Liberty cases.	implementation review will be completed in due course along with an analysis of costs to inform future funding requirements.
1.8	Reform	Support DoJ in the development and delivery of an Action Plan to give effect to the recommendations contained in the Gillen Review Report into the law and procedures in serious sexual offences in NI.	Achieved Work is ongoing with DoJ in terms of departmental priorities - non-legislative administrative recommendations (e.g. around juror information) continue to be advanced. This objective will roll forward into 2020-21.
1.9	Brexit	Develop, prepare and implement delivery plans to maintain services to an agreed level on BREXIT.	Achieved Plans were established and agreed with key stakeholders. Collaborative working with other Criminal Justice Organisations continued to support the EU Exit strategy.

Theme 2: Deliver high quality services that support an independent Judiciary and meet the needs of our customers.

Ref	Area	Business Objective	Year End Position
2.1	Modernisation of Service Delivery	By 31 March 2020 working through the Courts 2020 Modernisation Portfolio Board: <ul style="list-style-type: none"> • complete a review of all line of business systems; • commence preparation of an OBC for estate in the North West following approval of SOC; • develop an Estates Strategy; • commence digital delivery pilot projects in three business areas to test viability to transform 	Partially Achieved Line of Business Review The review has been completed and a draft report received. Presentation of the draft report and recommendations to the Project Board has been delayed due to other priorities under COVID-19. North West SOC Appointment of an expert to develop the OBC has been delayed to allow stakeholder engagement. The COVID-19 situation has impacted this work as the Programme Manager's

		<p>service delivery; and,</p> <ul style="list-style-type: none"> • continue the implementation of a new electronic case management system for the Official Solicitor's Office (OSO) and the Office of Care and Protection (OCP). 	<p>priorities have been redirected to other COVID-19 related issues.</p> <p>Remote Hearings Prior to COVID-19 Laganside House had been identified as a suitable location for a new remote witness facility in Belfast and there has been positive engagement with a range of stakeholders. This venue may need to be reconsidered due to current social distancing requirements. Video conferencing technology to facilitate remote hearings at five Operational Hubs established in response to COVID-19 were implemented in March and, new video conferencing products have been tested for use in remote hearings.</p> <p>Digital Pilot Projects The SOC has been approved for the Probate Pilot and work on the OBC has commenced. Due to ongoing resource issues the work on Fine receipts and EJO Applications has been temporarily suspended.</p> <p>OSO/OCP A procurement competition was published on e-tenders, however it was paused due to the potential impact of COVID-19 on any proposed solutions. Currently only essential procurement exercises are being taken forward. However the specification and procurement documents will be published once the position is clearer.</p>
2.2	Modernisation of Service Delivery	By 31 March 2020 complete year 1 of the Courtroom Technology Refresh Project across eight venues to include:	<p>Partially Achieved A total of 22 courtrooms have been upgraded and Wifi facilities installed. The rollout plan was suspended on 23 March 2020 to comply with</p>

		<ul style="list-style-type: none"> • a refresh of Digital Audio recording and Video presentation technology; and • installation of a secure Wi-Fi connectivity service. 	COVID-19 guidance.
2.3	Consultation	Consult on future role of CFO.	Achieved Public consultation closed in May 2019 with the response published in December 2019.

Theme 3: Develop and lead our people to achieve our business objectives.

Ref	Area	Business Objective	Year End Position
3.1	People	Commence the implementation of the accepted recommendations contained in the BCS Review of Court Operations.	Achieved The implementation of the BCS recommendations took place in accordance with the Year 1 timetable. This is an ongoing piece of work and will roll forward into 2020-21.
3.2	People	Implement and monitor the agreed actions in the Staff Engagement Action Plan 2017-19 to address the issues raised by staff in the NICS Staff Attitude Survey; and complete the formal review process with NICS-HR and Trade Union colleagues.	Achieved The Action Plan was formally reviewed in January 2020. Future direction on whether to launch a new Agency specific plan or move forward under the DoJ Staff Engagement Strategy is to be considered.
3.3	People	Promote and support the timely identification of staff training and development with an increased emphasis on business specific training to support the delivery of business	Achieved Training was delivered in line with the Corporate Learning Plan through the Centre for Applied Learning and office based line of business training as appropriate. Court Operations staff have a set time period each month dedicated to training activities

		objectives and maximise capability and personal development opportunities.	covering issues such as court business processes and corporate training.
3.4	People	Manage absenteeism in line with NICS policies and procedures and support the promotion of health & wellbeing initiatives.	Achieved This is a standing agenda item at Senior Management Team meetings with any necessary actions cascaded to business areas. The HR Business Partner provides a monthly Highlight Report and provides a compliance review mechanism.

Theme 4: Deliver a controlled financial and commercial environment achieving value for money and good corporate governance.

Ref	Area	Business Objective	Year End Position
4.1	Budget	Implement the agreed legislative changes arising from the consultation on the future structure for civil and family fees.	Achieved All recommendations were implemented including an increase to all civil and family fees, along with the introduction of some newly created fees. With effect from 1 April 2020 a further change to the EJO search fee was introduced with the aim of aligning with other similar fees across the organisation.
4.2	Budget	Live within allocated resources, deliver savings plans and prepare for the next Spending Review while looking for opportunities for innovation and efficiencies.	Achieved The year-end financial position reflects an underspend of 1.5% of overall Resource DEL budget.
4.3	Budget	Produce financial plans, statements and reports in accordance with DoJ and NI Executive requirements.	Achieved Statements and reports were published within the set timelines.

4.4	Governance	Deliver effective, affordable and appropriate governance, encompassing appraisal and evaluation, procurement processes and contract management.	<p>Achieved</p> <p>The necessary governance returns and statements were completed during the period. An Annual Audit Plan was agreed and delivered. All procurement activity initiated during this period was managed in line with all of the relevant procurement guidance and policies.</p>
4.5	Information Management	Provide an effective and legislatively compliant Records Management and Information Assurance function within NICTS.	<p>Partially Achieved</p> <p>In total 79% of Subject Access Requests were answered within statutory time lines. NICTS business is largely paper based and access requests may relate to complex cases often including sensitive data. Complexity, along with the volume of paperwork, can lead to an increase in the time required to process individual requests. Plans are in place to explore and implement a longer term solution. Compliance continues to be monitored with applicant's expectations managed.</p>
4.6	Estate	Maintain and deliver a secure court estate to ensure value for money and statutory compliance.	<p>Achieved</p> <p>An ongoing Planned and Preventative Maintenance Programme was in place. Work was taken forward to implement all outstanding recommendations from Fire Risk Assessments along with a programme of Health and Safety Audits. Annual security reviews have also been completed at all venues.</p>
4.7	Governance	Support an effective Judicial Appointment, Payroll and Pension function, which accurately reflects current and any future changes to judicial policy.	<p>Achieved</p> <p>SSRB recommendations have been implemented. Any proposed policy changes and pension reforms have been worked through with key stakeholders.</p>

4.8	Budget	Review current CFO fees to ensure they remain appropriate and comply with requirements of Managing Public Money NI.	<p>Achieved</p> <p>The review was completed with no recommended changes to the current charging regime.</p>
-----	--------	---	--

Business Modernisation Portfolio

During the business year the focus was largely on gathering the necessary information and approvals to structure the overall programme and initiate the various portfolio work streams. The Digital Services strand delivered a review of NICTS line of business systems with findings and recommendations due to be presented to the Senior Management Team prior to the impact of COVID-19. New technology was provided in 22 courtrooms across the estate and work commenced with stakeholders to scope the requirements for a remote evidence facility for vulnerable witnesses in Belfast, similar to the facilities currently available in NSPCC in Bishop Street. In terms of the current social distancing requirements, the team has delivered the necessary hardware to support an increase in remote working facilities and has implemented additional audio and video conferencing solutions to facilitate remote hearings for court and tribunal business as legislated for during the COVID-19 pandemic.

The estate strand of the portfolio also developed during the course of the year with a SOC approved in respect of accommodation in the North West of the province along with the completion of a feasibility report of Bishop Street accommodation to inform the future OBC options evaluation. An initial draft of an Estates Strategy has been completed with stakeholder engagement planned as the next key stage of the project.

Work has also continued on several pilot projects including the re-design of the Official Solicitor's Office/Office of Care and Protection IT System and non-contentious probate. Unfortunately work on the Income Channel Project had to be postponed due to issues around securing the necessary project management resource.

Business Consultancy Service Review of Court Operations

At the start of the reporting year a small team was created to implement the recommendations contained in the BCS Review of Court Operations. A number of work streams were initiated during the year including a pilot project to deliver the re-introduction of the EOII grade across Court Operations to better support the overall management process in court offices and facilitate the retention of experienced staff.

The Court Operations Forum was extended to include sub groups in Family, Civil, Magistrates' (Criminal) and Crown business. The sub groups have to date focused on training and development for staff and updated a cohesive operational guidance. Greater use has also been made of technology to replace manual processes. For example, Integrated Court Operating System (ICOS) Case Tracking Online has been extended to

partner Agencies improving information security controls and reducing the need for postage and transfer of paperwork.

Review Tribunal

In April 2019 approval was given for the partial commencement of the Mental Capacity Act (NI) 2016 (the Act), to address the unlawful deprivation of liberty of individuals within health and care settings. This partial enactment required NICTS and DoJ to reconstitute the former MHRT, which dealt solely with appeals against detentions in psychiatric facilities, as the new Review Tribunal, which would also deal with appeals against Trust Panel authorisations of deprivation of liberty applications.

NICTS role in the overall project focused on a number of key areas including securing business case approval, supporting Department colleagues in amending existing rules, developing new GDPR compliant internal and public-facing operational procedures, preparing forms and guidance, developing new Information Sharing Agreements and working with the NI Judicial Appointments Commission (NIJAC) on the recruitment, appointment and training of additional fee-paid judicial office holders.

NICTS also worked closely with colleagues in the Department and NIJAC to amend the terms and conditions of the existing members (who had transferred from MHRT). NICTS worked with its HR Business Partner to secure additional staff for the Tribunal to manage the increased workload within extremely challenging timescales.

The Review Tribunal has been operational since 2 December 2019 and continues to operate without interruption during the pandemic crisis.

Substance Misuse Court

The SMC offers an alternative approach to help individuals who have offended when substance misuse is the underlying problem. It aims to tackle the root causes of their offending behaviour and provides specialist support and interventions to help people turn their lives around. Phase 1 of the SMC pilot, which took place in Laganside Courts, closed in June 2019. Northern Ireland Statistics and Research Agency (NISRA) carried out an independent evaluation of Phase 1 and found that the individuals who had gone through the programme showed significant reductions in problem scores for both drug and alcohol misuse over the duration of the programme, a significant reduction in risk of reoffending and significant increases in self-efficacy, locus of control and well-being. The programme was praised for its flexible approach and ability to adapt to ensure sufficient referral numbers and client engagement. Overall, the initial outcomes were positive and the pilot is considered to be a good foundation upon which to build.

A second phase is underway and will run from July 2019 until December 2020, extending the programme from 12 to 18 months to allow defendants with complex needs to receive the comprehensive treatment they need.

Case Progression Officers

In response to the Northern Ireland Audit Office (NIAO) Report on “Speeding up Justice: Avoidable Delay in the Criminal Justice System” it was agreed there should be provision for additional administrative support to the judiciary through the establishment of the new role of Case Progression Officer (CPO) in both NICTS and PPS. Following a “soft” launch in February 2019 the CPO Pilot launched formally on 1 April 2019 with the initial funding period of a further 12 months. Key actions taken to date include establishing the CPO role, monthly case review meetings with PPS and PSNI colleagues to identify barriers and expedite case progression where possible, development of a Case Progression Report and the standardisation of reporting, statistics and procedures.

HIA Redress Board

The HIA Redress Board, which is an Arm’s Length Body of the TEO, became operational on 31 March 2020 with the first panel sitting to determine applications on 24 April 2020. Assisting in the establishment of the Board was a major unplanned commitment for the Agency with an internal team established in December 2019 to support the main TEO project. During this period the team took forward issues around staffing, accommodation, ICT services, access to historical records lodged with the Public Record Office of Northern Ireland (PRONI), contributed to the development of the supporting legislative framework and more recently, how to best support virtual panel sittings to comply with social distancing requirements. The first compensation awards were processed by NICTS on 15 May 2020.

Legacy Inquest Unit

Progress was made during the reporting period in establishing LIU to support the target to complete outstanding legacy inquests within a six year period. The Legacy Inquests Implementation Steering Group continues to advise on LIU’s business plan, strategic priorities and targets to support delivery of the Lord Chief Justice’s five year plan. Developments during the year include the recruitment of a number of key positions and the appointment of the administrative support team. Work was also completed on new accommodation for the Unit in Laganside House, IT requirements have been confirmed and work is ongoing with CPD to develop tenders for investigative and bundling software. The Presiding Coroner’s Case Management Protocol has been operational since September 2019 and work is ongoing to support the development of the Presiding Coroner’s Witness Protocol.

Brexit

Work continued throughout the year to prepare for the impact of Brexit and ensure that Courts and Tribunals would continue to operate as seamlessly as practicable beyond an exit date. A significant amount of time and planning was invested to ensure the Agency had arrangements in place including preparing guidance to court staff, reviewing judicial and staff resource and working closely with colleagues in Her Majesty’s Courts and Tribunals Service and Scottish Courts and Tribunals Service, to identify how courts might be impacted by Brexit. NICTS EU Exit spend in 2019-20 was £129,908 (2018-19:

£30,391) with four staff (2018-19: one staff for 6 months) working a percentage of their time on EU Exit within the organisation.

Civil Fee Project

During the year NICTS concluded its consultation on court fees, “Improving Cost Recovery in the Civil Courts”. After considering the views of those who responded to the consultation and further engagement with key stakeholders, the final policy position was agreed and incorporated into the court fees legislation. This provided for a 5% general increase to all court fees on 1 October 2019 and a small number of new fees were also introduced in areas where services were provided but no fee had been previously charged. The legislation also provided for a phased increase to one of the Agency’s search fees so that by April 2021 this fee will be aligned to other similar search fees within the Agency.

COVID-19 Pandemic

As with all organisations the COVID-19 pandemic impacted on end of year business targets and established ways of working. NICTS developed a graduated response to the public health emergency working with the judiciary, partner organisations and other stakeholders to slow down lower priority business. Working closely with OLCJ on practical arrangements to facilitate judicial decisions, including the adjournment of non-urgent cases, dispensing with the requirement for parties to attend court other than in certain specified circumstances and, making greater use of technology to facilitate remote and virtual hearings in place of traditional face to face hearings, the need for attendance at court has been reduced. This model moved quickly to support the judiciary with priority proceedings which typically involve the immediate liberty, health, safety and wellbeing of individuals.

In order to make best use of available resources and technology, following consultation with the OLCJ, NICTS reduced the number of operational venues to four namely Laganside, Londonderry, Dungannon and Lisburn (supported by Craigavon). The offices of the Royal Courts of Justice also remained operational for urgent business. Building on existing provisions and new legislation in the Coronavirus Act 2020, the vast majority of proceedings are now taking place remotely using video or audio conferencing. In consultation with the tribunal Judiciary and stakeholders non urgent tribunal business was also paused with the exception of applications before the Review Tribunal. The emphasis has been on preparations to resume the listing of tribunals in consultation with tribunal judiciary through a blended model of paper-based determinations alongside audio and video hearings to minimise disruption for appellants.

To meet social distancing requirements staff have been working on a rota basis while maximising the number of home or remote workers. Seven members of NICTS staff have been seconded to the COVID-19 hub. To provide a safe working environment, social distancing has been enforced and a programme of risk assessments initiated. Further controls including appropriate signage, one way systems, enhanced cleaning arrangements, along with the provision of hand sanitisers, anti-bacterial wipes and gloves

have been implemented. NICTS continues to follow public health guidelines and will implement any further measures as necessary.

Restrictions are likely to remain in place for some considerable time and the organisation will continue to work closely with the judiciary, justice organisations and other stakeholders to plan how to increase the current levels of business while adhering to the new social distancing controls.

There will be insufficient budget provision due to a drop in income from court fees during the first quarter of 2020-21 and a slow recovery from critical business levels. The reduction in work volume is expected to impact across the full 2020-21 financial year. Some fee volumes could return to normal quickly however, other areas may take a number of months to return to previously budgeted levels. Additional resource expenditure has also been required in some areas to facilitate essential working, where required. This includes additional hours for cleaning and consumables to ensure the safety of the court staff and users, additional judicial costs, opening buildings for longer hours to enable better social distancing and rota-based work and additional expenditure on IT equipment and licenses to facilitate remote working for staff.

Accounting Boundary

The accounting boundary specifically excludes the funds invested by CFO and third party monies. CFO publishes separate audited financial statements.

Details of income (fines, confiscation orders, fixed penalties and other monetary penalties) collected as an agent for the Northern Ireland Consolidated Fund (NICF) will be disclosed in the NICTS' Trust Statement, in accordance with the Accounts Direction Dear Accounting Officer (DAO) (DFP) 03/13. The Trust Statement is published separately from these accounts.

Net Expenditure Review

NICTS' Net Expenditure for the three most recent financial years is as follows:

		restated*	
	2019-20	2018-19	2017-18
	£'000	£'000	£'000
Total Operating Income	(32,454)	(30,230)	(27,699)
Staff costs	28,225	25,168	24,373
Purchase of goods and services	50,022	46,225	44,261
Depreciation and impairment charges	7,964	7,588	7,330
Provision expense	1,359	1,502	(228)
Total operating expenditure	87,570	80,483	75,736
Net operating expenditure	55,116	50,253	48,037
Finance expense	829	899	927
Net Expenditure	55,945	51,152	48,964

* 2018-19 has been restated to reflect a prior year adjustment (refer to the Financial Statements notes 2 and 28 for further information, as well as some minor Departmental mapping adjustments).

The 2019-20 summary position against budget is presented in the table below.

	2019-20 Actual £'000	2019-20 Budget £'000	Variance £'000
Net Resource DEL	53,433	54,279	(846)
Net Resource AME	945	6,187	(5,242)
Non-Budget Costs	1,567	1,543	24
Net Expenditure	55,945	62,009	(6,064)
Net Capital DEL	3,457	4,915	(1,458)
Total Expenditure	59,402	66,924	(7,522)

The £7,522k underspend is due to:

- £846k underspend in Resource DEL due to underspends of £343k in staff costs and £1,903k in non-staff costs, offset by £1,119k under-recovery of income and overspends of £212k in judicial fees, £40k depreciation and £29k in provisions;
- £5,242k underspend in non-cash AME due to legal provisions not required during the year. There are a number of ongoing legal challenges against NICTS and the AME budget was adjusted in-year to consider the worst case scenario, however the hearings were not advanced as anticipated. Given the ongoing uncertainty in relation to the cases at year end, a contingent liability has been disclosed;
- £24k overspend in non-budget costs due to higher than anticipated notional charges for IT and audit; and
- £1,458k underspend in capital due to uncontrollable delays in the commencement of estates, IT and Transformation projects.

Non-Current Assets

Non-current asset expenditure movements are detailed in the notes to the financial statements. Capital additions in 2019-20 totalled £3,457k (2018-19 restated: £2,658k) which included refurbishment and structural works at various locations across the Court Estate including the first floor of Laganside House, new offices at the Laganside Courts Complex and internal restructuring at Craigavon and Downpatrick Court Offices. Also included are costs in respect of the Courtroom Technology Refresh and the new case management system for CSNI.

Financial Position

The total net assets of NICTS at 31 March 2020 were £184,730k (2018-19 restated: £183,535k). This is the value of all assets, less the liabilities of NICTS as at the year end.

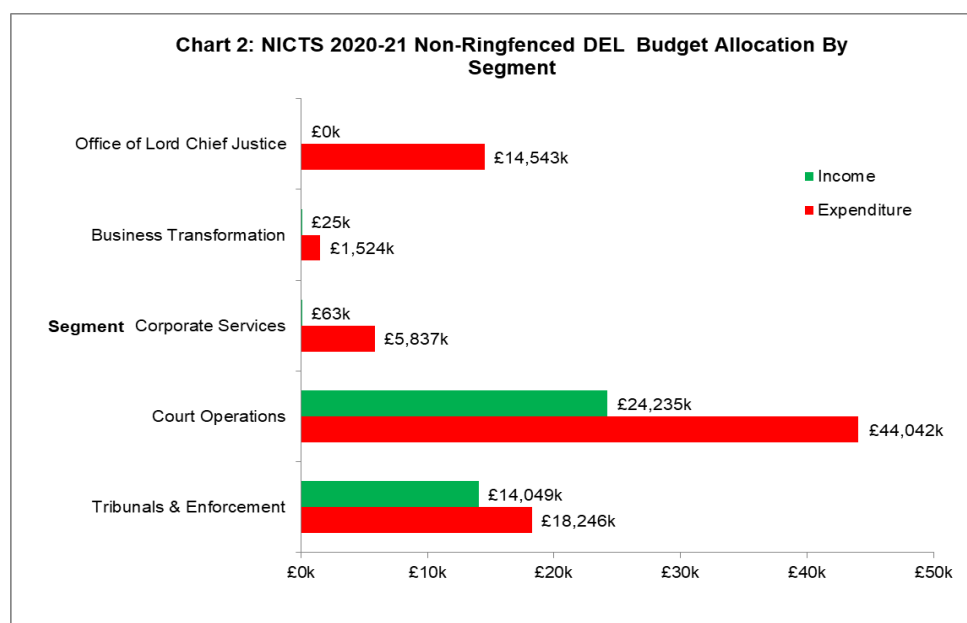
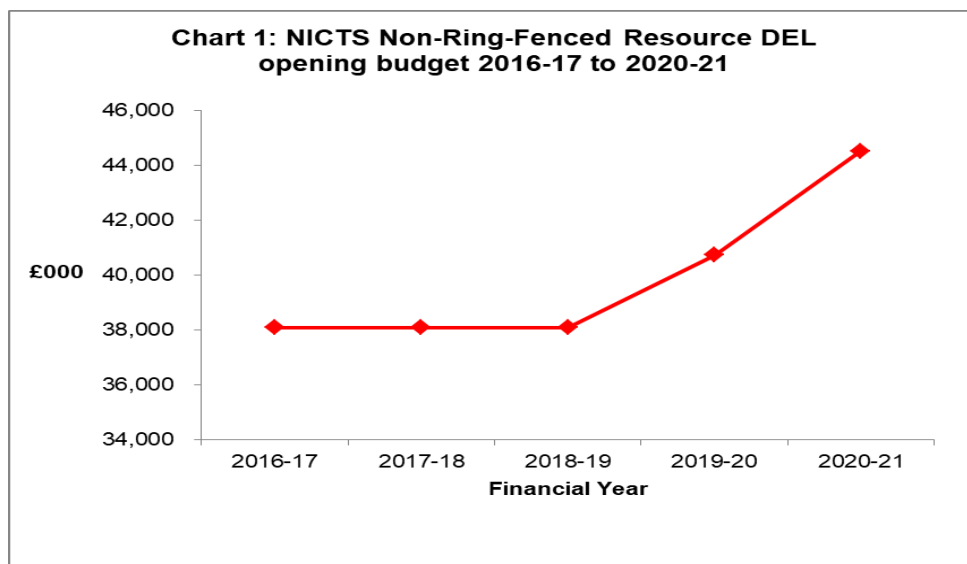
Cash Flow

As detailed in the notes to the Accounts, the NICTS Net Assembly draw down in 2019-20 was £39,566k (2018-19: £35,639k) and the net decrease in cash and cash equivalents in the year is £804k (2018-19: decrease of £638k).

Long Term Expenditure Trends

The charts below show:

- **Chart 1:** the movement in NICTS non-ringfenced Resource DEL opening budget over the period 2016-17 to 2020-21; and
- **Chart 2:** the 2020-21 non-ringfenced Resource DEL budget split by the NICTS segments.



2016-17 to 2018-19 Financial Year

During the period 2016-17 to 2018-19, NICTS non-ringfenced DEL baseline budget has remained at £38,083k. Taking into account inflation, in real terms there was a significant impact.

2019-20 Financial Year

At the beginning of 2019-20, NICTS received a non-ringfenced Resource DEL budget allocation of £40,732k; a net increase of £2,649k on 2018-19. This increased allocation included baseline transfers of £664k, giving a revised NICTS baseline of £37,419k, as well as additional funding of £3,313k towards NICTS pressures. A further £1,804k was allocated in-year to meet unescapable pressures, resulting in a total non-ringfenced Resource DEL allocation of £42,536k.

2020-21 Financial Year

NICTS has received a non-ringfenced Resource DEL budget allocation of £45,820k, a net increase of £5,088k on the 2019-20 opening budget settlement. This increased allocation takes into consideration reduction for non-baseline adjustments of £1,352k, increased baseline of £3,156k for pension and additional funding of £3,284k to assist towards NICTS pressures.

The COVID-19 pandemic will inevitably create pressures in all areas of NICTS, most notably due to reduced income from civil fee earning business. Smaller pressures will initially be met from the NICTS baseline and fully considered at each in-year monitoring round as the year progresses.

Chart 2 outlines the NICTS 2020-21 non-ringfenced Resource DEL budget split between expenditure and income by segment.

Capital Investment Priorities

The NICTS capital DEL budget is £6,780k. This will allow a number of important projects to be taken forward, particularly the NICTS Estates Strategy and Courtroom Technology.

Looking Ahead – Budgets beyond 2020-21

Decisions on budgets beyond 2020-21, including the length of the budget period and the funding envelope for the Department, will be a matter for the Executive to consider.

Payment of suppliers

NICTS policy is to pay bills in accordance with contractual conditions or, where no such conditions exist, within ten days of receipt of a properly rendered invoice, whichever is earlier. During the financial year, NICTS achieved an average 94.1% (2018-19: 93.4%) of invoices paid within ten working days on receipt of the invoice. NICTS achieved an average of 96.8% (2018-19: 98.0%) of invoices paid to suppliers within 30 calendar days of receipt of invoice.

Auditors

The financial statements of NICTS are audited by the Comptroller and Auditor General for Northern Ireland (C&AG) in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001.

The audit of the financial statements for 2019-20 resulted in a notional audit fee of £118k (2018-19: £107k), £65k of which relates to the audit of NICTS Annual Report and Accounts (2018-19: £55k), £32.5k (2018-19: £32.5k) relates to the audit of the Trust Statement, £13.5k (2018-19: £12k) relates to the audit of Funds in Court and £7.2k (2018-19: £7.5k) relates to the audit of the NICTS Investment Account.

Financial Risk

For 2019-20, NICTS relied primarily on DoJ for funding, and the risk to funding is low. All transactions are in sterling and there are no borrowings. As such, NICTS is not exposed to any exchange rate or liquidity risk.

Sustainability Reporting and Environmental Issues

NICTS, in line with the DoJ sustainability statement, continues its commitment to incorporate sustainability into its core activities. NICTS continues to emphasize the energy efficiency agenda, and build upon the good work that has been completed over the last number of years. NICTS is eager to ensure that energy efficiency projects are not just seen through the lens of large capital projects, but also incorporated into smaller, low cost, maintenance works which can be funded from within the revenue budget. At the same time, we continue to work on no cost methods of reducing energy consumption and cost, and are developing the Building Energy Management Systems (BEMS) skillset within Estates Branch, and through our network of Premises Officers. The impacts of the coronavirus outbreak cannot be underestimated. Whilst this has caused a short term reduction in energy costs, it is unlikely that this trend can, or will continue. Moreover, during the recovery phase, if capital and revenue budgets are pressured, energy efficiency will become even more fundamental. Some of the highlights and aspirations for NICTS are described below:

Energy Efficiency Upgrades – Heating Systems and Lighting

NICTS has now completed upgrades at six venues across the Estate. In addition to conversion from oil to gas, the projects involve the installation of high efficiency condensing boilers, variable speed drives, BEMS control strategy upgrades and domestic hot water decentralisation. A further three venues will benefit from this upgrade programme in the 2020-21 financial year. A master-planning exercise for the heating system at the Royal Courts of Justice has also now been commissioned, and substantial energy reductions could be realised through a change to high efficiency, decentralised plant. A programme of LED lighting upgrades across the NICTS Estate has already commenced, with some light fittings at Londonderry and Lisburn already completed.

Energy Management Initiatives

BEMS software changes have allowed Estates Branch access to all engineering graphics, and Premises officers access to time schedules. BEMS training has been delivered in house to NICTS Estates Branch staff, and the aspiration is to roll out similar training to Premises Officers, which will promote greater ownership of energy use across the estate, and promote behavioural change.

Energy Monitoring

NICTS has engaged Northern Ireland Electricity networks to change all electricity meters to 'smart meters' which allow online monitoring and analysis of the electricity consumption every half hour. This important tool will allow almost real time analysis of consumption, prompting an understanding of peak and off peak use, and promoting behavioural change among occupants.

Energy Surveys

Working with the Strategic Investment Board Energy Management Unit, NICTS assisted with the development of a bespoke specification for the delivery of energy efficiency surveys. Four NICTS venues are participating in the initial call off for these surveys, which will run as a pathfinder. The outputs from the pathfinder commission will then be used to refine the specification to run a framework competition, from which other public sectors can then call.

Corporate Social Responsibility

Working in a socially responsible way underpins NICTS' values of delivering effectively, valuing our people, working together, being outwardly focused and taking responsibility. NICTS aims to make a positive impact on the wider community through being environmentally friendly, promoting staff wellbeing and engaging with local communities on a range of issues.

Anti-corruption and Anti-bribery

NICTS is committed to the values of probity and accountability which foster a positive organisational culture. It is also committed to the elimination of any internal fraud to the rigorous investigation of any prima facie case, and, where fraud or other criminal acts are proven, to ensure that wrongdoers are dealt with appropriately. NICTS will take proportionate steps to recover any assets lost as a result of fraud, corruption or theft and has a zero tolerance approach towards acts of bribery and corruption by staff, associated persons and organisations.

Managing the risk of fraud and bribery is seen in the context of managing a wider range of risks. NICTS promotes an anti-fraud and anti-bribery culture by encouraging management to create conditions in which staff members have neither the motivation nor the opportunity to commit fraud or either offer or accept bribes. Professional staff are the first line of defence against these issues, supported by the establishment and maintenance of

carefully designed and consistently operated procedures. Managers have prime responsibility for establishing internal control arrangements to minimise the risk of fraud, corruption and other irregularities within their business areas.

NICTS complies with the DoJ Anti-Fraud & Anti-Bribery Policy and Response Plan and the DoJ Whistleblowing Policy. DoJ is currently completing a review and update of these two policies. A fraud log is maintained and presented periodically to NICTS ARAC and updates are provided to Departmental Audit and Risk Committee.

Any new regulations or Best Practice Guidance issued from DoJ, DoF or NIAO are considered and embedded accordingly.



Anthony Harbinson
Accounting Officer
28 October 2020

PART 2 ACCOUNTABILITY REPORT

The Accountability section of the Annual Report outlines how NICTS meets its key accountability requirements to the Assembly and ensures best practice with corporate governance norms and codes.

1. Corporate Governance Report

The purpose of this section is to explain the composition and organisation of the governance structures and how they support the achievement of objectives. It includes:

- a. the Directors report;
- b. Statement of Accounting Officer's Responsibilities;
- c. Non-Executive Members Report; and
- d. Governance Statement.

2. Remuneration and Staff Report

This sets out NICTS' remuneration policy for directors, reports on how it has been implemented and sets out the amounts awarded to directors as salary and pension entitlements.

In addition, the report provides information relating to remuneration and staff that users see as key to accountability.

3. Assembly Accountability and Audit Report

This brings together the key Assembly accountability documents. It comprises:

- a. Regularity of expenditure;
- b. Assembly accountability disclosures; and
- c. Certificate and Report of the Comptroller & Auditor General(C&AG) to the Assembly.

CORPORATE GOVERNANCE REPORT

DIRECTORS REPORT

Agency Board

The work of NICTS is co-ordinated and monitored by the NICTS Agency Board (the Board). The role of the Board is to provide direction to NICTS in the discharge of its responsibilities.

During the period 2019-20 the Acting Chief Executive, Peter Luney, was the Board Chair and the Accounting Officer. Anthony Harbinson was appointed Director of NICTS effective from 3 August 2020 and from that date he was designated as Accounting Officer of NICTS. Peter will continue to attend the Agency Board in his new role as Chief Operating Officer. During the year 2019-20 Peter was supported by the Heads of Court Operations, Tribunals and Enforcement, Corporate Services, Modernisation, two independent Board members, a Departmental representative and four judicial attendees.

Membership of the Board is shown below – members were in post for the period covered by these accounts unless otherwise stated:

- Acting Chief Executive, **Peter Luney**;
- Head of Court Operations, **Elaine Topping**;
- Acting Head of Tribunals and Enforcement, **Jim Coffey** (April 2019 - November 2019, replaced by **Gillian McClearn** (November 2019 – March 2020));
- Acting Head of Corporate Services, **Louise Lavery**;
- Head of Modernisation Programme, **Sharon Hetherington**;
- a DoJ representative, **Mr David A Lavery** CB (April 2019 – August 2019) replaced by **Anthony Harbinson** (September 2019 – March 2020); and
- Independent members **Nicole Lappin** and **Graham Dalton**.

Ms **Nicole Lappin** joined the Board in October 2017. Her contract will run until 30 September 2020, with the possibility of a further extension. Ms Lappin is also the Chair of the ARAC.

Mr **Graham Dalton** joined the Board in October 2017. His contract will run until 30 September 2020, with the possibility of a further extension. Mr Dalton also sits on the Finance Committee and the Modernisation Board.

The **Judicial Representatives** are nominated by the Lord Chief Justice and keep the Board informed of the views of the Judiciary on NICTS and its operations. The Judicial Representatives are:

The Right Honourable Lord Justice Deeny (April 2019), replaced by **The Right Honourable Mr Justice Colton** (May 2019 – March 2020);

His Honour Judge McFarland, Recorder of Belfast and Presiding County Court Judge;

District Judge Bagnall, Presiding District Judge (Magistrates' Courts); and

Mr John Duffy, President of the Appeals Tribunal.

The Board meets quarterly and is responsible for the oversight of NICTS performance. It has specific functions in relation to finance, planning and performance which are set out in the Agency Framework Document.

Other Committees

The work of the Board is supported by a Finance Committee and the ARAC.

During 2019-20 the Chief Executive was supported by the Senior Management team responsible for the following business areas:

Court Operations (Elaine Topping)

Court Operations is responsible for providing administrative support for criminal, civil and family court business and CSNI. The courts deal with approximately 79,000 criminal, civil and family cases each year. Coroners deal with around 4,500 deaths reported to them and hold around 100 inquests per year.

Tribunals and Enforcement (Jim Coffey / Gillian McClearn)

Tribunals and Enforcement Division is responsible for providing the administrative support for the majority of Northern Ireland's tribunals¹ and PCNI. It is also responsible for EJO, which incorporates the Court of Judicature Northern Ireland Taxing Office.

Tribunals and PCNI hear around 11,000 cases each year. EJO receives approximately 7,000 notices of intent to enforce a judgment and 4,000 applications, to enforce judgments, are lodged with EJO annually. The Taxing Office receives 1,300 applications for taxation of legal costs in respect of civil cases and appeals to the Court of Appeal.

NICTS also provides administrative support for a number of UK-wide tribunals sitting in Northern Ireland, including Tax Tribunal, Immigration and Asylum Tribunal, Information Tribunal and the Upper Tribunal (Administrative Appeals Chamber).

¹ Including the Appeals Tribunal and Rent Assessment Tribunal, under the terms of an Agency Agreement with DfC

In September 2019 Jim Coffey was appointed to lead on the establishment of the HIA Redress Board, Gillian McClearn was temporarily promoted to Grade 6 to head the Tribunals and Enforcement Division.

Corporate Services (Louise Lavery)

Corporate Services support the efficient use of resources and open and transparent accounting practices. The Division's remit includes management of NICTS finances, security, procurement, contract management, the operation of CFO, information assurance and the central management function.

Modernisation Programme (Sharon Hetherington and Pamela Reid)

The Modernisation Portfolio is divided into two strands, each headed by a Grade 6:

- i. Business Modernisation (Sharon Hetherington) encompasses the Estates and Security Branch, whilst also looking at ways to deliver a reconfigured and modernised physical court estate to support new ways of working. It aims to redesign and optimise service delivery model and processes to support wider initiatives to reduce end to end time frames for the completion of cases. It is hoping to achieve a sustainable financial operating environment for court and tribunal services whilst supporting NICTS staff to work in a changing environment.
- ii. Digital Modernisation (Pamela Reid) encompasses ICT Services whilst also improving access to justice through the further adoption of digital and other online service delivery channels.

Legacy Inquest Unit (Mandy McKay / Michael Meehan)

The LIU was established in April 2019 to support delivery of the plan to deal with outstanding cases over the next six years. The six year programme announced by DoJ in February 2019 includes an initial 12 months from April 2019 for necessary specialist staff to be recruited and new systems to be set up.

On establishment of the LIU, Mandy McKay was temporarily promoted to Grade 6 to lead the team during the recruitment process. Michael Meehan was appointed as Head of LIU in September 2019.

Register of Interests

A register of interests is maintained by NICTS, detailing any significant interests which may conflict with Board Members' management responsibilities. Further information can be found in Note 24 to the accounts.

Reporting of Complaints

NICTS' complaints procedure is designed to address complaints regarding the quality of service provided by its officials. The Agency is committed to providing high quality services to its users and welcomes comments on the quality of the services and suggestions on how we can improve.

The Complaints Procedure reflects the overall Departmental process and includes two stages. Initial complaints are dealt with by the local Business area with any complaints escalated to stage two overseen by a member of the NICTS Senior Management Team.

Should the complainant remain unsatisfied with the response following this second stage they can raise the complaint with the Northern Ireland Public Services Ombudsman.

Further details of the procedure can be found at:-

<https://www.justice-ni.gov.uk/articles/nicts-complaints-and-policy-procedures>

Complaints are co-ordinated centrally by the Central Management Team and can be made in writing to:

Complaints Co-ordinator
Central Management Team
Northern Ireland Courts and Tribunals Service
Laganside House
23-27 Oxford Street
BELFAST
BT1 3LA

STATEMENT OF ACCOUNTING OFFICERS RESPONSIBILITIES

Under the Government Resources and Accounts Act (Northern Ireland) 2001, DoF has directed NICTS to prepare for each financial year, a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of NICTS and of its income and expenditure, changes in taxpayers' equity and cash flows for the financial year.

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

- observe the Accounts Direction issued by DoF, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis;
- make judgements and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the FReM have been followed, and disclose and explain any material departures in the accounts; and
- prepare the accounts on a going concern basis.

The Accounting Officer of DoJ has designated the Director of NICTS as the Accounting Officer of NICTS. 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 NICTS' assets, are set out in the Accounting Officers' Memorandum in 'Managing Public Money in Northern Ireland' (MPMNI) issued by DoF.

The Director of NICTS is responsible for the maintenance and integrity of the information on the NICTS website.

The Accounting Officer is required to confirm that the annual report and accounts as a whole is fair, balanced and understandable and that he takes personal responsibility for the annual report and accounts and the judgements required for determining that it is fair, balanced and understandable.

So far as the Accounting Officer of NICTS is aware, there is no relevant information of which the auditors are unaware. The Accounting Officer has taken all the steps that ought to have been taken to be aware of any relevant audit information and to establish that the auditors are aware of that information.

NON EXECUTIVE MEMBERS REPORT

We were delighted to be appointed as Non-Executive Board Members (NEBMs) for NICTS back in October 2017. It is an honour to undertake the important role as NEBMs for this Agency of DoJ.

As NEBMs our role is to 'protect and serve' by providing independent, external advice and expertise to help inform decision making. We aim to do this by providing both constructive challenge and support to help identify and resolve difficulties and help make important decisions. We aim to:

- Assist and advise on strategic planning, budgeting, finance and risk management;
- Monitor and challenge NICTS' performance in relation to its objectives and commitments; and
- Advise on new challenges, initiatives and opportunities.

We are both members of the Agency Board which is responsible for NICTS' business and corporate planning and reporting as well as overseeing the work of NICTS in delivering its aims and objectives. As independent members we bring an external perspective and expertise to compliment the balance of skills of the Agency.

Nicole has significant skills, knowledge and experience in corporate governance having been an inaugural member of the Education Authority Board. In addition, Nicole currently chairs the NI Ambulance Service Health and Social Care Trust and was appointed as the Chief Commissioner for the Charity Commission for Northern Ireland in August 2019. She is also a non-executive Director of the Irish Auditing and Accounting Supervisory Authority and is the Chair of its Audit Committee. In addition to her Agency Board role, Nicole is also Chair of the Audit and Risk Assurance Committee (ARAC). The ARAC is an essential part of NICTS' governance and control framework – the system by which it is directed and controlled by reviewing the comprehensiveness and reliability of assurances on governance, risk management, the control environment and the integrity of financial statements and the Annual Report. Nicole's main focus and contribution this year has been on providing continued oversight and assurance on the implementation of GDPR and NICTS' preparedness for EU-exit as well as receiving regular fraud updates and monitoring the implementation and delivery of Internal Audit's Annual Plan. In addition, she has continued to foster closer relationships with the Department's Audit and Risk Committee.

Graham has significant skills, knowledge and experience in transformational change and benefits management, governance and organisational design. Graham has spent over 15 years as a senior operations manager and over 15 years working as a management consultant. In addition to his role on the Agency Board, Graham also sits on the Finance Committee and the Transformation Portfolio Board. The role of the Finance Committee is to review financial reports, consider proposals for Annual Estimates submissions and budget expenditure; and make recommendations to the Board. The objective of the Modernisation Portfolio Board is to work with staff and stakeholders to create an optimum

business model to deliver court and tribunal processes and improve accessibility across justice services both from a physical and digital perspective. Graham's main focus and contribution this year has been in pushing for the resolution of the Acting Chief Executive post to a permanent appointment; helping set up the Modernisation Portfolio Board for success; and supporting the embedding of the FCS.

Against a backdrop of the unprecedented uncertainty caused by Brexit and the COVID-19 pandemic, NICTS has not only successfully delivered its wide remit; but has also progressed a number of important new services – most notably, the new Review Tribunal and establishing the HIA Redress Board. We congratulate Peter Luney, as Acting Chief Executive, his Directors, managers and staff on the continued delivery of a high-quality service to the broad range of courts and tribunals users; and thank them for their continued dedication and commitment.

Looking forward, NICTS main focus this year will be on business recovery as we all adapt to the 'new normal'. The Estates and Digital strands of Business Modernisation Portfolio will be key enablers of implementing and embedding new-ways-of-working for our staff, judiciary and stakeholders.

As Non-Executive Board Members we commit ourselves to supporting NICTS in the successful delivery of these plans.

Nicole Lappin
Graham Dalton

NICTS GOVERNANCE STATEMENT 2019-20

SCOPE OF RESPONSIBILITY

NICTS is an Agency of DoJ; NICTS operates under a Framework Document that has been agreed by DoJ and DoF. The Agency Framework Document sets out the arrangements for the effective governance, financing and operation of NICTS.

As Director of NICTS I am responsible for the day-to-day operation and administration of NICTS and the leadership and management of its staff. I am accountable to the DoJ Permanent Secretary and ultimately to the Assembly, working under the direction of the Justice Minister and in accordance with the Framework Document. The Assembly was in a period of suspension until January 2020, after it collapsed in January 2017. In January 2020, the British and Irish governments agreed on a deal to restore devolved government in Northern Ireland. Naomi Long MLA was appointed Minister of Justice on 11 January 2020.

I am also accountable for the NICTS budget and the efficient and effective delivery of NICTS business.

The COVID-19 pandemic has resulted in significant changes to the way NICTS operates. The UK was put into lockdown on 23 March 2020 in an unprecedented step to attempt to limit the spread of COVID-19. Certain courts and tribunals business have been prioritised, other business scaled back.

This emergency required us to radically change how we deliver our business and in just a few weeks we implemented substantial change in the use of technology. We continue to work with the OLCJ to facilitate court business being carried out in alternative ways, such as by using teleconferencing, Skype and video link technology. As we focus on our recovery plans, we must ensure that we are working as flexibly as possible across all aspects of our business.

The role of NICTS is to:

- provide administrative support for Northern Ireland's courts, tribunals, PCNI and PACWAC;
- support an independent Judiciary;
- provide advice to the Minister of Justice on matters relating to the operation of the courts, tribunals, EJO and PCNI;
- enforce civil court judgments through EJO;
- collect and enforce outstanding financial penalties imposed (or registered) by a criminal court through FCS;
- manage funds held in court on behalf of minors and patients;
- provide high quality courthouses and tribunal hearing centres; and

- act as the Central Authority under certain international conventions.

Strategic Context

The 2019-20 Business Plan sets out the strategic objectives, priorities and key targets for NICTS. The annual plan is derived from the DoJ Corporate Plan for 2019-22 and the Departmental 2019-20 Business Plan.

As a front-line service delivery Agency, one of our main priorities for 2019-20 was to continue to deliver our business objectives and performance standards. The Agency Board reviewed progress against the 2019-20 Business Plan throughout the year and progress is reported in the Performance Analysis section and at Annex D of this Annual Report. In addition, during 2019-20 NICTS continued work on the Business Modernisation Portfolio with a focus on the development of an Estates Strategy and a review of our existing line of business systems.

PURPOSE OF THE GOVERNANCE FRAMEWORK

The governance framework is the system which ensures the effectiveness of the direction and control of NICTS. As Accounting Officer I have established a governance framework and management structure to support me in the management of the key risks of NICTS. The framework is not designed to eliminate all risk but to manage risk to a reasonable level. The framework is based on an ongoing process which is designed to identify and prioritise the risks to the achievement of policies, aims and objectives; evaluate the likelihood of those risks being realised and the impact should they be realised; managing them efficiently, effectively and economically.

GOVERNANCE FRAMEWORK AND MANAGEMENT STRUCTURE

During 2019-20, NICTS complied with the key principles of the Corporate Governance in Central Government Departments – Code of Good Practice (NI) 2013, which it considered applicable. The key management structures which support the delivery of effective corporate governance in NICTS are the:

- Agency Board;
- Finance Committee;
- ARAC; and
- Strategic Planning Group (SPG).

Agency Board

The Board provides a vital role in shaping and directing the organisation to ensure it is equipped to deliver high quality and cost effective services to court and tribunal users. The Board is responsible for business and corporate planning and reporting, and the oversight of the functions of NICTS including finance, planning, performance, and policy initiatives. The Board operates within the parameters of the Agency Framework Document

and the agreed Terms of Reference. The Framework Document is published on the NICTS website.

The Board has established two formal sub-Committees to assist it in carrying out its functions – the Finance Committee and ARAC.

There were no Ministerial Directions given during the year.

The Board met on three occasions during the 2019-20 financial year. The meeting planned for 30 March 2020 did not take place due to COVID-19, however papers did issue electronically. At the beginning of each Board meeting members are asked by me, as the Chair, to declare any conflicts or potential conflicts of interest. To allow members to prepare and consider any potential conflicts of interest members are provided with an agenda and all papers to be discussed, five working days before the meeting. During 2019-20 one new potential conflict of interest was raised at the Board in relation to a Supreme Court Judgment regarding discrimination against part-time workers. Details of any significant interests which may conflict with Board members management responsibilities can be found in Note 24 to the accounts.

Attendance by members is shown below for the three meetings of the Board during 2019-20:

Member	Position	Attendance
Mr P Luney	*Acting Chief Executive (Chair)	3 / 3
Mrs E Topping	Head of Court Operations	2 / 3
Mr J Coffey	**Acting Head of Tribunals and Enforcement	2 / 2
Mrs G McClearn	**Acting Head of Tribunals and Enforcement	1 / 1
Mrs S Hetherington	Head of Modernisation Programme	2 / 3
Mrs L Lavery	Acting Head of Corporate Services	3 / 3
Ms N Lappin	Non-Executive Member	3 / 3
Mr G Dalton	Non-Executive Member	3 / 3
Mr D A Lavery CB	***DoJ Representative	0 / 1
Mr A Harbinson	***DoJ Representative	2 / 2
The Honourable Mr Justice Colton	Judicial Representative	3 / 3
His Honour Judge McFarland (Recorder of Belfast and Presiding County Court Judge)	Judicial Representative	3 / 3
District Judge Bagnall (Presiding District Judge (Magistrates' Court))	Judicial Representative	3 / 3
Mr J Duffy (President of the Appeals Tribunal)	Judicial Representative	3 / 3

*Mr A Harbinson was appointed Director of NICTS effective from 3 August 2020; from that date he was designated as Accounting Officer of NICTS.

**Mr Jim Coffey stepped down from the Agency Board in November 2019 and was replaced by Mrs Gillian McClearn, who became a member of the Board during November 2019.

***Mr D A Lavery stepped down from the Agency Board in September 2019 and was replaced by Mr A Harbinson who was the DoJ Representative on the NICTS Agency Board until the 3 August 2020.

Key work of the Board during the year included:

- review of key risks to achievement of NICTS objectives during 2019-20;
- review of resourcing implications and discussions on financial pressures and easements across NICTS;
- review of NICTS' Audit and Risk Assurance Report;
- review of NICTS' Sick Absence Report;
- review of GDPR to assess compliance;
- review of the implications of Brexit on NICTS; and
- progress with regard to the new LIU.

Finance Committee

The Finance Committee ("the Committee") assists the Board with financial oversight and budgetary control. The role of Finance Director in NICTS is performed by the Head of Corporate Services who advises the Committee on any material issues concerning financial oversight and budgetary control. The Terms of Reference for the Committee are included in the Agency Framework Document.

Attendance by members is shown below for the three meetings of the Finance Committee during 2019-20:

Member	Position	Attendance
Mr P Luney	*Acting Chief Executive (Chair)	3 / 3
Mrs E Topping	Head of Court Operations	1 / 3
Mr J Coffey	**Acting Head of Tribunals and Enforcement	2 / 2
Mrs G McClearn	**Acting Head of Tribunals and Enforcement	0/1
Mrs S Hetherington	Head of Modernisation Programme	3 / 3
Mrs L Laverty	Acting Head of Corporate Services	3 / 3
Mr G Dalton	Non-Executive Member	3 / 3
The Honourable Mr Justice Colton	Judicial Representative	2 / 3

**Mr A Harbinson was appointed Director of NICTS effective from 3 August 2020; from that date he was designated as Accounting Officer of NICTS.*

*** Jim Coffey stepped down in November 2019. He was replaced by Gillian McClearn, who became a member of the Board in November 2019.*

A Finance Committee was scheduled for 18 March 2020 but this had to be cancelled due to COVID-19. The papers were still issued to the Committee but no meeting was held. After each meeting the Finance Director provides a highlight report to the Board covering the main issues discussed by the Committee.

Audit and Risk Assurance Committee

The role of the ARAC is to provide the Board and myself, as Accounting Officer, with independent assurance over the adequacy and effectiveness of the established internal control and risk management systems within NICTS. ARAC monitor the effective implementation of all agreed audit recommendations; examine the effectiveness of the overall risk management process, and receive assurance from the NICTS Risk Co-ordinator.

ARAC operates in accordance with the Audit Committee Handbook (NI), published on 29 May 2013 and updated on 1 April 2018. Although ARAC primarily considers matters within NICTS, it also ensures that the inter-relationships between it and the Departmental Audit and Risk Committee are documented and agreed, particularly where assurance is provided on matters which properly support the Departmental Governance Statement.

The Terms of Reference for ARAC are included in the Framework Document.

Attendance by members is shown below for the five meetings of the ARAC during 2019-20:

Member	Position	Attendance
Ms N Lappin	Chair	5 / 5
The Honourable Madam Justice McBride	Judicial Representative	4 / 5
Mr G Wilkinson	*Non-Executive Member	3 / 4
Mrs N Mc Auley	*Non-Executive Member	4 / 5

** Mrs Nuala McAuley joined the Committee in May 2019. Mr Graeme Wilkinson left the Committee in February 2020.*

After each meeting the Chair of ARAC presents a report to the Board covering the main issues discussed by the Committee. Matters considered include:

- Changes to the Corporate Risk Register;
- NIAO Reports to Those Charged with Governance (RTTCWG);
- Internal Audit Reports;
- Internal Audit work programme;
- Head of Internal Audit's Annual Assurance Statement;
- Annual Reports and Accounts;
- Updates on Fraud and Whistleblowing; and
- Financial Governance updates.

Strategic Planning Group

SPG is the decision making group for the senior executive team within NICTS. SPG takes a strategic look at the work of NICTS and considers resources, budget, business performance and operational issues. The Group meets once a month, and is attended by a representative from NICS-HR. Further meetings of the Group can be called as, and when, required.

RISK MANAGEMENT AND INTERNAL CONTROL

As Accounting Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of policies, aims and objectives, while safeguarding public funds and NICTS assets for which I am personally responsible, in accordance with the responsibilities assigned to me in MPMNI.

Internal Control

The system of internal control is not designed to eliminate all risk of failure but to manage risk to a reasonable level to achieve policies, aims and objectives. It can therefore only provide reasonable, and not absolute, assurance of effectiveness. The system of internal control has been in place in NICTS for the year ended 31 March 2020 and up to the date of approval of the annual report and accounts. This accords with DoF guidance.

NICTS has in place a range of policies and processes to ensure that it is compliant with MPMNI, policies and guidance issued by DoJ and financial delegations granted by DoJ and DoF.

Risk Management

Risk management forms a central element of the governance framework. Risk management is championed by the Head of Corporate Services, with the Agency Board owning the overall risk management framework.

A Risk Management Policy is in operation and Risk Co-ordinators are in place throughout NICTS. They are responsible for promoting, supporting and co-ordinating risk management in their business areas. Risk management responsibilities are included in job descriptions and there is support and provision of guidance on risk issues from the Central Management Team.

Emerging risks are identified, considered and managed, and all risks are assessed in terms of their probability of occurrence and impact on the achievement of objectives; then scored and reported on accordingly.

The corporate risk appetite is set by the Board and used as a starting point for setting levels of risk tolerance. Managers and Heads of Division escalate risks which have exceeded specific risk appetites to the next level of management. Risk management is considered formally by senior management through quarterly reviews of the Corporate Risk Register and Corporate Plan monitoring reports.

Risk is also considered by ARAC at each of its quarterly meetings. NICTS operates a process to enable escalation of risks to the DoJ Corporate Risk Register if risks breach NICTS tolerance levels.

Information Assurance

NICTS is committed to ensuring personal data is appropriately protected and managed in accordance with data protection legislation and DoJ policies and procedures. NICTS is represented on a number of departmental groups including the Information Risk Owners' Council, Accreditation Panel and Security Managers' Forum. In addition, bi-annual updates on records and information management are provided to ARAC.

Data incidents are reported and managed in line with the DoJ Security Incident reporting policy that was revised to reflect changes to data protection legislation in May 2018. As a result, all data incidents are now reported to the Department to comply with the requirement to report significant data incidents to the Information Commissioner's Office (ICO) within 72 hours of becoming aware of the incident. During 2019-20, a total of 141 incidents were reported with the highest proportion relating to post lost in transit. All data incidents were fully investigated with the findings reviewed to identify any lessons learned and existing processes were amended as appropriate. One data breach was reported to the ICO during this period which resulted in no further action.

The accreditation of the network and infrastructure are the responsibility of DoF's Enterprise Shared Services, who have confirmed that these elements of its service are fully accredited.

NICTS is responsible for accrediting the aspects of the service that relate to line of business systems. Typically this relates to the operating system, database and application software. Accreditation Certificates have been issued by DoJ for all NICTS line of business systems, including For The Record (digital audio recording), Sydney Enterprise (library system), Badge Maker (staff vetting and staff passes), Judicial Allocations and Sittings Programme And Records, ICOS, EJO, OCP, CFO, Online Services and the new Coroners Case Management System (CLEAR). Annual IT Health Checks on these systems took place in December 2019.

NICTS continues to monitor and review the application of Information Assurance policies to ensure data is handled appropriately and that any associated risks are identified and managed. IT Assist provides and hosts all NICTS information systems. They provide a resilient solution, based on high availability, redundancy and mirrored data centres. Disaster Recovery tests were completed for Causeway in March 2019 and on 31st January – 1st February 2020 for the main NICTS line of business applications.

REVIEW OF EFFECTIVENESS OF THE GOVERNANCE FRAMEWORK

As Accounting Officer I have responsibility for reviewing the effectiveness of the governance framework. The Board and I receive regular reports from ARAC concerning internal controls, risks and governance. At the end of the reporting period, Heads of Division reviewed the stewardship statements completed by Business Managers to create

a series of divisional statements from which I have been able to take assurance in respect of the management of risk and the achievement of objectives.

Internal Audit operates to Public Sector Internal Audit Standards. It submits regular reports, including an independent opinion by the Head of Internal Audit, on the adequacy and effectiveness of the NICTS system of risk management, control and governance.

My review of the effectiveness of the system of internal control is informed by the work of the internal auditors and the executive managers within NICTS who have responsibility for the development and maintenance of the internal control framework as well as the comments made by the external auditors in their RTTCWG and other reports.

The Head of Internal Audit has provided overall **Satisfactory Assurance** based on the work carried out during the year. An audit plan which included thirteen separate reviews was agreed in March 2019 and progress against the plan was monitored by the ARAC throughout the year. All thirteen reviews were completed during 2019-20.

While it is the Head of Internal Audit's overall assessment that the control environment within NICTS is 'Satisfactory', the assurance provided in relation to OSO remains limited pending the introduction of a new case management system. The implementation of audit recommendations is subject to internal audit monitoring and regular updates on priority one recommendations are provided to ARAC.

Agency Board Effectiveness

Information presented to the Board is fundamental for its assessment and understanding of the performance of NICTS. Information received is considered to be of a high standard and allows the Board to be kept informed of any issues it needs to be aware of, or take action on, to allow the Board to effectively carry out its duties. A Board evaluation exercise would normally be completed annually, however the 2019-20 exercise was impacted by the overall response to COVID-19 and will now be commissioned later in the 2020-21 business year.

Budget Position and Authority

The Assembly passed the Budget Act (Northern Ireland) 2020 in March 2020 which authorised the cash and use of resources for all departments for the 2019-20 year, based on the Executive's final expenditure plans for the year. The Budget Act (Northern Ireland) 2020 also authorised a Vote on Account to authorise departments' access to cash and use of resources for the early months of the 2020-21 financial year. While it would be normal for this to be followed by the 2020-21 Main Estimates and the associated Budget (No. 2) Bill before the summer recess, the COVID-19 emergency and the unprecedented level of allocations which the Executive has agreed in response, has necessitated that the Budget (No. 2) Bill is instead authorising a further Vote on Account to ensure departments have access to the cash and resources through to the end of October 2020, when the Main Estimates will be brought to the Assembly and the public expenditure position is more stable.

SIGNIFICANT INTERNAL CONTROL ISSUES

The following issue has been identified as significant to the organisation during 2019-20 as a result of the assurance activity. Each of the control issues has been subjected to rigorous review and plans are in place to address identified weaknesses.

Official Solicitor's Office Cases

Internal Audit carried out a review of OSO during 2015-16 which resulted in limited assurance. Internal Audit was unable to verify the completeness of the case workload within OSO as there was no independent record that could be used to reconcile the composition of the current Minors and Patients details. This has now been addressed.

The planned introduction of an IT workflow based solution to capture all case file details and act as a centralised information hub will allow for more efficient working practices and greater visibility of cases within OSO. The business case for the new system was approved in early 2020. Tendering and further progression however has been temporarily delayed due to the ongoing health emergency and related guidance on restricted working practices. An Internal Audit recommendation remains outstanding in this area as listed under the Internal Audit section below.

AUDIT RECOMMENDATIONS

Internal Audit

There are currently three priority one Internal Audit recommendations that have not been fully implemented:

- One recommendation - Official Solicitor's Office (2015-16, 2016-17 and 2018-19); and
- Two recommendations – Office of Care and Protection (2018-19).

Internal Audit recommended the introduction of an IT workflow based solution for the OSO in 2015-16 to capture all case file details and act as a one stop shop for all administrative processing and management monitoring/review of cases. Follow ups in 2016-17 and 2018-19 sought to provide an update in relation to the implementation of this recommendation and the assurance over this area remains limited. A Project Board has been established under NICTS Modernisation Programme to take this forward. An addendum was required to the business case following CPD advice and this was approved by DoF. The procurement was published on E-Tenders but has since been suspended due to the current COVID-19 pandemic and will be re-published once the public health situation becomes clearer. OCP will implement a new case management system on the same IT platform as part of this procurement. Internal Audit will carry out a full review in both areas when the systems are operational in order to confirm implementation of the outstanding recommendations and provide assurance to the Accounting Officer.

A priority one recommendation was made in the 2018-19 audit of Craigavon Court House in relation to delays in serving court orders. A follow up review conducted during 2019-20 confirmed that this recommendation had been fully implemented.

All outstanding recommendations are monitored by ARAC every six months and Internal Audit will confirm implementation of all priority one recommendations.

The 2019-20 Annual Internal Audit Plan was endorsed by ARAC who monitor progress during the year towards completion of the plan.

External Audit

NIAO made three recommendations in the RTTCWG on the 2018-19 NICTS Agency Accounts. One recommendation (priority two) was in relation to the deferred income model. The remaining two recommendations (priority three) were in relation to NICTS internal Finance Branch procedures. These recommendations have now been implemented.

ACCOUNTING OFFICER STATEMENT ON ASSURANCE

NICTS has established a robust assurance framework that includes primary assurance through line management structures on the achievement of objectives. This primary assurance is supplemented by secondary assurances provided through oversight of management activity and by an Independent Internal Audit team operating to Public Sector Internal Audit Standards. They deliver an agreed prioritised programme of systems based audits covering all NICTS systems over time. The Head of Internal Audit provides me with an Annual Report and her professional opinion on the level of assurance based on the work done. For the 2019-20 year overall **Satisfactory Assurance** has been provided.



Anthony Harbinson
Accounting Officer
28 October 2020

REMUNERATION REPORT

Remuneration Policy

The pay remit for the NI public sector, including senior civil servants (SCS), is normally approved by the Minister of Finance. In the absence of an Executive, the DoF Permanent Secretary has set the 2019-20 NI public sector pay policy (October 2019) in line with the overarching HM Treasury parameters and in a manner consistent with the approach taken by the previous Finance Minister in 2016-17. Annual NICS pay awards are made in the context of the wider public sector pay policy. The pay award for NICS staff, including SCS staff, for 2019-20 has been finalised and was paid, after the 2019-20 year, end in July 2020.

The pay of SCS is based on a system of pay scales for each SCS grade containing a number of pay points from minima to maxima, allowing progression towards the maxima based on performance.

Service Contracts

The Civil Service Commissioners (NI) Order 1999 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The Recruitment Code published by the Civil Service Commissioners for Northern Ireland specifies the circumstances when appointments may be made otherwise.

Unless otherwise stated, the officials covered by this report hold appointments that 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 Commissioners for Northern Ireland can be found at www.nicscommissioners.org.

Salary and pension entitlements

The following sections provide details of the remuneration and pension interests of the Chief Executive Officer and the Agency Board. Of those reported only Peter Luney falls within SCS. Staff at Grade 6 and below fall within the pay settlement provided by the NICS Comprehensive Pay and Grading Review.

Remuneration (including salary) and pension entitlementsAudited information

Officials	Salary £000	Benefits in kind (to nearest £100)	2019-20	
			*Pension Benefits £000	Total £000
Mr P Luney Acting Chief Executive Officer	70-75	-	37	105-110
Mrs E Topping Head of Court Operations Division	60-65	-	38	100-105
Mr J Coffey Acting Head of Tribunals & Enforcement Division 01/04/2019 - 25/11/2019)	35-40 (55-60 FYE)	-	31	70-75
Ms S Hetherington Head of Modernisation Programme	60-65	-	25	85-90
Mrs L Laverty Acting Head of Corporate Services	55-60	-	23	80-85
Mrs G McClearn Acting Head of Tribunals & Enforcement Division (26/11/2019 - 31/03/2020)	15-20 (55-60 FYE)	-	17	35-40
Ms N Lappin** Non-Executive Member (Fee per attendance)	5-10	200	-	5-10
Mr G Dalton** Non-Executive Member (Fee per attendance)	5-10	100	-	5-10

**The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation and any increase or decreases due to a transfer of pension rights.*

*** Payment to the Independent Board Members is on a per diem basis for attendance at meetings and therefore a figure for full year equivalent is not applicable. Amounts disclosed as benefits in kind relate to payments for travel and subsistence.*

Audited information

Officials	Salary £000	Benefits in kind (to nearest £100)	*Pension Benefits £000	2018-19
				Total £000
Mr P Luney Acting Chief Executive Officer	65-70	-	23	90-95
Mrs E Topping Head of Court Operations Division	60-65	-	35	95-100
Mr J Coffey Acting Head of Tribunals & Enforcement Division	55-60	-	17	70-75
Ms S Hetherington Head of Corporate Services Division/ Head of Transformation	60-65	-	26	85-90
Mrs L Lavery Acting Head of Corporate Services (03/12/2018 - 31/03/2019)	15-20 (55-60 FYE)	-	7	25-30
Ms N Lappin** Non-Executive Member (Fee per attendance)	5-10	300	-	5-10
Mr G Dalton** Non-Executive Member (Fee per attendance)	5-10	200	-	10-15

**The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases include increases due to inflation or any increase or decreases due to a transfer of pension rights.*

*** Payment to the Independent Board Members is on a per diem basis for attendance at meetings and therefore a figure for full year equivalent is not applicable. As Non-Executive Member, there are no entitlements to pension or other contributions from NICTS.*

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 and any severance or ex-gratia payments.

Benefits in kind

The monetary value of benefits in kind covers any benefits provided by NICTS and treated by HMRC as a taxable emolument. Two officials received benefits in kind during 2019-20 (2018-19: Two).

Pay Multiples

NICTS is required to disclose the relationship between the remuneration of the highest paid director in the organisation and the median remuneration of the organisation's workforce.

Audited information

	2019-20	2018-19
Band of Highest Paid Director's Total Remuneration* (£'000)	70-75	65-70
Median Total Remuneration (£)	27,299	26,086
Ratio	2.66	2.59

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

The banded remuneration of the highest-paid director in the financial year 2019-20 was £70,000 - £75,000 (2018-19: £65,000 - £70,000). This was 2.66 times (2018-19: 2.59) the median remuneration of the workforce, which was £27,299 (2018-19: £26,086).

In 2019-20, no employees (2018-19: none) received remuneration in excess of the highest paid director. Remuneration ranged from £19,000 to £72,000 (2018-19: £18,000 to £70,000).

Pension Entitlements

Audited information

Officials	Accrued pension at pension age as at 31/03/20 and related lump sum	Real increase/ (decrease) in pension and related lump sum at pension age	CETV at 31/3/20	CETV at 31/3/19	Real increase in CETV	Employer contribution to partnership pension account
	£000	£000	£000	£000	£000	(Nearest £100)
Mr P Luney Acting Chief Executive Officer	25-30 plus 65-70 lump sum	0-2.5 plus 0-2.5 lump sum	494	449	21	-
Mrs E Topping Head of Court Operations Division	30-35 plus nil lump sum	0-2.5 plus nil lump sum	541	490	25	-
Mr J Coffey Acting Head of Tribunals & Enforcement Division (01/04/2019 - 25/11/2019)	25-30 plus 65-70 lump sum	0-2.5 plus 0-2.5 lump sum	565	517	23	-
Ms S Hetherington Head of Modernisation Programme	10-15 plus 10-15 lump sum	0-2.5 plus nil lump sum	180	155	14	-
Mrs L Laverty Acting Head of Corporate Services	10-15 plus nil lump sum	0-2.5 plus nil lump sum	188	162	14	-
Mrs G McClearn Acting Head of Corporate Services (26/11/2019 - 31/03/2020)	25-30 plus 55-60 lump sum	0-2.5 plus 0-2.5 lump sum	483	467	12	-

No pension benefits are provided to the Independent Board Members.

NICS Pension Schemes

Pension benefits are provided through NICS pension schemes which are administrated by Civil Service Pensions.

The alpha pension scheme was introduced for new entrants from 1 April 2015. The alpha scheme and all previous scheme arrangements are unfunded with the cost of benefits met by monies voted each year. The majority of existing members of the classic, premium, classic plus and nuvos pension arrangements also moved to alpha from that date. Members who, on 1 April 2012, were within 10 years of their normal pension age did not move to alpha and those who were within 13.5 years and 10 years of their normal pension age were given a choice between moving to alpha on 1 April 2015 or at a later date determined by their age. Alpha is a 'Career Average Revalued Earnings' (CARE) arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current accrual rate is 2.32%.

New entrants joining can choose between membership of alpha or joining a ‘money purchase’ stakeholder arrangement with a significant employer contribution (partnership pension account).

New entrants joining on or after 30 July 2007 were eligible for membership of the nuvos arrangement or they could have opted for a partnership pension account. Nuvos is also a CARE arrangement in which members accrue pension benefits at a percentage rate of annual pensionable earnings throughout the period of scheme membership. The current rate is 2.3%.

Staff in post prior to 30 July 2007 may be in one of three statutory based ‘final salary’ defined benefit arrangements (classic, premium, and classic plus). From April 2011 pensions payable under classic, premium, and classic plus are reviewed annually in line with changes in the cost of living. New entrants joining on or after 1 October 2002 and before 30 July 2007 could choose between membership of premium or joining the partnership pension account.

All pension benefits are reviewed annually in line with changes in the cost of living. Any applicable increases are applied from April and are determined by the Consumer Prices Index (CPI) figure for the preceding September. The CPI in September 2019 was 1.7% and HM Treasury has announced that public service pensions will be increased accordingly from April 2020.

Employee contribution rates for all members for the period covering 1 April 2020 to 31 March 2021 are as follows:

Scheme Year 1 April 2020 to 31 March 2021

Annualised Rate of Pensionable Earnings (Salary Bands)		Contribution rates – All members
From	To	From 1 April 2020 to 31 March 2021
£0	£23,999.99	4.60%
£24,000.00	£55,499.99	5.45%
£55,500.00	£152,499.99	7.35%
£152,500.00 and above		8.05%

Benefits in classic accrue at the rate of 1/80th of pensionable salary 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 (but members may give up (commute) some of their pension to provide a lump sum). Classic plus is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per classic.

The partnership pension account is a stakeholder pension arrangement. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member) into a stakeholder pension product chosen by the employee. The employee

does not have to contribute but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill-health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach their scheme pension age, or immediately on ceasing to be an active member of the scheme if they are at or over pension age. Scheme Pension age is 60 for members of **classic**, **premium** and **classic plus** and 65 for members of **nuvos**. The normal scheme pension age in alpha is linked to the member's State Pension Age but cannot be before age 65. Further details about the NICS pension schemes can be found at the website www.finance-ni.gov.uk/civilservicepensions-ni.

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 CETV figures, and from 2003-04 the other pension details, include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the NICS pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional years of pension service in the scheme at their own cost. CETVs are calculated in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2015 and do not take account of any actual or potential 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, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period. However, the real increase calculation uses common actuarial factors at the start and end of the period so that it disregards the effect of any changes in factors and focuses only on the increase that is funded by the employer.

Compensation on early retirement or for loss of office

There were no compensation benefits paid by NICTS to any senior staff members during the financial year (2018-19: nil).

STAFF REPORT

Staff Costs

Staff costs comprise:

<u>Audited Information</u>	2019-20			restated*
	Permanently Employed		Total	2018-19
	Staff £'000	Others £'000	£'000	Total £'000
Wages and Salaries	19,172	1,443	20,615	19,357
Social Security costs	1,937	-	1,937	1,796
Other pension costs	5,673	-	5,673	4,015
Total**	26,782	1,443	28,225	25,168

* 2018-19 has been restated to move Apprenticeship Levy from Wages and Salaries to Social Security costs.

** In addition to the total, £575,055 has been charged to capital (2018-19: £60,636).

The NICS main pension schemes are unfunded multi-employer defined benefit schemes but NICTS is unable to identify its share of the underlying assets and liabilities. The Government Actuary's Department (GAD) is responsible for carrying out scheme valuations. The Actuary reviews employer contributions every four years following the scheme valuation. The 2016 scheme valuation was completed by GAD in March 2019. The outcome of this valuation was used to set the level of contributions for employers from 1 April 2019 to 31 March 2021.

For 2019-20, employers' contributions of £5,572,528 were payable to the NICS pension arrangements (2018-19: £4,014,206) at one of three rates in the range 28.7% to 34.2% of pensionable pay, based on salary bands.

This change is primarily due to the reduction in the SCAPE discount rate (as announced at Budget 2018) to 2.4% per annum above CPI. The contribution rates are set to meet the cost of the benefits accruing during 2019-20 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £7,618 (2018-19: £10,656) were paid to one or more of the panel of two appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% (2018-19: 8% to 14.75%) of pensionable pay.

The partnership pension account offers the member the opportunity of having a 'free' pension. The employer will pay the age-related contribution and if the member does contribute, the employer will pay an additional amount to match member contributions up to 3% of pensionable earnings.

III-Health retirement

During 2019-20 five individuals (2018-19: none) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £881 (2018-19: nil).

Average number of persons employed

The average number of whole-time equivalent persons employed during the year is set out below. These figures include senior management, staff on secondment or loan into NICTS and agency/temporary staff, but do not include staff on secondment out of NICTS. There were a further 123 (2018-19: 123) whole time equivalent staff employed by DfC to support TAS which is administered by NICTS. A further 20 (2018-19: none) whole time equivalent staff employed by TEO to support the HIA Redress Board. The majority of staff (89%) are located in frontline service posts in courthouses, tribunal hearing centres, PCNI, EJO or in CFO.

<u>Audited Information</u>	Permanently Employed Staff	Others	2019-20 Total	2018-19 Total
Court Operations	422	46	468	435
Tribunals and Enforcement	115	7	122	121
Office of the Lord Chief Justice	26	2	28	27
Corporate Services	67	5	72	87
Modernisation Programme	9	-	9	3
Staff engaged on capital projects	13	-	13	1
Total	652	60	712	674

Further information on NICTS staff profile can be found at Annex C.

Staff Composition

The staff composition as at 31 March 2020 in NICTS was as follows (based on headcount):

	Female Staff	Male Staff	Total Staff
Agency Board	4	1	5
Senior Civil Service	1	1	2
Employees	499	215	714

Exit packages (Audited Information)

There was one exit package paid out during the 2019-20 year (2018-19: none). The total amount paid was £32,356 (2018-19: nil).

Judicial Office Holders

Judicial office holders are covered by the provisions of the Judicial Pension Schemes (JPS) the terms of which are set out in (or in some cases are analogous to) the provisions of two Acts of Parliament, (the Judicial Pensions Act 1981 and the Judicial Pensions &

Retirement Act 1993 (JUPRA)), The Judicial Pensions Regulations 2015 and The Judicial Pensions Regulations (Northern Ireland) 2015. The JPS are unfunded public service schemes, providing pensions and related benefits for members of the Judiciary in eligible offices. The cost of benefits accruing for each year of service is shared between the Sponsoring Department and the judicial office holders.

The JPS 2015 and Northern Ireland Judicial Pension Scheme (NIJPS) 2015, were introduced on 1 April 2015. These mirror each other and, as far as possible, other public service career average pension schemes. From 1 April 2015 NICTS pay contributions in relation to salaried and fee-paid excepted and devolved salaried Judicial Office Holders sponsored by DoJ. The employer contribution rate during 2019-20 was 51.35%. This comprised the rate of 51.1% recommended by the GAD plus 0.25% of pensionable pay to reflect the cost of scheme administration paid to the Ministry of Justice (MoJ). The rate has not changed from 1 April 2020.

The Fee-Paid Judicial Pension Scheme, established under the Judicial Pensions (Fee-Paid Judges) Regulations 2017, was implemented from 1 April 2017 to deliver the litigation remedy to eligible fee-paid office-holders in the case of O'Brien v MoJ and related litigation, including in Northern Ireland.

Provision for the excepted fee paid judicial office holders' pension entitlement is recognised in the MoJ JPS Accounts. Accordingly, NICTS does not recognise a liability in respect of back payments or the pension liability arising pursuant to O'Brien litigation claims. Consistent with the accounting for salaried judicial office holders, and in accordance with FReM Table 6.2, NICTS accounts for employer contributions payable to the JPS for eligible fee paid judicial office holders as they are incurred.

Provisions have been recognised in these accounts for the liability to fee paid judicial office holders in respect of the Judicial Service Award, as this liability is not covered by the Judicial Pension Schemes and the governing legislation.

A number of claims by judicial office holders have been made against DoJ under the Part Time Workers (Prevention of Less Favourable Treatment) Regulations (Northern Ireland) 2000. NICTS has also received a number of claims from judicial office holders claiming discrimination on the grounds of age and indirect discrimination on the grounds of sex in respect of NJPS and NIJPS.

Further details of these provisions can be found in Note 17 to the accounts.

Managing Attendance

Staff sickness and absence is managed in accordance with the NICS Inefficiency Sickness Absence Policy. Absence levels across DoJ are managed against indicators which are set for each of the agencies and contribute to the overall Departmental target.

The average days lost per whole time equivalent member of staff for 2019-20 has been estimated at 14.2 days (2018-19: 11.3 days). Official finalised figures will be available on

publication of the “Sickness Absence in the Northern Ireland Civil Service 2019-20” report later this year.

Staff in NICTS are supported by both the NICS Welfare Services and the Employee Assistance Programme. Feedback from staff continues to be very positive on the support provided by Welfare Services and the advice and professional counselling services provided by Inspire. All staff who are on long term sickness or any stress related absences are encouraged to contact these services.

Responsibility for recording sickness absence rests with line managers and decisions on the action to be taken, for example the issue of an inefficiency warning, rests with NICS-HR working closely with staff and line managers.

STAFF POLICIES

Equal Opportunities and Diversity

NICTS is proactive in compliance with fair employment, sex discrimination and race discrimination legislation in Northern Ireland. It is committed to the promotion of good relations amongst staff and service users. NICTS promotes a working environment where all members of staff are treated with dignity and respect, as well as promoting equality of opportunity, supporting the commitments set out in the DoJ Equality Scheme.

Employment, training and advancement of disabled persons

NICTS aims to ensure that people with a disability suffer no detriment in recruitment and advancement, and that its policies and practices comply with the requirements of the Disability Discrimination Act 1995 and amendments made under the Act. The consideration and implementation of reasonable adjustments help to ensure that staff with disabilities can fully utilise their skills and abilities.

On recruitment, candidates are appointed based on merit, through fair and open competition. Recruitment and selection training, which includes raising awareness of unconscious bias, is offered to all chairs of NICS recruitment panels. NICTS staff have also completed mandatory unconscious bias training throughout the year.

Learning and Development

NICTS staff have continued to avail themselves of the learning and development opportunities provided by the Department under the Leadership Development Programme. Grades 6 and 7 attended the first leadership conference and further conferences are being developed for DPs and SOs with separate leadership programmes for the other grades. Training which is specific to specialist roles is offered as continuous professional development in addition to the generic classroom and digital training provided by the Centre for Applied Learning.

A pilot for re-introducing the EOII grade in NICTS started in June 2019 and posts were identified for eight newly promoted AOs to cover pressure points in court offices. If after evaluation it is proven to be successful it is expected that further EOII's will be introduced

to other areas. This will have the added value of retaining experienced staff who would normally have left the agency on promotion, therefore providing a clear career path in NICTS for administrative grades. The new EOIs attended the mandatory NICS first line management training including Performance Management and Managing Sickness Absence.

A revised induction pack was developed and published for staff in Court Operations in co-ordination with the newly revised Departmental and NICS Induction programmes. Additionally, a training database duplicating the ICOS live system was developed and an additional ten stand-alone computers were procured for line of business training on the ICOS system. The new training computers were installed in ten designated court office locations.

Materials were developed in conjunction with NSPCC Child Witness Service and VSNI to deliver Victim & Witness Awareness training to frontline staff and these materials will be used as the basis for a digital learning package to be developed for back office staff in court and tribunal operations.

Further training was delivered for staff who volunteered for the NICS “3Cs” Hubs and NICTS hosted a lunchtime learning event on Introduction to Mindfulness.

Pay, Workforce Planning and Performance Management

Under the Civil Service (NI) Order 1999, pay arrangements for NICTS are the responsibility of DoF. It continues work to strengthen its approach to workforce planning. Current pay scales are available online. Formal negotiations with Trade Unions on the 2019 pay award have concluded, and NICS-HR are making arrangements to make payment in the July 2020 salaries.

All staff use the performance management module on HR Connect. Staff can either access the performance management form online or in a downloadable format.

Pensions and Early Departure Costs

Present and past employees of NICTS are covered by the Principal Civil Service Pension Scheme (PCSPS (NI)). NICTS meets the costs of pensions provided for the staff they employ by the payment of charges called Accrued Superannuation Liability Charges. This is charged to the Statement of Comprehensive Net Expenditure (SoCNE) on an accrued basis annually.

Employee Involvement

The NICTS Staff Engagement Action Plan 2017-19 concluded in December 2019, although large elements are now embedded into business as usual. The plan contained a suite of required actions/behaviours, all of which have been achieved or are in the process of being implemented, such as:

- A review of internal communications;

- A designated page on the intranet for NICTS programmes/projects to provide updates about ongoing projects;
- Establishing a Court Operations Forum with sub groups for Family, Crown, Civil and Criminal Magistrates' business;
- Publishing a Knowledge Bank on the NICTS intranet;
- Implementation of revised public counter opening times; and
- Implementation of priority recommendations from the BCS review of Court Operations.

Given that NICTS staff are represented on the DoJ Staff Engagement Forum, the Strategic Planning Group is currently considering whether to develop a new NICTS-specific Staff Engagement Plan or to fully adopt the DoJ Staff Engagement Strategy. There are a number of initiatives and work streams led by the Department to which NICTS staff actively participate and contribute. There was a good response from staff to the DoJ Pilot Mentoring Programme with volunteers for both mentor and mentee roles. Staff also volunteered for both of the Task and Finish groups on Communication and Personal and Organisational Development and are taking forward sub groups on Volunteering and Lunchtime Learning.

The sub groups of the Court Operations Forum developed a number of Operational Guidance documents for staff in court operations to be added to the Knowledge Bank. These were identified as priorities to standardise processes in the business areas of Family Proceedings, Civil, Crown and Magistrates Criminal business. The sub groups have also contributed to the development of Training Matrixes to assist the induction of new entrants at various grades.

Expenditure on consultancy and temporary staff

NICTS did not incur any expenditure on external consultancy in the financial year (2018-19: nil).

The following details the expenditure incurred on temporary staff:

	2019-20	*Restated
	£'000	2018-19
	£'000	£'000
Charged to Administration	62	134
Charged to Programme	1,381	932
Total	1,443	1,066

** 2018-19 figures have been restated to reflect changes made to account code mapping by the DoJ as part of its preparatory work for the implementation of the Review of Financial Process. This includes items of expenditure being reclassified within categories of administration and programme expenditure, as well as minor adjustments to rounded figures used.*

Off-Payroll Payments

As required by DAO (DFP) 08/12 Tax Arrangements of Public Sector Appointees, NICTS undertook a review of the arrangements for making payments to individuals engaged by NICTS who are paid fees totalling over £58,200 in the financial year and are not included in the PAYE system. The number of off-payroll engagements is as follows:

Opening engagements at 1 April 2019	2
New engagements during 2019-20	-
Number onto NICTS payroll during 2019-20	-
Engagements ended during 2019-20	-
Number whose earnings fell below threshold in 2019-20	-
Closing engagements at 31 March 2020	2

ASSEMBLY ACCOUNTABILITY AND AUDIT REPORTS

OTHER ACCOUNTABILITY DISCLOSURES

Regularity of Expenditure (Audited Information)

Losses and Special Payments

The total value of losses did not exceed £250k (2018-19: did not exceed £250k) and therefore no disclosure is required.

During 2019-20, final compensation payments were made in 39 cases (2018-19: 21 cases) by NICTS. The total amount of compensation paid in these cases was £518k (2018-19: £289k).

Fees and Charges

An analysis of fees and charges from civil business services provided to external and public sector customers is as follows:

	2019-20			*Restated 2018-19		
	Income £'000	Full Cost £'000	Surplus/ (deficit) £'000	Income £'000	Full Cost £'000	Surplus/ (deficit) £'000
NICTS						
- Civil Business	23,246	(30,483)	(7,237)	22,602	(28,392)	(5,790)

* 2018-19 Income has been restated due to the inclusion of OCP fee remissions.

Income and costs shown are in respect of fee earning business and have been accounted for in accordance with MPMNI. The costs above are calculated on a full cost basis, and include an allocation of administrative, judicial and overhead costs. NICTS is committed to achieving full cost recovery for the services it provides in respect of civil court business. The target of full cost recovery takes account of measures in place to protect access to justice, namely the operation of a court fee exemption and remission policy and also the subsidisation of fees in the family and children's arenas. The income for 2019-20 represents 76% of cost recovery (2018-19: 80%).

The total amount of fees within the family and children's arenas which have been subsidised was £445.3k in 2019-20 (2018-19: £470.9k). Applicants in receipt of certain means tested benefits are entitled to automatic fee exemption. Total fee exemptions during 2019-20 amounted to £62.7k (2018-19: £60.9k). Remission of fees is considered on an individual basis and is granted in cases of hardship. Total fees remitted during 2019-20 amounted to £19.5k (2018-19: £29.0k). The figures for 2018/19 have been restated to include an additional £23.6k of remissions in relation to fees waived by the OCP.

Remote Contingent Liabilities

There were no contingent liabilities requiring disclosure under Assembly reporting requirements. NICTS had no significant remote contingent liabilities during 2019-20 that require disclosure. Note 23 provides further details regarding the contingent liabilities that are included within the financial statements.



Anthony Harbinson
Accounting Officer
28 October 2020

The Certificate and Report of the Comptroller and Auditor General to the Northern Ireland Assembly

Opinion on financial statements

I certify that I have audited the financial statements of the Northern Ireland Courts and Tribunals Service for the year ended 31 March 2020 under the Government Resources and Accounts Act (Northern Ireland) 2001. The financial statements comprise: the Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows, Changes in Taxpayers' Equity; and the related notes including significant accounting policies. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Accountability Report that is described in that report as having been audited.

In my opinion the financial statements:

- give a true and fair view of the state of the Northern Ireland Courts and Tribunals Service's affairs as at 31 March 2020 and of its net operating expenditure for the year then ended; and
- have been properly prepared in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001 and Department of Finance directions issued thereunder.

Opinion on regularity

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

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of this certificate. My staff and I are independent of Northern Ireland Courts and Tribunals Service in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2016, and have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence obtained is sufficient and appropriate to provide a basis for my opinions.

Conclusions relating to going concern

I have nothing to report in respect of the following matters in relation to which the ISAs (UK) require me to report to you where:

- the Northern Ireland Courts and Tribunals Service's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Northern Ireland Courts and Tribunals Service have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Northern Ireland Courts and Tribunals Service's ability to continue to adopt the going concern basis.

Other Information

The Accounting Officer is responsible for the other information included in the annual report. The other information comprises the information included in the annual report other than the financial statements, the parts of the Accountability Report described in the report as having been audited, and my audit certificate and report. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Opinion on other matters

In my opinion:

- the parts of the Accountability Report to be audited have been properly prepared in accordance with Department of Finance directions made under the Government Resources and Accounts Act (Northern Ireland) 2001; and
- the information given in the Performance Report and Accountability Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer 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.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Government Resources and Accounts Act (Northern Ireland) 2001.

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

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

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

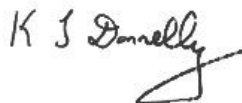
Matters on which I report by exception

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

- adequate accounting records have not been kept; or
- the financial statements and the parts of the Accountability Report to be audited are not in agreement with the accounting records; 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 the Department of Finance's guidance.

Report

I have no observations to make on these financial statements.



KJ Donnelly
Comptroller and Auditor General
Northern Ireland Audit Office
106 University Street
Belfast
BT7 1EU

30 October 2020

PART 3 FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE NET EXPENDITURE

for the year ended 31 March 2020

This account summarises the expenditure and income generated and consumed on an accruals basis. It also includes other comprehensive income and expenditure, which includes changes to the values of non-current assets and other financial instruments that cannot yet be recognised as income or expenditure.

		2019-20	*Restated 2018-19
	Note	£'000	£'000
Revenue from contracts with customers	8.1	(31,908)	(29,555)
Other operating income	8.2	(546)	(675)
Total Operating Income		(32,454)	(30,230)
Staff costs	4	28,225	25,168
Purchase of goods and services	5.1	50,022	46,225
Depreciation and impairment charges	5.1	7,964	7,588
Provision expense	5.1	1,359	1,502
Total Operating Expenditure		87,570	80,483
Net Operating Expenditure		55,116	50,253
Finance income		-	-
Finance expense	6,7	829	899
Net expenditure for the year		55,945	51,152
Other Comprehensive Net Expenditure			
Items that will not be reclassified to net operating expenditure:			
- Net (gain)/loss on revaluation of property, plant and equipment	10	(7,235)	(16,351)
- Net (gain)/loss on revaluation of intangible assets	11	(17)	(24)
- Actuarial (gain)/loss on pension liability	17	121	(112)
Total other comprehensive net expenditure		(7,131)	(16,487)
Comprehensive net expenditure for the year		48,814	34,665

* 2018-19 has been restated due to the prior year adjustment for capitalisation of PFI service variations, as well as some restatements to reflect changes made to account code mapping by DoJ as part of its preparatory work for the implementation of the Review of Financial Process. This includes items of expenditure being reclassified within categories of administration and programme expenditure, as well as minor adjustments to rounded figures used.

All income and expenditure is derived from continuing operations.

The notes on pages 74 to 113 form part of these accounts.

STATEMENT OF FINANCIAL POSITION

as at 31 March 2020

This statement presents the financial position of NICTS. It comprises three main components: assets owned or controlled; liabilities owed to other bodies; and equity, the remaining value of the entity.

	Note	2019-20 £'000	*Restated 2018-19 £'000	*Restated 1 April 2018 £'000
Non-current assets				
Property, plant and equipment	10	214,420	212,039	199,779
Intangible assets	11	1,318	954	1,700
Total non-current assets		215,738	212,993	201,479
Current assets				
Assets classified as held for sale	13	60	60	60
Trade and other receivables	15	5,390	5,015	4,907
Cash and cash equivalents	14	1,140	1,881	2,672
Total current assets		6,590	6,956	7,639
Total assets		222,328	219,949	209,118
Current liabilities				
Trade and other payables	16	(20,405)	(18,719)	(18,337)
Provisions	17	(2,379)	(1,751)	(728)
Total current liabilities		(22,784)	(20,470)	(19,065)
Total assets less current liabilities		199,544	199,479	190,053
Non-current liabilities				
Provisions	17	(4,076)	(3,631)	(3,737)
Other payables	16	(10,738)	(12,313)	(13,798)
Total non-current liabilities		(14,814)	(15,944)	(17,535)
Total assets less total liabilities		184,730	183,535	172,518
Taxpayers' equity and other reserves				
General fund		44,542	46,081	47,338
Revaluation reserve		140,188	137,454	125,180
Total equity		184,730	183,535	172,518

* 2018-19 has been restated due to the prior year adjustment for capitalisation of PFI service variations, as well as some restatements to reflect changes made to account code mapping by DoJ as part of its preparatory work for the implementation of the Review of Financial Process. This includes items of expenditure being reclassified within categories of administration and programme expenditure, as well as minor adjustments to rounded figures used.



Anthony Harbinson
Accounting Officer
28 October 2020

The notes on pages 74 to 113 form part of these accounts.

STATEMENT OF CASH FLOWS

for the year ended 31 March 2020

The Statement of Cash Flows shows the changes in cash and cash equivalents of NICTS during the reporting period. It shows how NICTS generates and uses cash and cash equivalents by classifying cash flows as operating, investing and financing activities. The amount of net cash flows arising from operating activities is a key indicator of service costs and the extent to which these operations are funded by way of income from the recipients of services provided by NICTS. Investing activities represent the extent to which cash inflows and outflows have been made for resources which are intended to contribute to future public service delivery.

	Note	2019-20 £'000	*Restated 2018-19 £'000
Cash flows from operating activities			
Net operating expenditure		(55,945)	(51,152)
Adjustments for non-cash transactions	5.2	10,929	10,602
Increase in trade and other receivables	15	(375)	(108)
<i>Movements in receivables relating to items not passing through the SoCNE</i>		-	(2)
Increase/(decrease) in trade and other payables	16	48	(950)
<i>Movement in payables relating to items not passing through the SoCNE</i>		354	755
Use of provisions	17	(445)	(511)
Net cash outflow from operating activities		(45,434)	(41,366)
Cash flows from investing activities			
Purchase of property, plant and equipment	10,16	(1,841)	(1,603)
Purchase of intangible assets	11,16	(481)	(417)
Net cash outflow from investing activities		(2,322)	(2,020)
Cash flows from financing activities			
From the Consolidated Fund (Supply) – current year		39,566	35,639
From the Consolidated Fund (non-supply)		8,875	8,500
Capital element of payments in respect of SoFP PFI contracts		(1,485)	(1,395)
Net financing		46,956	42,744
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to NICF		(800)	(642)
Receipts due to NICF which are outside the scope of the NICTS' activities		5	10
Payments of amounts due to the NICF		(9)	(6)
Net (decrease)/increase in cash and cash equivalents in the period after adjustment for receipts and payments to NICF		(804)	(638)
Cash and cash equivalents at the beginning of the period	14	1,624	2,262
Cash and cash equivalents at the end of the period	14	820	1,624

* 2018-19 has been restated due to the prior year adjustment for capitalisation of PFI service variations, as well as some restatements to reflect changes made to account code mapping by DoJ as part of its preparatory work for the implementation of the Review of Financial Process. This includes items of expenditure being reclassified within categories of administration and programme expenditure, as well as minor adjustments to rounded figures used.

The notes on pages 74 to 113 form part of these accounts.

STATEMENT OF CHANGES IN TAXPAYERS EQUITY

for the year ended 31 March 2020

This statement shows the movement in the year on the different reserves held by NICTS, analysed into 'general fund reserves' (i.e. those reserves that reflect a contribution from the Consolidated Fund). The Revaluation Reserve reflects the change in asset values that have not been recognised as income or expenditure. The General Fund represents the total assets less liabilities, to the extent that the total is not represented by other reserves and financing items.

	Note	General Fund £'000	Revaluation Reserve £'000	Taxpayers' Equity £'000
Balance at 31 March 2018		46,959	125,176	172,135
Prior Period Adjustment	2,10	384	-	384
Other adjustments		(5)	4	(1)
Restated Balance at 1 April 2018		47,338	125,180	172,518
Net Assembly Funding – drawn down		35,639	-	35,639
Consolidated Fund Standing Services	7,17	8,500	-	8,500
Comprehensive Net Expenditure for the year		(51,040)	16,375	(34,665)
Auditors' remuneration	6,7	107	-	107
Other notionals	6,7	1,436	-	1,436
Transfers between reserves		4,101	(4,101)	-
Balance at 31 March 2019		46,081	137,454	183,535
Net Assembly Funding – drawn down		39,566	-	39,566
Consolidated Fund Standing Services	7,17	8,875	-	8,875
Comprehensive Net Expenditure for the year		(56,066)	7,252	(48,814)
Auditors' remuneration	6,7	119	-	119
Other notionals	6,7	1,449	-	1,449
Transfers between reserves		4,518	(4,518)	-
Balance at 31 March 2020		44,542	140,188	184,730

The notes on pages 74 to 113 form part of these accounts.

NOTES TO THE AGENCY RESOURCE ACCOUNTS

1. Statement of Accounting Policies

These financial statements have been prepared in accordance with the 2019-20 FReM and the Accounts Direction issued by DoF. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) and International Accounting Standards (IAS) as adapted or interpreted for the public sector context.

Where FReM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of NICTS for the purpose of giving a true and fair view has been selected. The particular policies adopted are described below. They have been applied consistently in the year and the preceding year in dealing with items considered material in relation to the accounts, unless otherwise stated.

1.1 Accounting Convention

These accounts have been prepared under the historical cost convention, modified to account for the revaluation of property, plant and equipment, intangible assets and certain financial assets and liabilities.

The accounts are stated in sterling, which is the NICTS functional and presentational currency. Unless otherwise noted, the amounts shown in these financial statements are in thousands of pounds sterling (£'000).

1.2 Accounting Boundary

These accounts incorporate the core activity of NICTS.

The funds invested by CFO are specifically excluded from NICTS accounts following DoF guidance. Third party monies are similarly excluded. The funds held on behalf of third parties by CFO are included in Note 25. Financial information about CFO may be obtained from their separately published annual accounts.

Details of income collected as an agent for the NICF will be disclosed in NICTS' Trust Statement which is published separately from these financial statements.

1.3 Property, Plant and Equipment

NICTS holds title to the land and buildings shown in the accounts with the exception of Laganside Courts Complex which is leased under a PFI Contract (see Notes 10 and 20).

Land has been included within the Statement of Financial Position (SoFP) on the basis of open market value for existing use. Due to the specialised nature of courthouses, they are included within SoFP at depreciated replacement cost (DRC). Land and buildings that are non-operational or surplus assets are valued on the basis of open market value less any directly attributable selling costs. Land and buildings are restated to current value using professional valuations, in accordance with IAS 16, every five years and in the intervening years by the use of indices provided by Land and Property Services (LPS), specific to the

Northern Ireland property sector. The last full valuation for land and buildings was carried out by LPS at 31 March 2019.

Antiques are professionally valued every five years and were revalued at 31 March 2019 by John Ross & Co. (Member of the Irish Auctioneers and Valuers Institute). All other assets are included at DRC and revalued annually using appropriate indices provided by the Office for National Statistics (ONS).

Upward revaluations are credited to the revaluation reserve and downward revaluations are debited to the revaluation reserve to the extent that upward revaluations have previously been credited for the same asset, with any excess downward revaluation charged to the SoCNE.

Expenditure on property, plant and equipment of over £1,000 is capitalised in line with NICTS' capitalisation policy.

1.4 Intangible Assets

Expenditure on intangible assets consists of computer software and licences and the associated costs of implementation are capitalised where expenditure of £1,000 or more is incurred. All intangible assets are carried at depreciated replacement cost and are revalued annually using appropriate indices provided by the Office for National Statistics (ONS).

1.5 Depreciation and Amortisation

All property, plant and equipment and intangible assets are depreciated/amortised at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives.

No depreciation is provided on land since it has unlimited or very long estimated useful life. Useful lives are normally in the following ranges:

Land	- Freehold	Not depreciated
	- Leasehold	Not depreciated
Buildings	- Freehold	Individually assessed
	- Leasehold	Period of lease
Furniture and fittings		10 years
Office machinery & equipment		5 years
Computer hardware		3-7 years
Telecoms & networks		3-7 years
Intangible assets – Software licences		3 years
Computer software		3 years
Antiques (non-operational)		Not depreciated

Additions to assets are depreciated/amortised from the month of acquisition. Disposals from assets are not depreciated/amortised in the month of disposal.

Antiques (non-operational) are included in the furniture and fittings section in property, plant and equipment (Note 10).

1.6 Inventory

Inventory of consumable stores held by NICTS are not considered material and are written off in SoCNE as they are purchased.

There was no inventory held in 2019-20.

Assets seized by EJO are not included in inventories on the basis that they are not owned by NICTS, but are held for resale in settlement of third party creditors. Third party assets held by EJO at the year end are disclosed in Note 25 under Third Party Assets.

1.7 Revenue Recognition

In accordance IFRS 15 *Revenue from Contracts with Customers* NICTS recognises revenue as follows:

Revenue from Contracts with Customers – revenue is recognised at an amount that reflects the consideration to which NICTS is expected to receive, or has already received in exchange for transferring goods or services to a customer. For each contract with a customer, revenue is recognised when NICTS' performance obligations in the contract have been met. Where a performance obligation has not been met, or is expected to be met at a point in the future, this is recognised as a Contract Liability within Payables (Note 16). Where revenue is expected based on performance obligations being met by NICTS, this is recognised as a Contract Asset within Receivables (Note 15).

Court Fees, levies and charges – comprises fees, levies and charges provided on a full cost basis to external customers. Revenue is recognised over time as the services are rendered, based on either a fixed price or an agreed rate.

Rendering of Services – revenue from a contract to provide services is recognised over time as the services are rendered, based on actual costs incurred and in some instances, plus an additional management fee.

Other revenue from contracts – recognised when NICTS has met its performance obligations and the right to receive a payment has been established.

Other operating income – this includes other non-trading income for which no associated good or service has been provided, or it is unrelated to NICTS' ordinary business activities, for example court facility rental payments and capital grant income. This is recognised when revenue is received, or when the right to receive payment is established.

Fine income is not treated as accruing resources for the purposes of these accounts. All fine income is recorded in the Trust Statement and paid to NICF via DoJ as Consolidated Fund Extra Receipts (CFERs). An analysis of fines collected is detailed within Note 9.

1.8 Administration and Programme Expenditure

SoCNE can be further analysed between administration and programme income and expenditure. The classification of expenditure and income as administration or as programme follows the definition of administration costs under the administrative cost control regime set by DoF. Broadly, administration expenditure reflects the costs of running NICTS and includes expenditure on administrative staff and associated costs including accommodation, information technology, communications and office supplies. Programme costs relate to service delivery costs for operating, managing and maintaining the courts.

1.9 Operating Leases

Rentals paid under operating leases are charged to SoCNE on a straight line basis over the lease term.

1.10 Pensions

Past and present employees are covered by the provisions of PCSPS (NI) which is an unfunded defined benefit scheme and is non-contributory except in respect of dependents' benefits. NICTS recognises the expected cost of these elements on a systematic and rational basis, over the period during which it benefits from employees' services, by payment to PCSPS (NI) of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on PCSPS (NI). In respect of the defined contribution schemes, NICTS recognises the contributions payable for the year.

1.11 Early Departure Costs

NICTS has met the additional costs of benefits beyond the normal PCSPS (NI) benefits in respect of employees who retire early by paying the required amounts annually to PCSPS (NI), over the period between early departure and normal retirement date. NICTS has provided for this in full, when the early retirement programme became binding on the organisation.

The last employee to receive benefits under this scheme reached retirement age in March 2019.

1.12 Value Added Tax (VAT)

Irrecoverable VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

1.13 Private Finance Initiative Transactions

DoF has determined that government bodies shall account for infrastructure PFI schemes where the government body controls the use of the infrastructure, and the residual interest in the infrastructure at the end of the arrangement as service concession arrangements, following the principles of the requirements of the International Financial Reporting Standards Interpretations Committee Update (IFRIC 12). NICTS therefore recognises the PFI asset as an item of property, plant and equipment together with a liability to pay for it. The services received under the contract are recorded as operating expenses.

The annual unitary payment is separated into the following component parts, using appropriate estimation techniques where necessary:

- Payment for the fair value of services received;
- Payment for the PFI assets, including replacement of components; and
- Payment for finance (interest costs).

Services received

The fair value of services received in the year is recorded under the relevant expenditure headings within 'Programme costs' (Note 7).

PFI assets

The PFI assets are recognised as property, plant and equipment when they come into use. The assets are measured initially at fair value in accordance with the principles of IAS 17 Leases. Subsequently, the assets are measured at fair value, which is kept up to date in accordance with NICTS' approach for each relevant class of asset in accordance with the principles of IAS 16.

PFI liability

A PFI liability is recognised at the same time as the PFI assets are recognised. It is measured initially at the same amount as the fair value of the PFI assets and is subsequently measured as a finance lease liability in accordance with IAS 17.

An annual finance cost is calculated by applying the 'sum of digits' methodology to the anticipated total interest due over the life of the contract. This is charged to 'Operating expenditure' within SoCNE.

Further details of current on-going agreements are shown in Note 20 to the accounts.

1.14 Provisions

NICTS provides for legal or constructive obligations, which are of uncertain timing or amount at the reporting date, on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated risk-adjusted cash flows are discounted using the general provision discount

rates as set out by HM Treasury which varies by the term of the liability, as shown in the table below:

Rate	Term	Real Rate	Gross Rate
Short-term	Up to 5 years	-1.46%	0.51%
Medium-term	5 to 10 years	-1.42%	0.55%
Long-term	Over 10 years	-0.01%	1.99%

Further details on provisions are contained in Note 17.

1.15 Contingent Liabilities

In addition to contingent liabilities disclosed in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets, NICTS discloses for Assembly reporting and accountability purposes, certain statutory and non-statutory contingent liabilities where the likelihood of a transfer of economic benefit is remote, but which are required to be reported to the Assembly in accordance with the requirements of MPMNI.

There were no contingent liabilities arising during the period which required reporting to the Assembly.

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 the Assembly separately noted. Contingent liabilities that are not required to be disclosed by IAS 37 are stated at the amounts reported to the Assembly.

Further details of contingent liabilities are contained within Note 23.

1.16 Third Party Assets

Third party assets are assets for which NICTS acts as custodian or trustee, but in which neither NICTS nor public sector more generally has a direct beneficial interest in. Third party assets are not public assets, and hence are not recorded in the primary financial statements. In the interests of general disclosure and transparency, details of NICTS third party assets are provided in Note 25.

1.17 Critical accounting estimates and key judgements

The preparation of financial statements in conformity with IFRS requires the use of accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying NICTS' accounting policies. NICTS continually evaluates its estimates, assumptions and judgements based on available information and experience. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates.

The estimates and assumptions which have the most significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are discussed below.

(i) Depreciation of property, plant and equipment

Depreciation is provided in the accounts so as to write-down the respective assets to their residual values over their expected useful lives and as such the selection of the estimated useful lives and the expected residual values of the assets requires the use of estimates and judgements. Details of the estimated useful lives are as shown in Note 1.5.

(ii) Revaluation of property, plant and equipment and intangibles

Where property, plant and equipment have been revalued in accordance with IAS 16, a number of assumptions and judgements have been used to estimate the valuations.

(iii) Judicial Service Award (JSA) – Salaried Judicial Office Holders and Fee Paid Office Holders

NICTS accounts for pension and other post-retirement benefits in accordance with IAS 19 Employee benefits. In determining the pension cost and the defined benefit obligation of the pension schemes a number of assumptions are used which include the discount rate, salary growth, price inflation, the expected return on the schemes' investments and mortality rates.

The fee paid office holders JSA provision relates to fee paid office holders' employment terms and conditions that are subject to an additional degree of uncertainty as they are calculated using assumptions, some of which are subject to ongoing litigation. Further details on the pension provision are contained in Note 17.3.

(iv) Contract Liabilities and Deferred Income

Most of NICTS' deferred income is accounted for as Contract Liabilities in accordance with IFRS 15: Revenue from Contracts with Customers. Fee revenue is recognised in the accounting period in which NICTS' performance obligations are deemed to have been met. Any fee income received prior to full performance obligations being met is treated as a contract liability. The calculation of the liability is based on estimates of the time taken to dispose of cases (within High Court, County Court and Magistrates' Court) and the duration of enforcement activity (within EJO). Average time statistics for the different case types are obtained annually.

(v) Contingent Liabilities

NICTS have a number of contingent liabilities relating to the potential outcomes of ongoing legal cases (Note 23). While the outcomes remain uncertain, the calculation of potential impacts on NICTS will be subject to a number of different estimates and assumptions.

1.18 Financial Instruments

Financial assets and financial liabilities are recognised in the SoFP when NICTS becomes a party to the contractual provisions of the instrument. They are measured initially at fair

value and transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities are added to, or deducted from, the fair value as appropriate on initial recognition.

Financial Assets

NICTS has financial assets in the form of trade receivables, cash and cash equivalents. Financial assets within trade and other receivables are initially recognised at fair value, which is usually the original invoiced amount, and subsequently carried at amortised cost using the effective interest method, less any allowances for expected credit losses. Trade receivables are usually due for settlement within 30 days.

Cash and cash equivalents comprise cash in hand and current balances with banks which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less.

Impairment of Financial Assets

NICTS always recognises lifetime expected credit loss for trade debtors and contract assets. The expected credit losses on these financial assets are estimated using a provision matrix based on the NICTS's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Impairment gains or losses are recognised in SoCNE, with a corresponding adjustment to their carrying amount through a loss allowance account. The carrying amount of the financial asset in the SoFP is not adjusted.

Derecognition of Financial Assets

Financial assets are derecognised when the rights to receive cash flows have expired or have been transferred and NICTS has transferred substantially all the risks and rewards of ownership. When there is no reasonable expectation of recovering part or all of a financial asset, its carrying value is written off.

Financial Liabilities

NICTS has financial liabilities in the form of trade payables. These are initially measured at fair value, net of transaction costs, and subsequently measured at amortised cost using the effective interest method.

Derecognition of Financial Liabilities

NICTS derecognises financial liabilities when, and only when, its obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

1.19 Employee Benefits including Pensions

Under the requirements of IAS 19, all staff costs must be recorded as an expense as soon as the organisation is obligated to pay them. This includes the cost of any untaken leave as at the year end. NICTS has recognised both annual and flexi leave entitlements that have been earned by the year end but not yet taken. These are included in current liabilities for both administration and programme staff across NICTS.

1.20 Segmental Reporting

Under the requirement of IFRS 8 'Operating Segments' - Disclosures (amendment) NICTS must disclose information to enable users of the financial statements to evaluate the nature and financial effects of the business in which it engages and the economic environment in which it operates. 'Total Assets' are only required to be disclosed in reporting segments where total assets for segments are regularly reported to the chief operating decision maker. As total assets for segments are not regularly reported to the chief operating decision maker (currently defined as Anthony Harbinson) NICTS has adopted this amendment. The amendment does not have a material impact on NICTS financial statements. Details of the reporting segments are contained within Note 3.

1.21 Prior Period Adjustment

It has been determined that expenditure on service variations spent to enhance the PFI asset at Belfast Laganside Courts, which until now were funded as one off payments by NICTS and charged to the SoCNE in the year they occurred, should have been treated as capital expenditure included in the SoFP and depreciated to write down the respective assets to their residual values over their expected useful life, in line with the NICTS Capitalisation Policy.

As the PFI asset is on-balance sheet a prior period restatement is considered necessary in accordance with 'IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors' to ensure the treatment of enhancement expenditure on the PFI asset is consistent with the treatment of enhancement expenditure applied to all other assets owned by NICTS.

On this basis the accounting adjustment has been treated as a prior period adjustment as set out in Notes 2 and 28. All expenditure on service variations from the beginning of the PFI arrangement was reviewed to identify the expenditure that should have been capitalised and the accumulated depreciation that should have been charged on this expenditure, had it always been treated as capital expenditure, has been calculated and included in the prior period adjustment.

The overall financial impact resulted in an increase in taxpayers' equity of £584k for 2018-19 and £384k in 2017-18 and a decrease in comprehensive net expenditure for the year ended 31 March 2019 of £200k.

Also, further adjustments have been included to reflect changes made to account code mapping by the DoJ as part of its preparatory work for the implementation of the Review of Financial Process. This includes items of expenditure being reclassified within categories

of administration and programme expenditure, as well as minor adjustments to rounded figures used.

1.22 Accounting standards, interpretations and amendments to published standards and FReM – issued and effective in 2019-20 for the first time

There were no accounting initiatives issued and effective in 2019-20 for the first time.

1.23 Accounting standards, interpretations and amendments to published standards not yet effective

In addition, certain new standards, interpretations and amendments to existing standards have been published that are mandatory for accounting periods beginning on or after 1 April 2020, but which NICTS has not adopted early. Other than as outlined in the table below, NICTS considers that these standards are not relevant to its operations.

Standard	IFRS 16 - <i>Leases (replaces IAS 17 Leases and related interpretations)</i>
Effective date	January 2019 (EU endorsed 31 October 2017)
FReM application	2021-22
Description of revision	<p>The IASB issued IFRS 16 in January 2016 with an effective date for annual periods beginning on or after 1 January 2019. Early application is permitted for those entities applying IFRS 15.</p> <p>IFRS 16 represents a significant change in lessee accounting by largely removing the distinction between operating and finance leases and introducing a single lessee accounting model. A lessee is required to recognise assets and liabilities for all leases, unless they qualify for low value or short-term exemptions. In addition, there are updated disclosure requirements.</p> <p>The lessor accounting model is generally unchanged from IAS 17 but entities should be aware of the introduction and impacts of IFRS 9 Financial Instruments, enhanced disclosure requirements and that a sub-lessor now determines whether a lease is finance or operating based on the right of use asset it subleases.</p>
Comments	IFRS 16 Leases replaces IAS 17 Leases and is effective with EU adoption from 1 January 2019. In line with the requirements of FReM, the implementation of IFRS 16, as interpreted and adapted for the public sector, has been postponed to take effect from 1 April 2021.

1.24 Financial Reporting - Future Developments

NICTS has considered the accounting initiatives identified by HM Treasury for which the Standards are under development and considers that these changes are not relevant or material to its operations.

2. Prior Period Adjustment (impact on the accounts)

2.1 Impact on Opening taxpayers' equity at 1 April 2018 as a result of a prior year adjustment

	General Fund £'000	Revaluation Reserve £'000	Total £'000
Taxpayers' Equity at 1 April 2018 (as originally stated)	46,959	125,176	172,135
Prior period adjustment	384	-	384
Other adjustments	(5)	4	(1)
Taxpayers' Equity at 1 April 2018 (restated)	47,338	125,180	172,518

2.2 Reconciliation of reported taxpayers' equity for the year ended 31 March 2019 as a result of a prior year adjustment

	General Fund £'000	Revaluation Reserve £'000	Total £'000
Taxpayers' Equity at 1 April 2019 (as originally stated)	45,500	137,451	182,951
Prior period adjustment	584	-	584
Other adjustments	(3)	3	-
Taxpayers' Equity at 1 April 2019 (restated)	46,081	137,454	183,535

2.3 Reconciliation of reported net operating costs for the year ended 31 March 2019 as a result of prior year adjustment

	Note	£'000
Net operating costs for 2018-19 (as originally stated)	28	50,492
Prior period adjustment		(200)
Other adjustments		(39)
Net operating costs for 2018-19 (restated)	28	50,253

2.4 Reconciliation of net cash outflow from operating activities as a result of prior year adjustment

	£'000
Net cash outflow from operating activities (as originally stated)	(41,581)
Prior period adjustment	215
Net cash outflow from operating activities (restated)	(41,366)

2.5 Reconciliation of net cash outflow from investing activities as a result of prior year adjustment

	£'000
Net cash outflow from investing activities (as originally stated)	(1,805)
Prior period adjustment	(215)
Net cash outflow from investing activities (restated)	(2,020)

The tables above summarise the overall impact on corresponding amounts in the SoCiTE, SoCNE and SOCF for a reconciliation of all adjustments to the SoCNE and more detailed information refer to Note 28.

3. Statement of Operating Costs by Operating Segment

NICTS is made up of the following operating segments for financial reporting purposes:

- Court Operations;
- Tribunals and Enforcement;
- OLCJ;
- Corporate Services; and
- Modernisation Programme.

NICTS operating segments are determined by the services provided both to external and internal customers.

	Court Operations £'000	Tribunals & Enforce. £'000	OLCJ £'000	Corporate Services £'000	Modern. Prog. £'000	2019-20 Total £'000
Gross Expenditure	48,369	17,469	15,432	4,004	3,125	88,399
Income	(19,357)	(13,026)	-	(54)	(17)	(32,454)
Net Expenditure	29,012	4,443	15,432	3,950	3,108	55,945
	*restated Court Operations £'000	Tribunals & Enforce. £'000	OLCJ £'000	Corporate Services £'000	**Modern. Prog. £'000	2018-19 Total £'000
Gross Expenditure	45,517	15,674	13,720	3,395	3,076	81,382
Income	(18,913)	(11,158)	(4)	(62)	(93)	(30,230)
Net Expenditure	26,604	4,516	13,716	3,333	2,983	51,152

* 2018-19 Court Operations has been restated due to the prior year adjustment for the capitalisation of PFI service variations (per notes 2 and 28).

** Modernisation Programme was previously known as 'Business Transformation' in 2018-19.

4. Staff Costs

Staff costs for NICTS comprise:

	Permanently Employed Staff £'000	Others £'000	2019-20 Total £'000	*Restated 2018-19 Total £'000
Wages and salaries	19,172	1,443	20,615	19,357
Social security costs	1,937	-	1,937	1,796
Other pension costs	5,673	-	5,673	4,015
Total Costs**	26,782	1,443	28,225	25,168

Charged to Administration £'000	Charged to Programme £'000	2019-20 £'000	Charged to Administration £'000	Charged to Programme £'000	2018-19 £'000
3,668	24,557	28,225	3,268	21,900	25,168

* 2018-19 has been restated for reclassification of Apprenticeship Levy from Wages and Salaries to Social Security costs.

** In addition, staff costs of £575,055 (2018-19: £60,636) have been capitalised in respect of staff directly assigned to major capital projects.

A breakdown of the above costs into permanent staff, agency staff and others can be found in the Staff Report within the Accountability Report.

5. Summary of Information for Statement of Comprehensive Net Expenditure

5.1 Operating Income and Expenditure

		Administration	Programme	2019-20 Total
	Note	£'000	£'000	£'000
Revenue from Contracts with Customers		(68)	(31,840)	(31,908)
Other operating income		-	(546)	(546)
Total operating income		(68)	(32,386)	(32,454)
Staff costs	4	3,668	24,557	28,225
Purchase of goods and services	6,7	1,785	48,237	50,022
Depreciation and impairment charges	6,7	1,235	6,729	7,964
Provision expense	7	-	1,359	1,359
Total operating expenditure		6,688	80,882	87,570
Net operating expenditure		6,620	48,496	55,116
Finance income		-	-	-
Finance expense	6,7	-	829	829
Net expenditure for the period		6,620	49,325	55,945

		Administration	Programme	*Restated 2018-19 Total
	Note	£'000	£'000	£'000
Revenue from Contracts with Customers		(75)	(29,480)	(29,555)
Other operating income		-	(675)	(675)
Total operating income		(75)	(30,155)	(30,230)
Staff costs	4	3,268	21,900	25,168
Purchase of goods and services	6,7	1,471	44,754	46,225
Depreciation and impairment charges	6,7	1,305	6,283	7,588
Provision expense	7	-	1,502	1,502
Total operating expenditure		6,044	74,439	80,483
Net operating expenditure		5,969	44,284	50,253
Finance income		-	-	-
Finance expense	6,7	-	899	899
Net expenditure for the period		5,969	45,183	51,152

* 2018-19 figures have been restated to reflect changes made to account code mapping by DoJ as part of its preparatory work for the implementation of the Review of Financial Process. This includes items of expenditure being reclassified within categories of administration and programme expenditure, as well as minor adjustments to rounded figures used.

5.2 Non-cash costs

		Administration	Programme	2019-20 Total
	Note	£'000	£'000	£'000
Non-cash grant income		-	-	-
Purchase of goods and services	6,7	452	1,116	1,568
Depreciation and Impairment charges	6,7	1,235	6,729	7,964
Finance expense	7	-	38	38
Provision expense	7	-	1,359	1,359
Total non-cash costs		1,687	9,242	10,929
				*Restated
		Administration	Programme	2018-19 Total
	Note	£'000	£'000	£'000
Non-cash grant income		-	(71)	(71)
Purchase of goods and services	6,7	439	1,106	1,545
Depreciation and Impairment charges	6,7	1,305	6,283	7,588
Finance expense	7	-	38	38
Provision expense	7	-	1,502	1,502
Total non-cash costs		1,744	8,858	10,602

* 2018-19 figures have been restated to reflect changes made to account code mapping by DoJ as part of its preparatory work for the implementation of the Review of Financial Process. This includes items of expenditure being reclassified within categories of administration and programme expenditure, as well as minor adjustments to rounded figures used.

6. Other Administration Expenditure

	Note	2019-20 £'000	*Restated 2018-19 £'000
Purchase of goods and services			
Cash items:			
Staff related costs		112	69
Accommodation costs		52	5
Office services		71	57
Professional and consultancy costs		562	417
Contracted out and managed services		416	450
Commission and Tribunal costs		12	23
Consumables and equipment costs		107	10
Other costs		1	1
		1,333	1,032
Non-cash items:			
(Profit)/loss on disposal of non-current assets		-	2
Auditors remuneration and expenses		98	88
Notional charges		354	349
Increase/(decrease) in provision for doubtful debts	15	-	-
		452	439
		1,785	1,471
Depreciation and impairment charges			
Depreciation	10	754	620
Amortisation	11	482	683
Revaluation released to SoCNE	12	(1)	2
		1,235	1,305
		3,020	2,776
Total administration costs excluding finance expense			
Interest payable and similar charge		-	-
		3,020	2,776
Total administration costs including finance expense		3,020	2,776

* 2018-19 has been restated due to the prior year adjustment for capitalisation of PFI service variations, as well as some restatements to reflect changes made to account code mapping by DoJ as part of its preparatory work for the implementation of the Review of Financial Process. This includes items of expenditure being reclassified within categories of administration and programme expenditure, as well as minor adjustments to rounded figures used.

7. Programme Expenditure

	Note	2019-20 £'000	*Restated 2018-19 £'000
Purchase of goods and services			
Cash items:			
Staff related costs		379	263
Rentals under operating leases		56	53
Accommodation costs		5,023	4,579
Office services		785	866
Contracted out and managed services		7,577	7,438
PFI service charges		2,515	2,798
Professional and consultancy services		924	937
Commission and Tribunal Costs		11,070	10,847
Consumables and equipment costs		76	132
Client and programme operating costs		641	631
Judicial costs		9,105	7,014
Judicial costs – Consolidated Fund		8,538	8,155
Other costs		432	(65)
		47,121	43,648
Non-cash items:			
Loss on disposal of non-current assets		-	-
Auditors remuneration and expenses		21	19
Notional charges		1,095	1,087
		1,116	1,106
Total purchase of goods and services		48,237	44,754
Depreciation and impairment charges			
Depreciation	10	6,577	6,094
Amortisation	11	159	346
Revaluation released to SoCNE	12	(7)	(157)
		6,729	6,283
Provision expense			
Provided in year	17	1,742	1,817
Written back in year	17	(383)	(315)
		1,359	1,502
Total programme costs excluding finance expense		56,325	52,539
Interest payable and similar charges		791	861
Borrowing costs on provisions		38	38
Total programme costs including finance expense		57,154	53,438

* 2018-19 has been restated due to the prior year adjustment for capitalisation of PFI service variations, as well as some restatements to reflect changes made to account code mapping by DoJ as part of its preparatory work for the implementation of the Review of Financial Process. This includes items of expenditure being reclassified within categories of administration and programme expenditure, as well as minor adjustments to rounded figures used.

8. Income

8.1 Revenue from Contracts with Customers

	2019-20 £'000	*Restated 2018-19 £'000
Court Fees, Levies and Charges	24,126	23,369
Rendering of Services	6,510	5,168
Other revenue from Contracts	1,272	1,018
	31,908	29,555

* 2018-19 figures have been restated to reflect changes made to account code mapping by the DoJ as part of its preparatory work for the implementation of the Review of Financial Process. This includes items of expenditure being reclassified within categories of administration and programme expenditure, as well as minor adjustments to rounded figures used.

Disaggregation of Revenue from Contracts with Customers per NICTS operating segment is as follows:

	Court Operations £'000	Tribunals and Enforcement £'000	OLCJ £'000	Corporate Services £'000	Modern. Prog.* £'000	2019-20 Total £'000
Court Fees, Levies and Charges	18,539	5,587	-	-	-	24,126
Rendering of Services	320	6,139	-	51	-	6,510
Other revenue from Contracts	-	1,249	-	6	17	1,272
	18,859	12,975	-	57	17	31,908

	Court Operations £'000	Tribunals and Enforcement £'000	OLCJ £'000	Corporate Services £'000	Modern. Prog.* £'000	2018-19 Total £'000
Court Fees, Levies and Charges	18,202	5,167	-	-	-	23,369
Rendering of Services	186	4,929	-	53	-	5,168
Other revenue from Contracts	5	990	-	-	23	1,018
	18,393	11,086	-	53	23	29,555

* Modernisation Programme was previously known as 'Business Transformation' in 2018-19.

8.2 Other Operating Income

	2019-20 £'000	2018-19 £'000
Rental income	416	496
Other non-trading income	130	179
	546	675

9. Summary of fine income payable to NICF

Income shown in Note 8 does not include any amounts collected by NICTS where it was acting as an agent for NICF rather than as principal. These amounts will be disclosed in the NICTS Trust Statement which is published separately from these financial statements. Due to the timing of the laying of the Trust Statement for 2019-20, NICTS has continued to disclose these details for the current year.

NICTS accepts payment for amounts imposed in the Magistrates' and Crown courts for onward transmission to NICF via DoJ. Amounts imposed in court can be cleared either by payment or by means other than payment, including committal to prison.

NICTS also receives payment for penalties that are imposed externally to the courts including fixed penalties imposed for motoring offences. These penalties are accounted for as NICF income from date of imposition.

On collection of fines the receipts are held on trust and accounted for as amounts due to NICF until paid over.

The net revenue payable to the consolidated fund consists of the following elements:

	2019-20	2018-19*
	£'000	£'000
Trust Statement Revenue		
Fixed Penalty Notices	2,300	2,613
Court Imposed Fines	5,628	5,668
Offender Levy	463	490
Extra Costs	6	(3)
Confiscation Orders	2,099	1,834
Other Party Criminal	1,719	2,045
	12,215	12,647
Expenditure		
Credit Losses	(2,677)	(5,396)
Revenue retained by NICTS under statute	(1,431)	(1,152)
Disbursements		
Amounts paid to Other Parties	(1,913)	(750)
Amounts paid to Safety Camera Scheme	(1,124)	(962)
	(7,145)	(8,260)
Net Revenue for the Consolidated Fund	5,070	4,387

The amounts that have been received and are due to be paid over to NICF consist of the following elements:

Amounts Held On Trust	2019-20 £'000	2018-19* £'000
Balance held on trust at 1 April	264	266
Fines cleared by receipt of payment (NICF fines)	8,464	7,458
Payments to Consolidated Fund	(5,880)	(5,347)
Payments to others	(2,555)	(2,113)
Balance held on Trust at 31 March	293	264

The receivables balance at year end was £8.0m (2018-19 restated: £8.5m), this includes those receivables which are not payable to NICF, for example compensation.

	2019-20 £'000	2018-19* £'000
Balance receivable at 1 April	8,499	10,137
Amounts Imposed	12,215	12,647
Fines Cleared by receipt of Payment	(10,177)	(8,888)
Refund due from NICF	91	-
Fines Cleared by Competent Authority	(833)	(634)
(Increase)/decrease in impairment provision	(1,844)	(4,763)
Balance receivable at 31 March	7,951	8,499

**The 2018-19 balances have been restated within this note to reflect the contents of the Trust Statement for 2018-19 and in line with the requirements of Chapter 8.2 of FReM, Consolidated Fund Revenue. We note that within the DoJ consolidated accounts comparative figures have not been restated as these are included in the Statements of Assembly Supply in DoJ consolidated accounts and, for the purposes of Assembly Control, these figures are indelible.*

10. Property, Plant and Equipment

	Land £'000	Buildings £'000	Plant & Machinery £'000	Information Technology £'000	Total £'000
Cost or valuation					
At 1 April 2019	36,310	175,814	3,489	3,123	218,736
Additions	-	759	547	1,163	2,469
Disposals	-	-	(5)	(377)	(382)
Transfers and Reclassifications	-	-	-	-	-
Revaluation, indexation and impairment released to SoCNE	-	7	1	-	8
Revaluation, indexation and impairment released to Reval Reserve	-	7,612	14	(1)	7,625
At 31 March 2020	36,310	184,192	4,046	3,908	228,456
Depreciation					
At 1 April 2019	-	1,976	2,818	1,903	6,697
Charged in year	-	6,856	108	367	7,331
Disposals	-	-	(5)	(377)	(382)
Transfers and Reclassifications	-	-	-	-	-
Revaluation, indexation and impairment released to SoCNE	-	-	-	-	-
Revaluation, indexation and impairment released to Reval Reserve	-	388	3	(1)	390
At 31 March 2020	-	9,220	2,924	1,892	14,036
Carrying amount at 31 March 2020	36,310	174,972	1,122	2,016	214,420
Carrying amount at 31 March 2019	36,310	173,838	671	1,220	212,039
Asset financing:					
Owned	36,310	132,609	1,122	2,016	172,057
On balance sheet PFI contracts	-	42,363	-	-	42,363
Carrying amount at 31 March 2020	36,310	174,972	1,122	2,016	214,420

	Land £'000	Buildings £'000	Plant & Machinery £'000	Information Technology £'000	Total £'000
Cost or valuation					
At 1 April 2018	30,345	193,099	3,096	2,563	229,103
Opening balance adjustment	-	390	-	-	390
*Restated opening balance	30,345	193,489	3,096	2,563	229,493
Additions	-	1,417	327	654	2,398
Disposals	-	-	(20)	(106)	(126)
Transfers and Reclassifications	-	(15)	83	2	70
Revaluation, indexation and impairment released to SoCNE	137	13	(1)	-	149
Revaluation, indexation and impairment released to Reval Reserve	5,828	(19,090)	4	10	(13,248)
At 31 March 2019	36,310	175,814	3,489	3,123	218,736
Depreciation					
At 1 April 2018	-	25,206	2,740	1,762	29,708
Opening balance adjustment	-	6	-	-	6
*Restated opening balance	-	25,212	2,740	1,762	29,714
Charged in year	-	6,375	96	243	6,714
Disposals	-	-	(20)	(106)	(126)
Transfers and Reclassifications	-	-	-	-	-
Revaluation, indexation and impairment released to SoCNE	-	(6)	-	-	(6)
Revaluation, indexation and impairment released to Reval Reserve	-	(29,605)	2	4	(29,599)
At 31 March 2019	-	1,976	2,818	1,903	6,697
Carrying amount at 31 March 2019	36,310	173,838	671	1,220	212,039
Carrying amount at 31 March 2018	30,345	168,277	356	801	199,779
Asset financing:					
Owned	36,310	131,824	671	1,220	170,025
On balance sheet PFI contracts	-	42,014	-	-	42,014
Carrying amount at 31 March 2019	36,310	173,838	671	1,220	212,039

* 2018-19 has been restated due to the prior year adjustment for capitalisation of PFI service variations, as well as some restatements to reflect changes made to account code mapping by the DoJ as part of its preparatory work for the implementation of the Review of Financial Process. This includes items of expenditure being reclassified within categories of administration and programme expenditure, as well as minor adjustments to rounded figures used.

IAS 16 requires measurement of assets at fair value.

Land and buildings were valued as at 31 March 2019 by LPS. The valuation was carried out by LPS in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual. As at 31 March 2020, all PPE have been adjusted to their current value by reference to the appropriate indices compiled by ONS.

All Buildings are valued at DRC with the exception of two Courthouses that were revalued at market value, due to their non-operational status, one of which is classified as held for sale (Note 13).

Antiques have been included in the Furniture and Fittings classification and are professionally valued every five years. The valuation was carried out at 31 March 2019 by John Ross & Co.

There are no donated assets to report.

At 31 March 2020, the amount of revaluation surplus that relates to property, plant and equipment is £140,152k (at 31 March 2019: £137,398k).

11. Intangible Assets

Intangible assets comprise internally and externally developed software, software licences and websites.

	Software/ Licences £'000	Externally developed software £'000	Intangibles- Assets under Construction £'000	Total £'000
Cost or valuation				
At 1 April 2019	353	11,710	-	12,063
Additions	40	699	249	988
Disposals	(38)	(538)	-	(576)
Transfers and Reclassifications	-	-	-	-
Revaluation, indexation and impairment to SoCNE	-	-	-	-
Revaluation, indexation and impairment to Reval Reserve	1	39	-	40
As at 31 March 2020	356	11,910	249	12,515
Amortisation				
At 1 April 2019	345	10,764	-	11,109
Charged in year	5	636	-	641
Disposals	(38)	(538)	-	(576)
Transfers and Reclassifications	-	-	-	-
Revaluation, indexation and impairment to SoCNE	-	-	-	-
Revaluation, indexation and impairment to Reval Reserve	-	23	-	23
As at 31 March 2020	312	10,885	-	11,197
Carrying amount at 31 March 2020	44	1,025	249	1,318
Carrying amount at 31 March 2019*	8	946	-	954
Asset financing:				
Owned	44	1,025	249	1,318
On balance sheet PFI contracts	-	-	-	-
Carrying amount at 31 March 2020	44	1,025	249	1,318

	Software/ Licences £'000	Externally developed software £'000	Intangibles- Assets under Construction £'000	Total £'000
Cost or valuation				
At 1 April 2018	353	11,626	-	11,979
Additions	-	260	-	260
Disposals	-	(244)	-	(244)
Transfers and Reclassifications	-	-	-	-
Revaluation, indexation and impairment to SoCNE	-	-	-	-
Revaluation, indexation and impairment to Reval Reserve	-	68	-	68
As at 31 March 2019	353	11,710	-	12,063
Amortisation				
At 1 April 2018	341	9,938	-	10,279
Charged in year	4	1,025	-	1,029
Disposals	-	(243)	-	(243)
Transfers and Reclassifications	-	-	-	-
Revaluation, indexation and impairment released to SoCNE	-	-	-	-
Revaluation, indexation & impairment to Revaluation Reserve	-	44	-	44
As at 31 March 2019	345	10,764	-	11,109
Carrying amount at 31 March 2019*	8	946	-	954
Carrying amount at 31 March 2018	12	1,688	-	1,700
Asset financing				
Owned	8	946	-	954
On balance sheet PFI contracts	-	-	-	-
Carrying amount at 31 March 2019	8	946	-	954

* 2018-19 has been restated due to the prior year adjustment for capitalisation of PFI service variations, as well as some restatements to reflect changes made to account code mapping by the DoJ as part of its preparatory work for the implementation of the Review of Financial Process. This includes items of expenditure being reclassified within categories of administration and programme expenditure, as well as minor adjustments to rounded figures used.

Intangible assets are adjusted to their current value each year by reference to appropriate indices supplied by ONS.

At 31 March 2020, the amount of revaluation surplus that relates to intangible assets is £34k (at 31 March 2019: £53k).

12. Impairment

	2019-20	*2018-19
	£'000	£'000
Charged directly to the SoCNE		
Property, plant and equipment	(8)	(155)
Intangible assets	-	-
	(8)	(155)
Taken through the revaluation reserve		
Property, plant and equipment	(7,235)	(16,351)
Intangible assets	(17)	(24)
	(7,252)	(16,375)
Total (revaluation gain)/impairment charge for the year	(7,260)	(16,530)

* 2018-19 has been restated due to the prior year adjustment for capitalisation of PFI service variations, as well as some restatements to reflect changes made to account code mapping by the DoJ as part of its preparatory work for the implementation of the Review of Financial Process. This includes items of expenditure being reclassified within categories of administration and programme expenditure, as well as minor adjustments to rounded figures used.

13. Assets classified as held for sale

	Land & Buildings £'000
Opening balance at 1 April 2019	60
Transfers	-
Closing balance at 31 March 2020	60

14. Cash and cash equivalents

	2019-20	2018-19
	£'000	£'000
Balance at 1 April	1,624	2,262
Net change in cash and cash equivalent balances	(804)	(638)
Balance at 31 March	820	1,624
The following balances at 31 March were held at:		
Office of HM Paymaster General	-	-
Commercial banks and cash in hand	820	1,624
Balance at 31 March	820	1,624

The closing balance as at 31 March 2020 consists of cash balances of £1,140k and liabilities of £320k (2018-19: cash balance of £1,881k and liabilities of £257k) (2017-18: cash balance of £2,672k and liabilities of £410k).

15. Trade receivables and other current assets

	2019-20	2018-19	2017-18
	£'000	£'000	£'000
Amounts falling due within one year:			
Trade receivables	-	-	-
Value Added Tax	651	517	660
Other receivables	196	735	688
Prepayments	961	851	877
Accrued Income	2,909	2,297	2,095
Contract Assets	673	615	587
Total	5,390	5,015	4,907

Within other receivables there is a provision for bad debt of £37k. As this is a provision, and therefore a non cash movement, it has been excluded from the movement in trade receivables for inclusion within the Statement of Cash Flows (2018-19: £37k).

There are no receivable amounts falling due after more than one year.

16. Trade payables and other current liabilities

	2019-20	*Restated 2018-19	*Restated 2017-18
	£'000	£'000	£'000
Amounts falling due within one year			
Trade payables	46	89	210
Other payables	3,171	2,944	3,102
Cash and cash equivalents	320	257	410
Accruals	9,598	8,374	7,992
Deferred Income	-	9	-
Contract Liabilities	5,695	5,557	5,226
Current part of imputed finance lease element of PFI contracts	1,575	1,485	1,395
Consolidated Fund extra receipts due to be paid to the Consolidated Fund received and receivable	-	4	2
	20,405	18,719	18,337
Amounts falling due after more than one year			
Imputed finance lease element of PFI contracts	10,738	12,313	13,798
Total	31,143	31,032	32,135

* 2018-19 Other Payables has been restated due to departmental reclassification of cash and cash equivalents and to reflect changes made to account code mapping by the DoJ as part of its preparatory work for the implementation of the Review of Financial Process.

Within accruals and deferred income are capital amounts of £1,869k (2018-19: £1,268k).

16.1 Contract Balances

Contract Assets primarily relate to Taxing Master revenue, where performance obligations have been met or partially met, but the revenue is yet to be collected. This is based on the average fees received over the previous 12 month period.

Contract liabilities primarily relate to Courts and EJO fees paid in advance, for which NICTS is yet to meet its performance obligations in relation to the service. Due to the volume of contracts with customers that exist, contract liabilities are calculated based on estimates of time taken to dispose of cases and the average duration of enforcement activities.

Movement in contract balances during the reporting period is as follows:

	Contract Assets £'000	Contract Liabilities £'000
Opening balance at 1 April 2019	615	5,557
Movement In-Year	58	138
Closing balance at 31 March 2020	673	5,695

It is assumed that the full opening balance of contract liabilities has been recognised as income throughout the 2019-20 reporting year, as the majority of deferral periods used are less than 12 months.

17. Provisions

	Early departure costs £'000	Legal Claims £'000	Judicial Service Award £'000	Judicial Litigation £'000	Holiday Pay* £'000	Total £'000
Balance at 1 April 2019	-	185	3,997	1,200	-	5,382
Provided in the year	-	302	184	787	469	1,742
Provisions not required written back	-	(83)	-	(300)	-	(383)
Provisions utilised in the year	-	(107)	(2)	-	-	(109)
Provisions settled from Consolidated Fund	-	-	(336)	-	-	(336)
Borrowing Costs	-	-	38	-	-	38
Actuarial (gain)/loss	-	-	121	-	-	121
Balance at 31 March 2020	-	297	4,002	1,687	469	6,455

*Holiday Pay was a Contingent Liability in 2018-19 and is now being recognised as a Provision in 2019-20.

Analysis of expected timing of discounted flows:

	Early departure costs £'000	Judicial Legal Service Claims Award £'000	Judicial Litigation £'000	Holiday Pay* £'000	Total £'000	
Not later than one year	-	297	395	1,687	-	2,379
Later than one year and not later than five years	-	-	1,579	-	469	2,048
Later than five years	-	-	2,028	-	-	2,028
Balance at 31 March 2020	-	297	4,002	1,687	469	6,455

*Holiday Pay was a Contingent Liability in 2018-19 and is now being recognised as a Provision in 2019-20.

	Early departure costs £'000	Legal Claims £'000	Judicial Service Award £'000	Judicial Litigation £'000	Total £'000
Balance at 1 April 2018	63	310	4,092	-	4,465
Provided in the year	6	287	324	1,200	1,817
Provisions not required written back	-	(315)	-	-	(315)
Provisions utilised in the year	(69)	(97)	-	-	(166)
Provisions settled from Consolidated Fund	-	-	(345)	-	(345)
Borrowing Costs	-	-	38	-	38
Actuarial (gain)/loss	-	-	(112)	-	(112)
Balance at 31 March 2019	-	185	3,997	1,200	5,382

Analysis of expected timing of discounted flows:

	Early departure costs £'000	Legal Claims £'000	Judicial Service Award £'000	Judicial Litigation £'000	Total £'000
Not later than one year	-	185	366	1,200	1,751
Later than one year and not later than five years	-	-	1,463	-	1,463
Later than five years	-	-	2,168	-	2,168
Balance at 31 March 2019	-	185	3,997	1,200	5,382

17.1 Early departure costs

NICTS met the additional costs of benefits beyond the normal PCSPS (NI) benefits in respect of employees who retired early by paying the required amounts annually to PCSPS over the period between early departure and normal retirement date. NICTS had provided for this in full when the early retirement programme becomes binding by establishing a provision for the estimated payments discounted by the Treasury discount rate. The final employee under the scheme reached retirement age in March 2019 and so no further provision is required at 31 March 2020.

17.2 Legal Claims

Provision has been made for various legal claims against NICTS. The provision reflects all known claims where legal advice indicates that there is a present obligation due to a past event and payment is probable and the amount of the claim can be reliably estimated. The amount provided is on a percentage expected probability basis. The provision is based on the estimated cash flow. No reimbursement will be received in respect of any of these claims. Legal claims, which may succeed but are less likely to do so or cannot be estimated reliably, are disclosed as contingent liabilities in Note 23.

17.3 Judicial Service Award – Salaried and Fee Paid Judicial Office Holders

Provision has been made for a JSA entitlement for salaried and eligible fee paid judicial office holders who are members of a JPS. The JSA was created to equalise the tax position of judicial pensions affected by the provisions of the Finance Act 2004.

Following a ruling by the UK Supreme Court on 6 February 2013 that a retired fee paid judicial office holder is entitled to a pension on terms equivalent to those of a salaried judicial office holder, a provision has been recognised in the NICTS Accounts in respect of JSA liabilities relating to fee paid judges.

The provision has been estimated by GAD and takes into account the number of reckonable years served and an estimate of the projected final salaries of existing members. The result has then been discounted to present value using the rates set by HM Treasury. The net service award that members receive is the same as the tax paid on the lump sum and is itself an employee benefit that is subject to income tax and national insurance. NICTS' liability for the service award is grossed-up for the income tax (at an assumed marginal rate) and additional employer's NI is then payable by NICTS on the service awards.

The provision includes estimated amounts due to Judiciary funded by both NICTS and the Consolidated Fund.

17.4 Judicial Litigation

In January 2017, an Employment Tribunal ruled that a group of judges had been subject to age discrimination when they were transferred to the new career average Judicial Pension Schemes (JPS 2015 and NIJPS) in April 2015. MoJ subsequently appealed this ruling, but this was rejected, with the Court of Appeal upholding the ruling that the protections afforded to a Judge up to 14 years from normal pension age were unlawful. A written ministerial statement made by the Chief Secretary to the Treasury on 15 July 2019 set out the government's intention to remedy this discrimination across all public sector pension schemes. However, discussions around the remedy are still ongoing between the government and the employment tribunals and there remains a lack of clarity around the timing and nature of any changes to schemes. A provision has been created in the pension accounts of JPS 2015 and NIJPS. NICTS may be impacted in relation to future JSAs, as any increase in future benefits payable may increase the value of future lump sums and in turn, the value of JSA payable. GAD have provided an estimate of £1.5m

(2018-19 £1.2m) in respect of additional JSAs that might be payable as a result of the litigation ruling if it is not successfully appealed.

MoJ has accepted that eligible Tribunal Members are entitled to a workplace pension under auto-enrolment. DoJ are still waiting on legal advice as to the position in Northern Ireland regarding auto-enrolment. DoJ are developing a plan and timetable to manage the assessment and enrolment of eligible officers and have recognised a provision of £187k to meet the estimated backdated costs.

17.5 Holiday Pay

The Court of Appeal (CoA) judgment from 17 June 2019 (PSNI v Agnew) determined that claims for Holiday Pay shortfall can be taken back to 1998. However, the PSNI has appealed the CoA judgment to the Supreme Court. Due to delays in relation to the COVID-19 situation, it is expected that this will not be heard until 2021 but could result in a decision which either reduces the period of liability or confirms the full period back to 1998. The 2019-20 Holiday Pay provision has been estimated by NICS HR and covers the period from 1998 to 31 March 2020. There are still some very significant elements of uncertainty around this estimate for a number of reasons:

1. The appeal to the Supreme Court (as detail above);
2. Lack of accessible data for years previous to 2011 and for some groups of staff beyond 2011;
3. Ongoing negotiations with Trade Unions;
4. A reliable estimate for the pension element is not yet available so this has not been factored into the provision; and
5. The provision is gross (inclusive of Employee National Insurance and PAYE) and also includes an uplift of 13.8% for Employer National Insurance Contributions (NI). Taxation issues are still under discussion with HMRC so the position is subject to change.

18. Capital commitments

NICTS entered into the following capital commitments as at 31 March 2020:

	2019-20	2018-19
	£'000	£'000
Property, plant and equipment	682	1,049
Intangible assets	512	1,128
	1,194	2,177

19. Commitments under leases

19.1 Operating leases

NICTS has £98k of operating leases as at 31 March 2020 (2018-19 restated: £112k). 2018-19 has been restated to take into account previous rental arrangements that were not previously classified as operating leases.

19.2 Finance leases

NICTS has no obligations under finance leases other than the PFI commitment contained in Note 20.

20. Commitments under PFI contracts

Laganside Complex

In February 1999, NICTS entered into a PFI agreement with a private sector provider for the provision and maintenance of a high quality court complex in Belfast. In accordance with the agreement, service charges became payable with effect from February 2002 to December 2026 and these are charged to the SoCNE. The court complex has been accounted for as an asset and included in the accounts as property, plant and equipment.

The liabilities to pay for the assets are in substance finance lease obligations and therefore contractual payments comprise two elements – imputed finance lease charges and service charges.

The total amount charged in SoCNE in respect of the service element of on-balance sheet (SoFP) PFI transactions was £2,515k (2018-19 restated: £2,798k). Total future obligations under on-balance sheet PFI arrangements are given in the table below for each of the following periods:

	2019-20	2018-19
	£'000	£'000
Rentals due not later than one year	2,182	2,182
Rentals due later than one year and not later than five years	8,728	8,728
Rentals due later than five years	3,755	5,937
	14,665	16,847
Less interest element	(2,352)	(3,049)
Present value of obligations	12,313	13,798
	2019-20	2018-19
	£'000	£'000
Service charge due within one year	1,385	1,639
Service charge due later than one year and not later than five years	5,641	6,738
Service charge due later than five years	2,476	4,758
Total	9,502	13,135

21. Other financial commitments

NICTS has not entered into any non-cancellable contracts at 31 March 2020 (2018-19: nil).

22. Financial instruments

IFRS 9: Financial Instruments, IAS 32: Financial Instruments: Presentation, and IFRS 7: Financial Instruments: Disclosures, requires disclosure that enables evaluation of the significance of financial instruments for NICTS financial position and performance, the

nature and extent of risks arising from financial instruments to which NICTS is exposed during the period and at the reporting date, and how NICTS manages those risks. As a result of the non-trading nature of its activities and the way in which it is financed, NICTS is not exposed to the degree of financial risk faced by business entities.

NICTS has no powers to borrow or invest surplus funds. Financial assets and liabilities are generated by day-to-day operational activities and are not held to change risks facing NICTS in undertaking its activities.

Classification of financial instruments

NICTS financial instruments are measured at amortised cost. NICTS financial assets are classified as receivables and comprise trade and other receivables (Note 15) and cash and cash equivalents (Note 14). NICTS financial liabilities comprise trade payables excluding tax assets, accruals and deferred income (Note 16). The carrying value of these financial assets and liabilities, as disclosed in the notes to the accounts, approximates to fair value because of their short maturities. NICTS recognises the components of net gain/loss through the SoCNE.

Risk Management

Financial risks include credit risk, liquidity risk and market risks (interest rate and currency).

NICTS cash requirements are financed by resources voted annually by the Northern Ireland Assembly. It is not, therefore, exposed to any material credit or liquidity risk.

All of the NICTS financial assets and liabilities carry nil or fixed rates of interest. NICTS is therefore not exposed to any interest rate risk. NICTS is not exposed to any currency risk as all invoices are paid in sterling.

Embedded Derivatives

In accordance with IFRS 9 Financial Instruments, NICTS has reviewed all contracts for embedded derivatives that are required to be separately accounted for if they do not meet certain requirements set out in the standard. In relation to NICTS Laganside PFI contract there is a payment mechanism that determines the charge NICTS will pay from 2009 to 2026 which is based on the UK Retail Price Index and UK Gross Domestic Product Index. The embedded derivative is deemed to be closely related to the host contract as the amounts charged are in relation to the economic environment within which NICTS operates.

23. Contingent liabilities disclosed under IAS 37

NICTS has contingent liabilities where the possibility of the liability crystallising is judged to be possible. Unless otherwise stated, the quantum of the liability can either not be determined with reasonable certainty or to quantify it would jeopardise the outcome of the case.

23.1 Litigation Claims

There are contingent liabilities relating to ongoing legal claims upon which it is not possible to put a value. It is NICTS' assertion that these claims are unsubstantiated.

23.2 Fee Paid Office Holders

There is continuing litigation regarding the pension liability for fee paid judges. Following the judgment of the Court of Justice of the European Union (CJEU) in December 2018, it has been determined that additional pension benefits are payable to eligible fee paid judges in respect of service incurred prior to the date (7 April 2000) that the Part-Time Worker Directive should have been transposed into domestic law. MoJ have made provisions for the potential liabilities arising from this case, which includes increased JSA and the requirement to make payments in lieu of pension and associated interest charges. NICTS does not have any increased liability from the December 2018 ruling as these additional liabilities are pre devolution.

Following a legal challenge, MoJ has conceded that the current policies for sitting in retirement (where a judge may retire and draw a pension from their salaried office, and then sit in a fee paid office), do not apply equally to fee paid judges. MoJ are consulting on changes to rectify this. There is potential for affected judges to bring compensation claims in respect of this.

There are also a number of other legal claims in relation to discrimination between fee paid and salaried judges, which may give rise to further pay and pension claims. We are currently unable to estimate the extent of the potential liability.

23.3 Other Judicial Office Holders

A number of judicial office holders made claims to an Industrial Tribunal under the Part Time Workers (Prevention of Less Favourable Treatment) Regulations (Northern Ireland) 2000. These claims related to the appointment of salaried judicial office holders who hold or held concurrent judicial posts. The Tribunal concluded in its Reserved Judgment issued on 5 June 2017 that the respondents unlawfully discriminated against the claimants in respect of pay and pension and an out of court settlement was agreed and paid out in 2019-20 to the claimants. Future remuneration and pension treatment is subject to ongoing negotiation between all affected parties which may be subject to approval by the Industrial Tribunal.

23.4 Legacy Inquests

Funding was confirmed by the DoJ in February 2019 for progression of Legacy cases and a new Legacy Inquest Unit has been established in NICTS during the 2019-20 financial year. There are currently 52 outstanding legacy cases for which funding is in place based on estimated costs and the Attorney General could refer further legacy cases for inquest. These factors could potentially result in unknown financial impacts for NICTS and the Department.

23.5 Fine Default Litigation

NICTS Operational Policy Branch Fine Default Claims Team has processed a total of 930 claims, relating to the previous Divisional Court decision in 2013 that the enforcement of unpaid fines and other monetary penalties in Northern Ireland was unlawful. From this, 59 offers of settlement have been issued. The majority of claims were rejected as they fell outside the one year limitation period pursuant to section 7(5) of the Human Rights Act 1998. At the time of producing the accounts, a total of 172 writs and civil bills have been issued challenging NICTS' decision to refuse compensation.

The statutory limitation time point was tested in May 2018, May 2019 and September 2019. All three Civil Bills were struck out with no order as to costs. The first legal challenge seeking an extension to the one year limitation period was to be heard in the High Court in May 2020. This has been adjourned and is listed for late November 2020. A number of ongoing County Court cases have been adjourned pending the outcome of the High Court case.

Further to this, in 2018-19 leave was sought to judicially review the decision to imprison fine defaulters under the interim arrangements that were put in place following the 2013 Divisional Court decision. Submissions were lodged in May 2020 and the Court has now confirmed its view that the case should be listed before the Divisional Court and not be heard as a judicial review. A date for hearing has not yet been fixed. If any of these were to succeed, there may be significant financial implications in the future for NICTS and the Department. As yet these are unquantifiable.

If any of these were to succeed, there may be significant financial implications in the future for NICTS and the Department. As yet these are unquantifiable.

24. Related-party transactions

NICTS is an executive Agency of DoJ. DoJ is regarded as a related party. During the year, NICTS has had various material transactions with DoJ, and with other entities for which DoJ is regarded as the parent Department, namely PSNI, Northern Ireland Prison Service, Youth Justice Agency and Legal Services Agency NI. In addition, NICTS has had various material transactions with other government Departments and other central government bodies.

During the year, no Board members have undertaken any material transactions with NICTS.

25. Third-party assets

NICTS holds as custodian or trustee certain assets belonging to third parties.

Third Party Monetary Assets

NICTS, through CFO, continues to provide a banking and investment service for funds that are deposited in court. The investment service is carried out by an external service provider. Examples of the types of funds include monies held for minors, certain assets of

some mental health patients, and payments into court in satisfaction of a claim as well as statutory deposits and unclaimed balances in court.

There are third party bank accounts maintained by the various court offices and OSO. These are not NICTS assets and are not included in the accounts. The assets held at the reporting date to which it was practical to ascribe monetary values, comprised monetary assets such as bank balances and monies on deposit, and listed securities. They are set out in the table below.

	31 March 2019 £'000	Gross inflows £'000	Gross outflows £'000	31 March 2020 £'000
Monetary assets such as bank balances and monies on deposit	107,900	204,606	(211,540)	100,966
Listed securities	195,274	143,390	(139,942)	198,722
Total Third Party Assets	303,174	347,996	(351,482)	299,688

Third Party Inventory Assets

The Official Solicitor may be appointed to act as a financial controller for persons deemed by the courts to be incapable of managing their financial affairs and assets. In such capacity the Official Solicitor acts as custodian of a number of property assets. Title deeds for property may also be held by the court service as security for bails in relation to legal actions.

EJO provides a centralised enforcement service for civil court judgments. A number of cases result in property repossessions.

Other significant assets held at the balance sheet date to which it was not practical to ascribe monetary values comprised:

	31 March 2020 Number	31 March 2019 Number
Property assets	1,465	1,587

26. Entities within the accounting boundary

The accounting boundary incorporates only the core Agency.

The funds invested by CFO are specifically excluded from the accounting boundary, following HM Treasury guidance. Third party monies are similarly excluded. CFO publish separate audited financial accounts.

PACWAC is an Independent Tribunal Non-Departmental Public Body. In line with DAO 05/13, it is within the accounting boundary and subsequently accounted for within NICTS.

Details of income collected as an agent for NICF will be disclosed in the NICTS Trust Statement which is published separately from these financial statements.

27. Criminal Injuries Compensation Appeals Panel Northern Ireland

The administrative functions of Criminal Injuries Compensation Appeals Panel Northern Ireland (CICAPNI) transferred from the Secretary of State for Northern Ireland (SoSNI) to the Secretary of State for Justice (SoSJ) in the 2007-08 financial year and were delivered by a Machinery of Government letter on 1 December 2007.

The administrative functions of CICAPNI transferred from the SoS to DoJ following the devolution of policing and justice in Northern Ireland on 12 April 2010.

DoJ has directed a statement of account in accordance with the 2002 Order and the Scheme only requires a simple statement providing the full cost of CICAPNI for the year, given as a note in the NICTS accounts.

This direction is in accordance with The Criminal Injuries (NI) Order 2002 (“the 2002 Order”) and with the Northern Ireland Criminal Injuries Compensation Scheme 2002 (“the Scheme”) which establish CICAPNI. Both the 2002 Order and the Scheme provide that DoJ may direct the form of the accounts of CICAPNI.

This accounting note has been prepared in accordance with the accounts direction issued by DoJ.

CICAPNI Statement of Account as at 31 March 2020

	2019-20		2018-19	
	£	£	£	£
Income	-		-	
Staff Costs				
Staff Payroll costs	(224,069)		(203,771)	
Judicial Payroll costs	(164,908)		(171,433)	
Total Payroll costs	(388,977)		(375,204)	
Other operating costs	(21,221)		(40,251)	
Net Cost of operations	(410,198)		(415,455)	

28. Prior Year Adjustments to the Financial Statements

During the financial year 2019-20 there was a prior year adjustment to capitalise all enhancement expenditure on service variations from the beginning of the PFI arrangement, which had previously been charged to the SoCNE. The prior period financial statements have also been restated to include the accumulated depreciation that would have been charged had the assets always been treated as capital expenditure.

Included in the financial statements were some other minor adjustments to prior year figures to reflect changes made to account code mapping by the DoJ as part of its preparatory work for the implementation of the Review of Financial Process. This includes items of expenditure being reclassified within categories of administration and programme expenditure, as well as minor adjustments to rounded figures used.

Impact on Financial Statements

The tables below summarise the overall impact of the above prior period adjustment on the corresponding amounts in the SoCNE and the SoFP.

	2018 -19			
	Published	Prior Period	Other	Restated
	Accounts	Adjustment	adjustments	2018 -19
	£'000	£'000	£'000	£'000
Revenue from contracts with customers	(29,554)	-	(1)	(29,555)
Other operating income	(675)	-	-	(675)
Total Operating Income	(30,229)	-	(1)	(30,230)
Staff costs	25,168	-	-	25,168
Purchase of goods and services	46,441	(216)	-	46,225
Depreciation and impairment charges	7,572	16	-	7,588
Provision expense	1,540	-	(38)	1,502
Total Operating Expenditure	80,721	(200)	(38)	80,483
Net Operating Expenditure	50,492	(200)	(39)	50,253
Finance income	-	-	-	-
Finance expense	862	-	37	899
Net expenditure for the year	51,354	(200)	(2)	51,152
Other Comprehensive Net Expenditure				
Items that will not be reclassified to net operating expenditure:				
- Net (gain)/loss on revaluation of property, plant and equipment	(16,352)	-	1	(16,351)
- Net (gain)/loss on revaluation of intangible assets	(24)	-	-	(24)
- Actuarial (gain)/loss on pension liability	(112)	-	-	(112)
Total other comprehensive net expenditure	(16,488)	-	1	(16,487)
Comprehensive net expenditure for the year	34,866	(200)	(1)	34,665

	2018-19			
	Published	Prior Year	Other	Restated
	Accounts	Adjustment	adjustments	2018-19
	£'000	£'000	£'000	£'000
Non-current assets				
Property, plant and equipment	211,457	584	(2)	212,039
Intangible assets	952	-	2	954
Current assets				
Assets classified as held for sale	60	-	-	60
Trade and other receivables	5,015	-	-	5,015
Cash and cash equivalents	1,881	-	-	1,881
Current liabilities				
Trade and other payables	(18,462)	-	(257)	(18,719)
Cash and cash equivalents	(257)	-	257	-
Provisions	(1,753)	-	2	(1,751)
Non-current liabilities				
Provisions	(3,629)	-	(2)	(3,631)
Other payables	(12,313)	-	-	(12,313)
	182,951	584	-	183,535
Taxpayers' equity and other reserves				
General fund	45,500	584	(3)	46,081
Revaluation reserve	137,451	-	3	137,454
Total equity	182,951	584	-	183,535

	2017-18			
	Published	Prior Year	Other	Restated
	Accounts	Adjustment	adjustments	2017-18
	£'000	£'000	£'000	£'000
Non-current assets				
Property, plant and equipment	199,395	384	-	199,779
Intangible assets	1,698	-	2	1,700
Current assets				
Assets classified as held for sale	60	-	-	60
Trade and other receivables	4,907	-	-	4,907
Cash and cash equivalents	2,672	-	-	2,672
Current liabilities				
Trade and other payables	(17,925)	-	(412)	(18,337)
Cash and cash equivalents	(410)	-	410	-
Provisions	(729)	-	1	(728)
Non-current liabilities				
Provisions	(3,735)	-	(2)	(3,737)
Other payables	(13,798)	-	-	(13,798)
	172,135	384	(1)	172,518
Taxpayers' equity and other reserves				
General fund	46,959	384	(5)	47,338
Revaluation reserve	125,176	-	4	125,180
Total equity	172,135	384	(1)	172,518

29. Events after the Reporting Period

29.1 Community Asset Transfer

NICTS continues to work with Bangor Open House Festival, a community arts based group, to facilitate the Community Asset Transfer of Bangor Courthouse. An addendum to the original business case was approved in March 2020. NICTS commenced the legal process of transferring the asset to Bangor Open House Festival, however COVID-19 has put this transfer on hold. It is hoped this will have completed by December 2020.

29.2 The Working Time (Coronavirus) (Amendment) Regulations (Northern Ireland) 2020

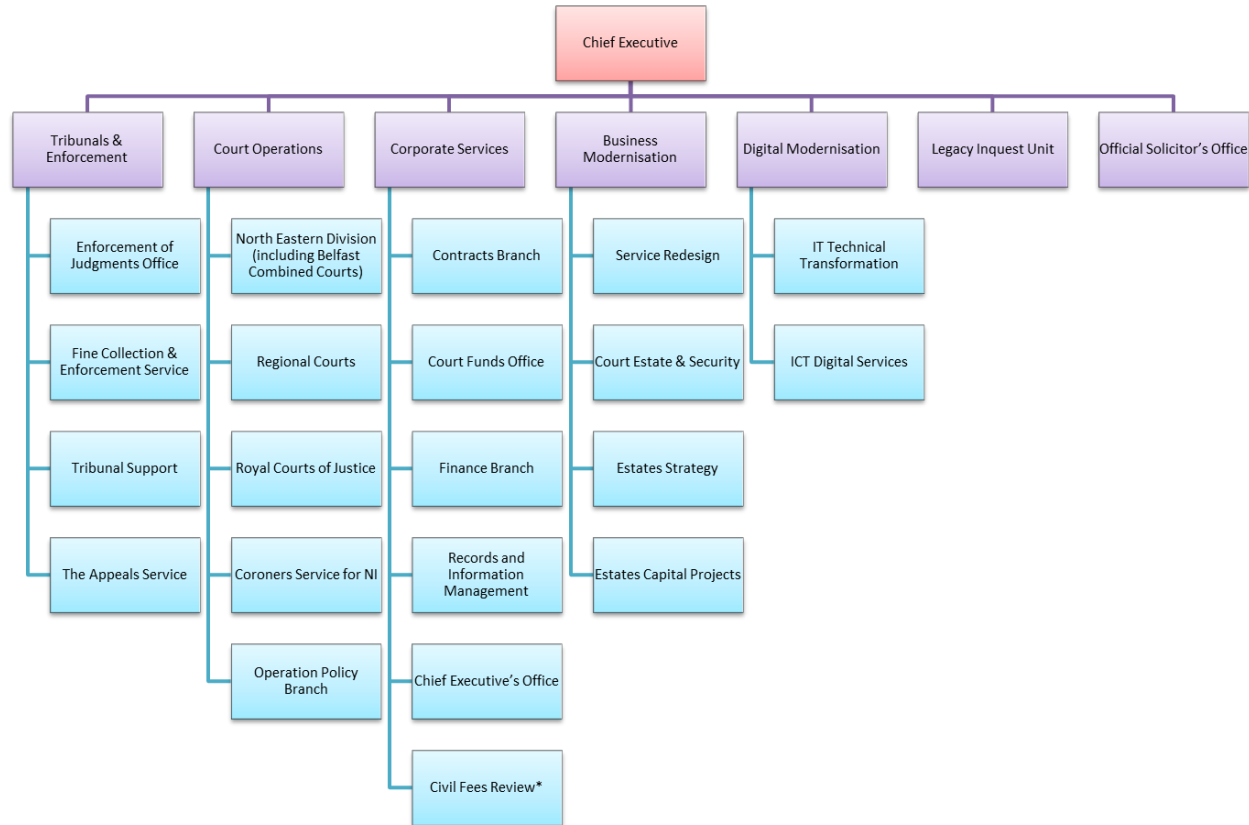
The Working Time (Coronavirus) (Amendment) Regulations (Northern Ireland) 2020 came into operation on 24 April 2020. Where in any leave year it was not reasonably practicable for a worker to take some or all of the leave to which the worker was entitled under this regulation as a result of the effects of coronavirus (including on the worker, the employer or the wider economy or society), the worker shall be entitled to carry forward such untaken leave. In such circumstances, up to four weeks' annual leave may be carried forward into the next two leave years. The change in regulations may lead to an increase in the value of accrued annual leave carried over in the next two years by the department. It is not possible for NICTS to give a reasonable estimate of the impact at this time.

Date of authorisation for issue

The Accounting Officer authorised these financial statements for issue on the same date that they were certified by the C&AG.

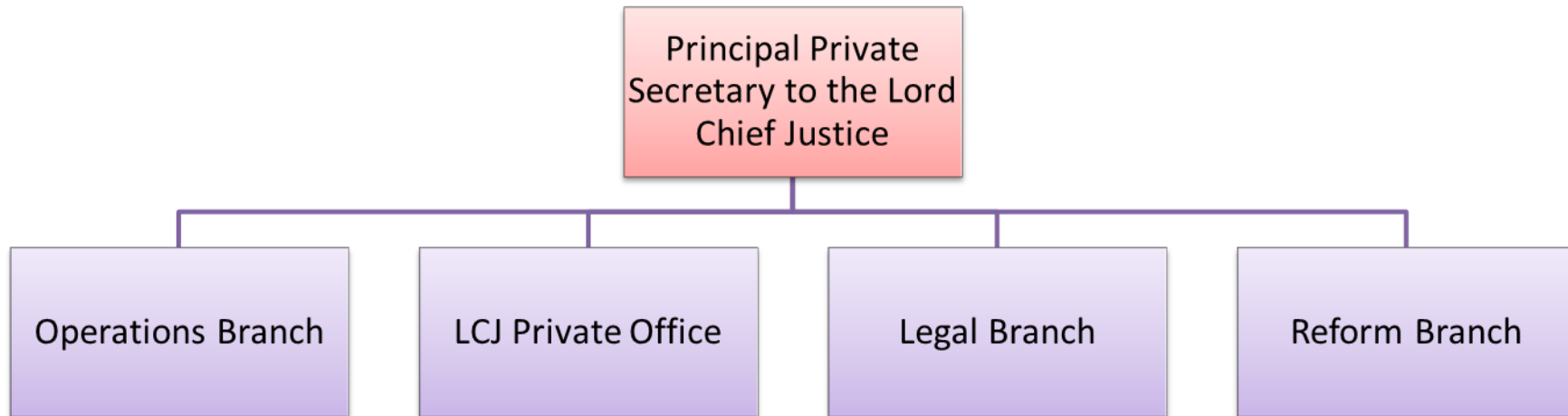
PART 4 APPENDICES

Annex A Northern Ireland Courts and Tribunals Service Organisational Chart 2019-20



** These posts are time bound and would move into the relevant business area once complete.

Annex B Office of the Lord Chief Justice Structure 2019-20



Annex C Staffing

At the end of March 2020, the number of staff employed by NICTS was 714. A breakdown is provided below.

Staff Headcount	
Court Operations Division	467
Tribunals and Enforcement Division	124
Corporate Services	71
Office of the Lord Chief Justice	29
Modernisation Programme	9
Staff Engaged on Capital Projects	13
Chief Executive	1
Total	714

Staff Headcount by Grade	
Administrative Assistant	2
Administrative Officer	280
Executive Officer II	58
Executive Officer I	191
Staff Officer	73
Deputy Principal	51
Principal Officer	44
Grade 6	13
Grade 5	2
Total	714

Annex D Court and Tribunal Performance Standards 2019-20

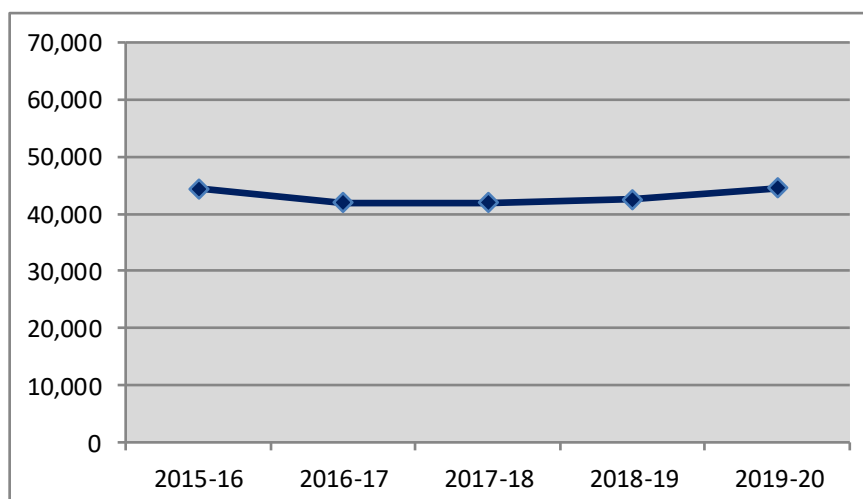
Criminal Business

To facilitate the efficient disposal of criminal business²

- 80% of Crown Court defendants will be arraigned within six weeks of committal;
(In 2019-20 we achieved 88%)
- 80% of Crown Court defendants will start their trial within 18 weeks of committal;
(In 2019-20 we achieved 85%)
- 80% of Crown Court defendants will be sentenced within six weeks of a plea or finding of guilt;
(In 2019-20 we achieved 70%)
- 80% of Magistrates' Courts adult defendants will have their case disposed of within nine weeks of first listing;
(In 2019-20 we achieved 82%)
- A finding will be reached within 12 weeks from first listing for 80% of Youth Court defendants;
(In 2019-20 we achieved 81%)
- 90% of appeals against a sentence will be listed within four weeks of leave being granted to appeal to the Court of Appeal;
(In 2019-20 we achieved 100%)

The chart below shows the levels of criminal business received over the past five years.

Figure 1: Criminal Business Received



¹ These Standards, with the exception of the Court of Appeal, Causeway and Court Order Standards, are set by the Lord Chief Justice.

Criminal Court Business – Volumes, Disposals and Performance

Business Volumes Received	2019-20	2018-19	% difference
Total Criminal business	44,434	42,536	4%
Crown Court cases	1,392	1,331	5%
Magistrates' adult defendants	41,793	39,816	5%
Magistrates' youth defendants	1,249	1,389	-10%
Business Volumes disposed			
Total criminal business	41,908	41,579	1%
Crown Court cases	1,327	1,213	9%
Magistrates' adult defendants	39,321	38,976	1%
Magistrates' youth defendants	1,260	1,390	-9%
Sittings			
Total criminal sittings	5,729	5,712	0%
Crown Court	2,497	2,489	0%
Magistrates' adult	2,944	2,894	2%
Magistrates' youth	288	329	-12%
Performance against a target of 80% compliance			
Crown Court ³	85%	83%	2pp
Magistrates' adult	82%	84%	-2pp
Magistrates' youth	81%	82%	-1pp

pp – percentage point

Civil Business

To facilitate the efficient disposal of civil business

- 95% of civil bills will be allocated a hearing date within 15 weeks of receipt of the certificate of readiness;
(In 2019-20 we achieved 100%⁴)
- 98% of claims for Clinical Negligence will be listed for review before the Master within 13 months of receipt of the writ (applicable to writs lodged since 2011);
(In 2019-20 we achieved 95%)

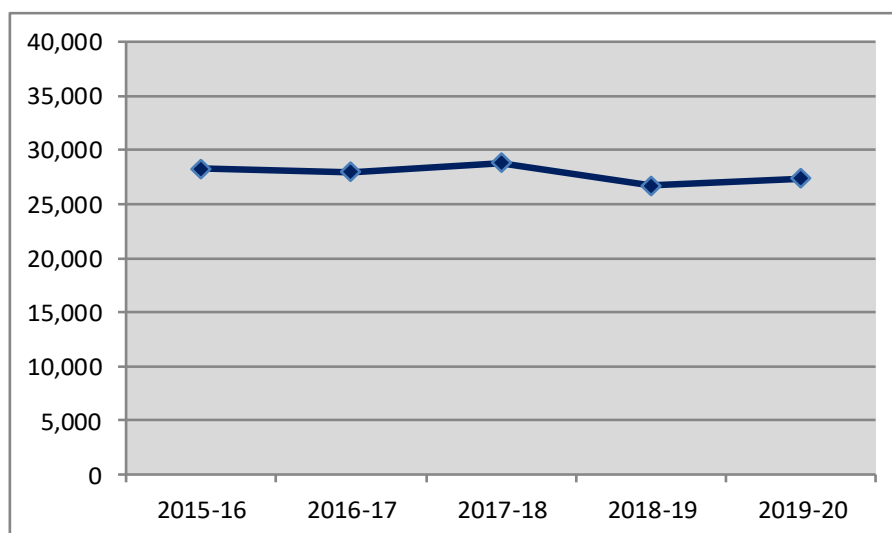
² Committal to hearing target

³ A small number of civil bills were allocated a hearing date outside the standard, however, performance, when rounded, is reported as 100%.

- 98% of claims for Personal Injury will be listed for review within three months of setting down;
(In 2019-20 we achieved 98%)
- 97% of petitions for bankruptcy (presented by creditors) will be listed for hearing within six weeks;
(In 2019-20 we achieved 100%⁵)
- 90% of petitions for bankruptcy (presented by debtors) will be listed for hearing within three weeks;
(In 2019-20 we achieved 99%)
- 85% of applications for Grant of Probate/Letters of Administration will be issued within seven days of receipt of correct information;
(In 2019-20 we achieved 77%)

The chart below shows the levels of civil business received over the past five years.

Figure 2: Civil Business Received



⁴ A small number of petitions for bankruptcy (presented by creditors) were listed for hearing outside the standard, however, performance, when rounded, is reported as 100%.

Civil Court Business – Volumes, Disposals and Performance

Business Volumes Received	2019-20	2018-19	% difference
Total civil business	27,358	26,682	3%
Civil Bills (Notice of Intentions to Defend)	7,505	7,408	1%
Small Claims	9,473	9,537	-1%
Writs set down	887	797	11%
Mortgages received	1,752	1,127	55%
Bankruptcies received	1,207	1,172	3%
Probate grants received	6,534	6,641	-2%
Business Volumes disposed			
Total civil business	28,149	28,505	-1%
Ordinary Civil Bills	8,947	9,348	-4%
Small Claims	8,726	8,304	5%
Writs disposed	2,039	1,842	11%
Mortgages disposed	999	641	56%
Bankruptcies disposed	1,195	1,217	-2%
Probate grants issued	6,243	7,153	-13%
Sittings			
Total civil sittings	2,749	2,786	-1%
County Court	2,128	2,122	0%
Queen's Bench	407	443	-8%
Chancery	214	221	-3%
Performance against a target of compliance			
Civil Bills listed for hearing (95%)	100%	100%	0pp
Petitions for bankruptcy (presented by creditors)	100%	100%	0pp

pp – percentage point

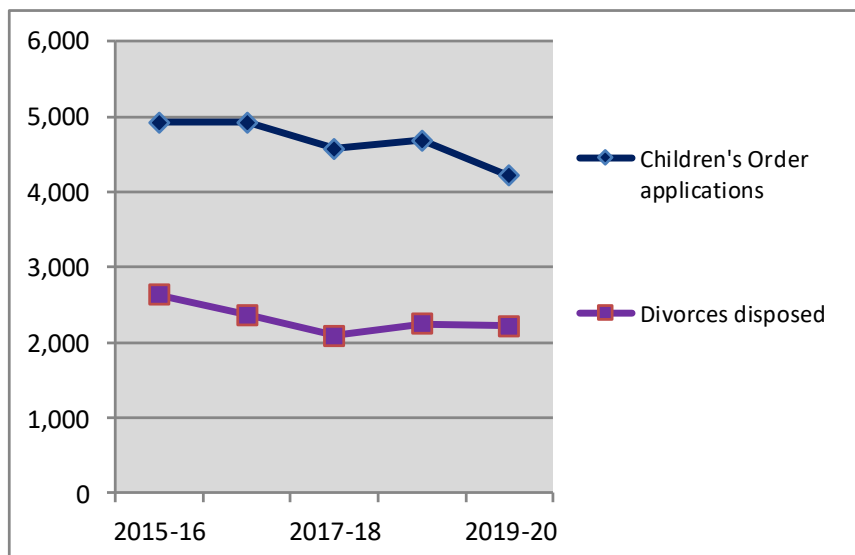
Family Business

To facilitate the efficient disposal of family business⁶

- 92% of Children Order applications will be listed for first directions within six weeks of receipt of correct information;
(In 2019-20 we achieved 97%)
- 95% of annual accounts filed by Controllers on behalf of patients will be reviewed by the Office of Care and Protection within eight weeks of receipt;
(In 2019-20 we achieved 96%)
- 95% of accounts held in court on behalf of patients will be reviewed by the Office of Care and Protection within 12 weeks of the annual review date;
(In 2019-20 we achieved 99%)
- 95% of applications for Enduring Power of Attorney (where no objection has been lodged) will be registered within 40 days of receipt of all required information;
(In 2019-20 we achieved 100%)⁷
- 97% of undefended divorces and dissolution of civil partnerships will be listed for hearing within six weeks of date of receipt and, in the High Court, confirmation of readiness;
(In 2019-20 we achieved 98%)

The chart below shows the levels of family business disposed over the past five years.

Figure 3: Family Business Disposed



⁵ The courts seek to attain the requirement prescribed in the Children (Northern Ireland) Order 1995 that any matter relating to children will be dealt with expeditiously. Any steps in the process will be informed by that statutory imperative and by the provisions of the Case Management Protocol for Public Law cases.

⁶ A small number of applications for EPA were registered outside the standard, however, performance, when rounded, is reported as 100%.

Family Court Business – Volumes, Disposals and Performance

Business Volumes Received	2019-20	2018-19	% difference
Total Family Business	9,379	10,170	-8%
Children Order applications	4,538	5,042	-10%
Divorces received	2,345	2,507	-6%
Enduring Power of Attorney applications received	1,213	1,330	-9%
Controllership applications received	1,283	1,291	-1%
Business Volumes disposed			
Total Family Business	8,772	9,338	-6%
Children Order applications	4,212	4,686	-10%
Divorces disposed	2,219	2,252	-1%
Enduring Power of Attorney registered	1,058	1,109	-5%
Controllership orders issued	1,283	1,291	-1%
Sittings			
Children Order	1,985	2,121	-6%
Performance against a target of 92% compliance			
Children Order	97%	98%	-1pp

pp – percentage point

Coroners Service Business

To facilitate the efficient disposal of Coroners Service business:

- 97% of all deaths investigated that do not require a post-mortem examination will have the certificate of registration issued to the Registrar of Deaths within three working days of the relevant documentation being received by the Coroner;
(In 2019-20 we achieved 99%⁸)
- 95% of all deaths where a post-mortem examination reveals a natural cause of death will have the certificate of registration issued to the Registrar of Deaths within five working days of the Coroner making the decision to close the case following receipt of the post-mortem report;
(In 2019-20 we achieved 97%)
- In 95% of inquests the administrative listing arrangements will be completed within 28 days of the Coroner's direction to list;
(In 2019-20 we achieved 100%)

⁷ A small number of dividend receipts were posted outside the standard, however, performance, when rounded, is reported as 100%.

⁸ A small number of regular payments were made outside the standard, however, performance, when rounded, is reported as 100%.

Coroners Service Business – Volumes and Performance

Business Volumes	2019-20	2018-19	% difference
Deaths reported	4,587	3,947	16%
Post mortems with no inquest	1,051	1,177	-11%
Inquests held	102	104	-2%
No post mortem and no inquest	2,659	2,261	18%
Other disposals of registered entries	539	456	18%
Performance against a target of compliance			
Certificate of registration for deaths not requiring a post-mortem	99%	100%	-1pp
Certificate of registration for deaths requiring a post-mortem	97%	99%	-2pp

pp – percentage point

Court Funds Office (CFO)

To facilitate the efficient disposal of CFO business:

- 90% of dividend receipts will be posted within seven working days of the Registrar's payment date;
(In 2019-20 we achieved 100%⁹)
- 95% of direct credits will be posted within two working days of receipt in the bank account;
(In 2019-20 we achieved 99%)
- 95% of other receipts (cheques, cash or money orders) will be posted on the day of receipt;
(In 2019-20 we achieved 98%)
- 95% of regular payments will be made on or before the due date;
(In 2019-20 we achieved 100%¹⁰)
- 95% of payments will be made within five working days of receiving the relevant paperwork in respect of payments made:
 - to minors reaching 18 years old;
 - on foot of a court order or invoice; or

⁹ A small number of payments were outside the standard, however, performance, when rounded, is reported as 100%.

¹⁰ A small number of regular payments were made outside the standard, however, performance, when rounded, is reported as 100%.

- on receipt of a Notice of Acceptance.
(In 2019-20 we achieved 100%¹¹)

- 98% of investment sale and purchase transactions will be completed within five working days of the relevant trade;
(In 2019-20 we achieved 100%¹²)
- 95% of confirmations that funds have been received by CFO will be issued within five working days of receipt of the funds in full in respect of minor cases;
(In 2019-20 we achieved 100%¹³)

Enforcement of Judgments Office and Taxation Office Business

To facilitate the efficient disposal of EJO and Taxation Office business:

EJO will:

- Accept 90% of Enforcement Applications within ten working days;
(In 2019-20 we achieved 97%)
- Complete 85% of repossessions within 26 weeks of acceptance;
(In 2019-20 we achieved 97%)
- For all applications accepted, an instruction will be issued to make arrangement to be interviewed or summons produced in 90% of debt cases within four weeks;
(In 2019-20 we achieved 93%)

The Taxing Office will:

- Produce 95% of Taxation Assessments within 15 working days;
(In 2019-20 we achieved 100%)

¹¹ A small number of payments were outside the standard, however, performance, when rounded, is reported as 100%.

¹² A small number of dividend receipts were posted outside the standard, however, performance, when rounded, is reported as 100%.

¹³ A small number of regular payments were made outside the standard, however, performance, when rounded, is reported as 100%.

Enforcement of Judgments Business – Volumes and Performance

Business Volumes	2019-20	2018-19	% difference
Total money recovered by the Enforcement process	£8.40m	£7.95m	6%
Notices of Intent to Enforce a Judgment	7,000	9,148	-23%
Applications to Enforce a Judgment	4,126	4,964	-17%
Applications for Repossession	581	558	4%
Repossessions	362	330	10%
Performance against a target of compliance			
Accept Enforcement Applications	97%	96%	1pp
Issue summons for interview	93%	93%	0pp-
Complete Repossessions	97%	95%	2pp

pp – percentage point

Taxation Office Business – Volumes and Performance

Business Volumes	2019-20	2018-19	% difference
Taxing Applications Lodged	1,333	1,179	13%
Taxing Assessments Completed	1,254	1,240	1%
Performance against a target of compliance			
Issue Taxation Assessments	100%	100%	0pp

pp – percentage point

Parole Commissioners Secretariat

To facilitate the efficient delivery of support to Parole Commissioners:

- 95% of cases will be scheduled within five working days of receipt from the DoJ;
(In 2019-20 we achieved 98%)
- 95% of all decisions will be issued within five working days of receipt from a Commissioner;
(In 2019-20 we achieved 100%¹⁴)

¹⁴ A small number were issued outside the standard, however, performance, when rounded, is reported as 100%.

Parole Commissioners Secretariat – Volumes and Performance

Business Volumes	2019-20	2018-19	% difference
Lifers referrals received	91	79	15%
Indeterminate/ Extended Custodial Sentence referrals received	157	185	-15%
Determinate Custodial Sentence referrals received	384	359	7%
Performance against a target of compliance			
Schedule cases	98%	99%	-1pp
Issue decisions	100%	100%	0pp

pp – percentage point

Tribunals

- 90% of all Tribunal hearing dates will be offered within the specified number of weeks; (In 2019-20 we achieved 92%)
- 80% of MHRT appeals will be disposed of within eight weeks of receipt¹⁵; (In 2019-20 we achieved 82%)

Tribunal Business – Volumes and Performance

Business Volumes Received	2019-20	2018-19	% difference
Total Tribunal Business	10,282	13,534	-24%
Care Tribunal	10	3	233%
Charity Tribunal	6	10	-40%
Criminal Injuries Compensation Appeals Panel	243	284	-14%
The Health and Personal Social Services Disqualification Tribunal	N/A	N/A	N/A
Health and Safety Tribunal	0	1	100%
Lands Tribunal	199	151	32%
Mental Health Review Tribunal	247	287	-14%
Mental Health Review Tribunal – Mental Capacity Act (NI) Act 2016 ¹⁶	218	N/A	N/A

¹⁵ This standard is set by the Tribunal President. From 2nd December 2019, the Mental Health Review Tribunal will be known as the Review Tribunal. Cases received under the new Mental Health Capacity Act (NI) 2016 are not included within the existing 2019-20 target.

Business Volumes Received	2019-20	2018-19	% difference
Northern Ireland Traffic Penalty Tribunal	470	560	-16%
Northern Ireland Valuation Tribunal	37	49	-24%
Office of the Social Security and Child Support Commissioner	184	220	-16%
Pensions Appeal Tribunal	140	142	-1%
Rent Assessment Panel	6	6	0%
Special Educational Needs and Disability Tribunal	412	378	9%
The Appeals Tribunal	8,110	11,443	-29%
Business Volumes Disposed	2019-20	2018-19	% difference
Total Tribunal Business	11,668	11,974	-3%
Care Tribunal	8	3	167%
Charity Tribunal	5	2	150%
Criminal Injuries Compensation Appeals Panel	254	309	-18%
The Health and Personal Social Services Disqualification Tribunal	N/A	N/A	N/A
Health and Safety Tribunal	0	1	N/A
Lands Tribunal	188	150	25%
Mental Health Review Tribunal	248	271	-8%
Mental Health Review Tribunal – Mental Capacity Act (NI) Act 2016	77	N/A	N/A
Northern Ireland Traffic Penalty Tribunal	500	605	-17%
Northern Ireland Valuation Tribunal	33	42	-21%
Office of the Social Security and Child Support Commissioner	213	181	18%
Pensions Appeal Tribunal	135	124	9%
Rent Assessment Panel	5	6	-17%
Special Educational Needs and Disability Tribunal	438	339	29%
The Appeals Tribunal	9,564	9,941	-4%

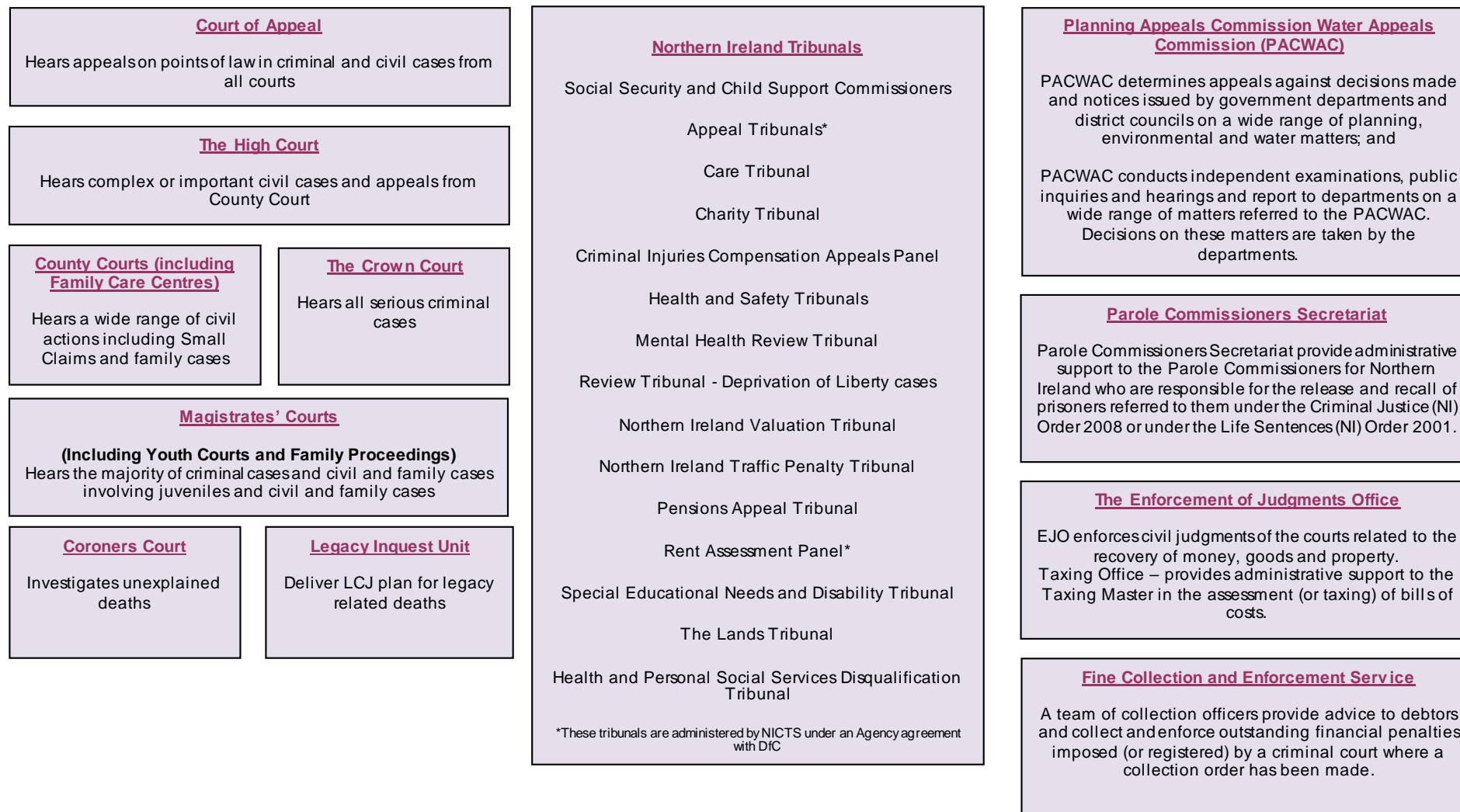
Appendix 1 Administrative Court Divisions



Administrative Court Division	Court venues within the Administrative Court Division	Local Government District
North Eastern	<ul style="list-style-type: none"> • Antrim • Ballymena • Coleraine • Limavady • Laganside Courts 	<ul style="list-style-type: none"> • Antrim and Newtownabbey • *Belfast • Causeway Coast and Glens • Mid and East Antrim
South Eastern	<ul style="list-style-type: none"> • Armagh • Craigavon • Downpatrick • Newry • Newtownards • Lisburn 	<ul style="list-style-type: none"> • Armagh, Banbridge and Craigavon • Newry, Mourne and Down • North Down and Ards • Lisburn and Castlereagh • *Belfast
Western	<ul style="list-style-type: none"> • Dungannon • Enniskillen • Londonderry • Omagh • Strabane • Magherafelt 	<ul style="list-style-type: none"> • Derry and Strabane • Fermanagh and Omagh • Mid Ulster

*The Belfast Local Government District Wards of Ladybrook, Dunmurry, Lagmore, Poleglass and Twinbrook are within South Eastern ACD.

Appendix 2 Northern Ireland Courts and Tribunals Structure



Appendix 3

Judicial Complement in Northern Ireland

Judicial complement of salaried and fee paid judicial officers in Northern Ireland as at 31 March 2020:

Lord Chief Justice	1
Lord Justices of Appeal	3
High Court Judges	10
County Court Judges	18
District Judges (Magistrates' Courts)	21
District Judges	4
High Court Masters	7
Social Security and Child Support Commissioners	2
Coroners	3*
Lands Tribunal Member	1
Appeal Tribunal Member	2
Total	72
Lay Magistrates	125
Fee Paid Tribunal members	376
Number of Deputy and fee paid Judicial Officers	65
Parole Commissioners	45
PACWAC Commissioners	17.5

* In addition, there are 12 salaried judges who hold the role of Coroner concurrently with their other judicial post

Northern Ireland Courts and Tribunals Service
Laganside House
23-27 Oxford Street
Belfast
BT1 3LA
www.justice-ni.gov.uk/courts-and-tribunals

Published and printed by DoF, Digital Print Services,
Craigantlet Buildings, Stoney Road, Belfast BT4 3SX
Tel: 028 9016 3397

978-1-912313-41-9



9 781912 313419 >