



Northern Ireland

Courts and
Tribunals Service

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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 2021

*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

7 July 2021



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CONTENTS

Glossary	4
Part 1 Performance Report	7
Overview	7
Performance Summary and Analysis	20
Part 2 Accountability Report	44
Corporate Governance Report	45
Directors' Report	45
Statement of Accounting Officer's Responsibilities	48
Non-Executive Board Members' Report	49
Governance Statement	51
Remuneration and Staff Report	63
Assembly Accountability and Audit Reports	82
Other Accountability Disclosures	82
Certificate and Report of the Comptroller and Auditor General to the NI Assembly	84
Part 3 Financial Statements	89
Statement of Comprehensive Net Expenditure	89
Statement of Financial Position	90
Statement of Cash Flows	91
Statement of Changes in Taxpayers' Equity	92
Notes to the Accounts	93
Part 4 Appendices	128

GLOSSARY

ALB	Arm's Length Body
AME	Annually Managed Expenditure
AMP	Asset Management Plan
AMS	Asset Management Strategy
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
CICAPNI	Criminal Injuries Compensation Appeals Panel Northern Ireland
CLEAR	Online Applications, Coroners Case Management System
COO SMT	Chief Operating Officer's Senior Management Team
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
DSO	Departmental Solicitor's Office
EJO	Enforcement of Judgments Office
ERT	Emergency Response Team
EU	European Union
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
HMRC	Her Majesty's Revenue and Customs

IAS	International Accounting Standard
ICC	International Conference Centre
ICO	Information Commissioner's Office
ICOS	Integrated Court Operations System
ICP	Indictable Cases Process
IFRS	International Financial Reporting Standards
JASPAR	Judicial Allocations and Sittings Programme And Records
JEMS	Enforcement of Judgments Office system
JPS	Judicial Pension Scheme
JUPRA	Judicial Pensions & Retirement Act
LIU	Legacy Inquest Unit
LED	Light-emitting Diode
LPS	Land and Property Services
MHRT	Mental Health Review Tribunal
MoJ	Ministry of Justice
MPMNI	Managing Public Money Northern Ireland
NEBMs	Non-Executive Board Members
NIAO	Northern Ireland Audit Office
NICF	Northern Ireland Consolidated Fund
NICS	Northern Ireland Civil Service
NICS-HR	Northern Ireland Civil Service - Human Resources
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
ONS	Office for National Statistics
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
REC	Remote Evidence Centre
RCJ	Royal Courts of Justice
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
TUS	Trade Union Side
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 on the remit and purpose of the Northern Ireland Courts and Tribunals Service (NICTS). 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

I am pleased to present the 2020-21 Annual Report and Accounts for the Northern Ireland Courts and Tribunals Service (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 of Northern Ireland (CSNI) and the Legacy Inquest Unit (LIU), have responsibility for enforcing judgments of the civil courts through the Enforcement of Judgments Office (EJO); collect and enforce outstanding financial penalties imposed (or registered) by a criminal court and for funds held in court through the Court Funds Office (CFO). We also provide administrative support to the Parole Commissioners for Northern Ireland (PCNI) and the Historical Institutional Abuse (HIA) Redress Board. We also sponsor the Planning Appeals Commission and Water Appeals Commission (PACWAC).

During the last 12 months the main focus has been managing the impact of the COVID-19 pandemic on courts and tribunals. As with most walks of life, this has been an unprecedented challenge unlike any previously faced and, combined with the pace at which it unfolded, has resulted in fundamental changes to long established procedures and ways of working.

In response, NICTS developed a graduated approach to the public health emergency working with the judiciary, partner organisations and other stakeholders to initially slow down lower priority areas and consolidate business in five operational court hubs. 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 in certain specified circumstances, making greater use of technology to facilitate the move from traditional face to face hearings, the overwhelming 'default position' in the justice system prior to the pandemic, to remote hearings supported by video technology at a scale not seen previously.

As plans were developed to begin the recovery of court business, it was clear the size, layout and condition of the court estate presented specific challenges, most noticeably in terms of Crown Court business. A project team was established to take forward a review of the estate, prepare revised floorplans, complete COVID-19 Secure Risk Assessments and implement a range of work within a tightly defined timeline to support the start of the Michaelmas court term. There was extensive consultation with the Judiciary, justice system partners, the Public Health Agency and Trade Union representatives in order to provide a safe and COVID-19 secure environment for staff, judiciary and court users.

Robust social distancing measures were introduced in courtrooms, offices and public areas, as well as enhanced cleaning regimes and clear guidance for court users. Technology was deployed for remote and hybrid hearings, courtrooms were reconfigured with glass and perspex screens erected to allow proceedings to take place safely. Hand sanitation stations and social distancing signage were installed throughout the NICTS estate with court users provided with instruction on issues such as face coverings and when they should or should not attend court. Public safety has been and remains a priority for NICTS, the judiciary and justice partners and we have worked hard to ensure court and tribunal proceedings can be conducted safely.

The work completed by NICTS in conjunction with OLCJ and partner organisations, ensured court and tribunal business continued throughout the pandemic albeit in certain areas, at reduced levels.

Against the backdrop of the pandemic and the prevailing public health advice, I would like to take this opportunity to recognise the remarkable progress made so far in restoring court and tribunal services. While there is still some way to go to return to pre-pandemic business levels, I would like to thank the judiciary and our justice system partners for ensuring the courts and tribunals continued to operate throughout the pandemic.

It would however be remiss of me if I did not take the time to formally record my thanks and gratitude to the staff of NICTS for their continued resolve, resilience and commitment to ensure an essential public service continues to be delivered despite the many challenges faced both in the workplace and also in all our private lives.

Staff readily embraced new ways of working, the need in some cases for remote working, the implementation of social distancing and other health measures in our courtrooms, tribunal centres and offices. On the frontline, operational staff worked with other justice partners to ensure our system of justice continued to function. In extraordinary times, staff across the organisation displayed resilience, flexibility, commitment and professionalism. The NICTS Modernisation Programme provides a framework to enable the design and delivery of a number of major change programmes and projects intended to modernise courts and tribunal services. The estates and digital modernisation teams, who are part of the Modernisation Programme, worked tirelessly, adapting courtrooms for the COVID-19 era and along with operational colleagues ensured venues could reopen as scheduled.

While the impact of the pandemic and the effort to recover the work of courts and tribunals has been the main focus for the year, we have continued to take forward other commitments outlined in our 2020-21 Business Plan. The pandemic did impact several

areas including the estate elements of our modernisation programme, supporting the scheduled legacy inquest caseload for 2020-21 and implementing certain reforms to Court Funds Office.

Notable achievements include supporting the Department of Justice in a range of reform and policy initiatives. This included work to progress the NICTS elements of committal reform, the Victims & Witness Charter and case progression initiatives. Work also progressed at pace to support the delivery of court related aspects of the Domestic Abuse and Family Proceedings Bill. The Substance Misuse Court in Belfast successfully moved from pilot project status to become an embedded court in Laganside Court. Work will commence in early 2021-22 to develop a phase 2 pilot model for roll-out to other court areas.

We continued to work with other Criminal Justice Organisations to support planning for the end of the European Union (EU) transition period. A range of guidance covering civil and family proceedings was prepared and continues to be kept under review. While the Withdrawal Agreement resolved the majority of potential issues, several areas such as reciprocal enforcement will require some further work at an operational level.

As noted the digital services elements of the Modernisation Programme directly supported business recovery through the rapid expansion of remote hearings. Other achievements included developing a draft Digital Strategy that has issued to key stakeholders for consultation. An electronic case bundles (e-bundles) pilot has been scoped and commenced in the High Court in April 2021. While courtroom technology upgrades were suspended in March 2020 due to COVID-19 restrictions, they subsequently recommenced in August and to date 45 courtrooms have been upgraded in total with secure Wi-Fi installed in all courtrooms.

The HIA Redress Board, an Arm's Length Body (ALB) of The Executive Office (TEO), was established in December 2019 and became operational on 31 March 2020. Through a service level agreement, the Agency is responsible for processing compensation award payments approved by the Secretary to the Board. As at 31 March 2021 434 awards totalling £10,467k have been processed by the NICTS Finance Team.

As we look ahead, we will again face many challenges and opportunities in the new 2021-22 business year. Our primary focus will continue to be business recovery taking account of the prevailing public health advice and guidance. This will include continuing to work with partners to agree a shared approach to improve performance in key areas such as the Crown Court, reviewing NICTS accommodation requirements to further support recovery plans and continuing the rollout of virtual/hybrid courtrooms along with other digital initiatives such as the e-bundles pilot and development of the NICTS Digital Strategy.

Other key areas include the delivery of a probate online portal along with progressing a new case management system for Official Solicitor's Office and procuring a new case management system for PACWAC.

We will also continue to work with the Department for Communities (DfC) to prepare for the effective statutory transfer of The Appeals Service (TAS) and support the Department in a range of policy initiatives and reforms as set out in the Departmental Business Plan.

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

Finally, Peter Luney Chief Operating Officer, has left the Agency to take up a new post in TEO. Peter has been at the heart of NICTS for many years, has played a key leadership role in the development of the service and has made an outstanding contribution to NICTS. His wealth of knowledge has been a huge asset particularly during the COVID-19 pandemic and at a time of unprecedented change in the way we deliver our services. I have greatly appreciated his support and wish him well in his new post.

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 2021. 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 and is accountable to the Northern Ireland Assembly through the Minister of Justice, Naomi Long MLA (“the Minister”).

The role of NICTS is to:

- provide administrative support for Northern Ireland’s courts, tribunals, PCNI, PACWAC and HIA Redress Board;
- 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 to “Serve 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 currently 18 courthouses throughout Northern Ireland, the largest being Laganside Courts and the Royal Courts of Justice (RCJ) in Belfast, and a number of tribunal hearing centres across Northern Ireland. After reverting to a five court hub model at the start of the pandemic all court venues became fully operational again in August 2020 with the exception of the three hearing centres. It is planned to increase the number of venues in 2021 with the reopening of Banbridge Courthouse as part of our business recovery plans. 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.

Shared Services

As part of the wider DoJ grouping, the Agency makes use of a number of departmental and Northern Ireland Civil Service (NICS) centralised functions including:

- Human Resources - HR Connect and NICS HR;
- Procurement - Central Procurement Directorate (CPD);
- IT services - IT Assist (for PCs and Network Services) and NI Direct (for call handling and citizen facing services);
- Finance functions - Account NI;
- Management information - DoJ Analytical Support Services (Financial Services Division);
- Legal services - Departmental Solicitor's Office (DSO); and
- Internal Audit Services - NICS Internal Audit within the Department of Finance (DoF) incorporates the DoJ Internal Audit team.

Working with partners

Courts and tribunals are an important component of the justice system in Northern Ireland and the Agency works with a wide range of partners and other justice system stakeholders. These include the Office of the Lord Chief Justice, the Law Society of Northern Ireland, the Bar of Northern Ireland, the Guardian Ad Litem Agency, the Public Prosecution Service, the Police Service of Northern Ireland and voluntary sector organisations.

The pandemic has brought these relationships into even clearer focus and emphasised the positive impact achieved through close collaboration. The Agency's relationships with these stakeholders and providers are central to its work and the ongoing recovery of court business.

People

The Agency's people are key to delivering the full range of court and tribunal services. Throughout the year, the contribution and commitment of staff has been central in maintaining services to the public during the pandemic. The Agency has worked with staff to ensure they are equipped to face the new challenges of digitalisation and transformation, including different ways of delivering services such as remote and hybrid hearings.

The Agency COVID-19 Recovery Plan aim to return to a fully operational service following the initial peak of the pandemic could only be realised through the significant contribution of staff. Key components of the plan included the following commitments:

- Our people feel safe in the working environment;
- Staff feel engaged with the Agency and what it is trying to achieve, with their concerns being listened to and addressed in an open and transparent manner;
- Staff are mentored and supported by management to adapt to the changes and resilience across the Agency is strengthened;
- Management techniques will be developed to accommodate a mix of on-site and remote working; and
- Staff are effectively reintroduced into the workplace, at the appropriate time, and will receive timely and appropriate training to equip them to perform their duties to the required standards.

To ensure staff received the most up to date and relevant information a range of actions were taken including:

- Regular COVID-19 briefing notes were issued to staff to explain and introduce new measures including changes to existing court procedures. A comprehensive index of these notes was added to the featured content section of the NICTS intranet;
- Copies of information and correspondence issued by the wider Department and NICS were published on the staff Intranet;

- Copies of COVID-19 Secure Risk Assessments and local guidance notes were published; and
- Trade Union Side (TUS) were regularly consulted on new arrangements prior to being introduced. TUS comments and feedback on guidance and adjustments to working arrangements were welcomed and were incorporated in final procedures.

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 7 vacancies), 60 deputy court judicial officers, 114 Lay Magistrates, 45 Parole Commissioners, 16 PACWAC Commissioners (along with 1.5 vacancies) and 375 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 Mr Justice McFarland), the Presiding County Court Judge (His Honour Judge Fowler, 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.

Strategic risks are regularly reviewed and scrutinised by the Agency Board and by the Audit and Risk Assurance Committee. A summary of the organisation's top risks can be found below.

Agency Effectiveness (Resource)

Insufficient resource to deliver operational services.

Records and Information Management

Records and information are not managed in line with Departmental policy, legislation and statutory requirements.

Official Solicitor's Office ICT System

Existing systems provide insufficient governance control to adequately safeguard the needs and interests of Patients and Minors.

Degradation of the Court Estate

The deterioration of property assets adversely impacts business continuity and service delivery.

Business Recovery

Service delivery is constrained while complying with public health guidance leading to delay.

During the course of the reporting period, risks associated with the end of the EU Implementation Period and the ability to log user activity via legacy Line of Business Systems were de-escalated from the Corporate Risk Register. A risk reflecting issues around the impact of COVID-19 on civil fee income was added to the Quarter 1 Register and was later de-escalated as the scale of the impact was confirmed and additional funding was made available by DoJ.

The uncertainty around the end of the EU Implementation Period, the review of the potential operational impact and ongoing planning with partner organisations had been an issue throughout the year. The Agency worked closely with the Department, counterparts in HM Courts and Tribunals Service and operational partners across the Criminal Justice System in Northern Ireland to ensure appropriate plans were agreed in preparation for the end of the Implementation Period.

The most significant issue faced by the Agency was the COVID-19 pandemic. In conjunction with the Office of the Lord Chief Justice and operational partners, the Agency had to react to the emerging public health emergency resulting in an initial reduction in court business. Services were concentrated in five operational hubs with a rapid move to remote and hybrid courts to continue the delivery of vital key services. As lockdown eased, COVID-19 secure risk assessments were completed across the court estate, a range of protective measures were introduced and the majority of court venues re-opened.

Additional accommodation was also secured to further expand the range of services that could be delivered while complying with public health guidance. Although the COVID-19 pandemic has been a significant issue for the Agency, key services continued through an innovative and flexible response.

Further details on the response to the pandemic, including mitigating actions, are included in the Performance Analysis section.

2020-21 PERFORMANCE SUMMARY

NICTS Business Plan for 2020-21 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

- While not a formal objective for 2020-21, performance standards were retained and measured as a means of assessing the impact of the pandemic and recovery measures. During 2020-21 NICTS met or exceeded 15 out of 36 performance standards as presented in Annex D - Court and Tribunal Performance Standards 2020-21. Performance was directly affected by the pandemic particularly during the initial lockdown period due to a range of influencing factors. Steps taken during the year to aid the recovery of business had a positive impact across a range of targets, although it was not possible to reach the full standard during the reporting period. A summary of performance can be found at Annex D.
- The Agency worked with the Office of the Lord Chief Justice and justice partners to plan and manage recovery from the initial lockdown period. Work was completed across the court estate, a range of COVID-19 Secure Risk Assessments were prepared and published and the provision of video conferencing technology to support remote/hybrid hearings was greatly increased. Further detail on business recovery is included later in the report.
- The Agency worked collaboratively with other Criminal Justice Organisations to support planning for the end of the EU transition period. A range of guidance covering civil and family proceedings was prepared and continues to be kept under review.
- Work continued with the Department of Communities to prepare for the transfer of TAS. Internal project boards and a Strategic Oversight Group were established to monitor progress.

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

- In addition to the statutory planned maintenance requirements, a range of adjustments were completed across the court estate to comply with COVID-19 related public health guidance.
- An electronic case bundles pilot was scoped and commenced in April 2021. Courtroom technology upgrades were suspended in March 2020 due to COVID-19 restrictions but recommenced in August 2020. To date 45 courtrooms have been upgraded in total with secure Wi-Fi installed in all venues.
- The Probate Online Portal, ICOS (Integrated Court Operation System) interface and payment portal have been developed with user acceptance testing currently ongoing.

Develop and lead our people to achieve our business objectives

- Induction training plans were adapted to include operational aspects with Court Operations developing a bespoke programme. Tribunals and Enforcement Division designed and delivered an off-site job specific training package for new staff across grades to support the restructuring of EJO.
- Recommendations from the review of the Enforcement of Judgments Office were implemented during the year including revised job descriptions and delivery of job specific training.
- Key elements such as ICOS training facilities, knowledge bank review and updates were achieved in year. A number of longer term deliverables associated with restructuring and training have been deferred to 2021-22 due to pressures placed on operational resources as a result of the pandemic.

The pandemic impacted on staff engagement plans for the year. However, the COVID-19 Recovery Plan included a communications strand aimed at ensuring staff received the most up to date and relevant information. Actions included regular COVID-19 briefing notes, comprehensive guidance on new or amended court procedures, publishing copies of COVID-19 Secure Risk Assessments and consultation with Trade Union Side.

Deliver a controlled financial and commercial environment achieving value for money and robust corporate governance

- The year-end financial position reflects a 1.6% underspend of the overall Resource DEL budget.
- Work continued to deliver value for money through best practice contract management and procurement during 2020-21.

2021-22 FORWARD LOOK

The primary focus for the 2021-22 financial year will continue to be business recovery taking account of public health advice and guidance. The pandemic crisis has greatly limited the way court and tribunal business has traditionally been delivered. Working in collaboration with the Office of the Lord Chief Justice and our justice system partners, NICTS will continue to review business recovery plans in light of the prevailing public health guidance. The organisation has made good progress on a number of fronts including adapting court and tribunal hearing rooms, increasing the provision of video-conferencing technology, increasing remote working facilities for staff, greater use of virtual/hybrid hearings and implementing enhanced cleaning procedures across the court estate. These enhanced facilities have ensured key services continue to be delivered during the most recent lockdown period and provide a firm basis for prolonged business recovery.

Social distancing requirements and the physical restrictions of a number of court buildings will continue to heavily influence how business can be conducted. We will continue to work with partners to agree a shared approach to tackling specific issues such as the

backlog in Crown Court business. The Agency has been able to secure additional accommodation on a temporary basis. Most notably during 2020-21 the International Conference Centre (ICC) Belfast, the Waterfront, was deployed as a Nightingale venue to support NICTS operations. It will be necessary to review the forward accommodation requirements as the current restrictions are gradually lifted.

While business recovery will be the overriding focus for the Agency over the course of the 2021-22 financial year, other plans for the period include the following key areas of work:

As part of the Modernisation Programme, we will review the court estate to ensure that it supports new ways of working by completing a draft of the Estate Strategy document and progress the development of a five year capital programme. Under the digital modernisation strand projects include the following:-

- Finalise and publish NICTS Digital Strategy for the delivery of future digital justice solutions;
- Deliver digital projects set out in the Digital strategy roadmap for 2021-22 including progressing an electronic case bundles solution;
- Complete the Probate Online Portal Project;
- Progress and implement a new case management system for Official Solicitor's Office/ Office of Care and Protection; and
- Procure and implement a new case management system for PACWAC.

Other key areas of work for the 2021-22 business year include continuing to work with DfC to prepare for the effective statutory transfer of the TAS and supporting the Department in a range of policy initiatives and reforms as set out in the Departmental Business Plan.

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 SUMMARY AND ANALYSIS

The NICTS Business Plan for 2020-21 set 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 2020-21 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 Causeway Service Level Agreement standards.	Achieved
1.2	Recovery	Work with the Office of the Lord Chief Justice and stakeholders to agree methods to increase the levels of business that can be processed by courts and tribunals taking account of public health advice including:- <ul style="list-style-type: none"> • complete COVID-19 risk assessments of our court estate including guidelines for court users; • develop procedures to support the recovery of court and tribunal business; and • increase provision of video conferencing technology to 	Achieved After reverting to a five court hub model at the start of the pandemic all court venues became fully operational again in August 2020 with the exception of the three hearing centres. Video conferencing facilities were installed in all courtrooms and hearing rooms to cater for remote and hybrid hearings. Jury courtrooms were reconfigured to enable jury trials to recommence. All operational buildings were formally risk assessed

		support remote hearings, support changing operational processes and maximise remote working facilities.	<p>in line with Government and Public Health Authority guidance, and 'Working Safely' guidelines were published for staff and court users.</p> <p>Additional Nightingale court venues opened in the ICC and Banbridge Courthouse. Further administrative accommodation was also secured in the Richmond Building, Londonderry and Craigavon.</p>
1.3	Performance	Provide advice to the Minister of Justice on all Court and Tribunal related business before the Northern Ireland Assembly.	Achieved
1.4	Reform	Support the Department of Justice in a range of initiatives to reform the criminal justice system including Committal Reform, Victim & Witness Charters, Case Progression and the Indictable Cases Process (ICP).	<p>Achieved</p> <p>Work to progress the NICTS elements of Committal Reform, Victims & Witness Charter, Case Progression and ICP initiatives were completed to the agreed timetables. Work also progressed to support the delivery of all court related aspects of the Domestic Abuse and Family Proceedings Bill.</p>
1.5	Reform	Support the Department of Justice with problem solving justice pilots including Phase 2 of the Substance Misuse Court in Laganside Courts.	<p>Achieved</p> <p>The Substance Misuse Court in Belfast successfully moved from pilot project status to become an embedded court in Laganside Courts. Work will commence in early 2021-22 to develop a phase 2 pilot model for roll-out to other court areas.</p>
1.6	Civil and Family Justice	Support the delivery of the prioritised recommendations from the Civil and Family Justice Reviews.	<p>Achieved</p> <p>Court related aspects of prioritised initiatives such as the Commercial Hub in the Royals Courts of Justice and the Litigants in Person Steering Group were completed as planned.</p>

1.7	Reform	Continue to support the Department of Justice in the development of an Implementation Plan for delivery of the Gillen recommendations to support transformation of the criminal justice system for victims of sexual offences.	<p>Achieved All NICTS key recommendations for 2020-21 were achieved. Work continues with colleagues in the Department on delivery of a range of priorities. Progress has been made with a number of non-legislative or administrative based recommendations such as juror information, report evidence and research projects.</p> <p>A Remote Evidence Centre (REC) was established in Craigavon with a second REC located in the Greater Belfast area with the necessary IT facilities provided at both.</p>
1.8	EU Exit	Develop, prepare and implement plans to maintain services to an agreed level by the end of EU Implementation Period.	<p>Achieved Plans were established, agreed and subsequently delivered with key stakeholders. Collaborative working with other Criminal Justice Organisations continued to support the EU Exit strategy. Civil and family proceedings guidance has been updated and will be kept under review.</p>
1.9	Legacy	Through the Legacy Inquest Unit (LIU), support the Department of Justice and the Office of the Lord Chief Justice (OLCJ) to deliver the scheduled inquest caseload for 2020-21.	<p>Partially Achieved Delivery of Year 1 inquests was adversely impacted by COVID-19. Responsibility for the LIU and delivery of the associated work programme officially transferred to the OLCJ in October 2020. The LIU continue to work with the Presiding Coroner on recovery planning and a schedule for Year 2 inquests (2021-22).</p>
1.10	HIA	To provide the necessary administrative support to the HIA Redress Board including:- • providing the necessary staff required for the Board as	<p>Achieved NICTS has worked closely with NICSHR to provide the necessary staffing resources. It has also</p>

		approved by TEO; and <ul style="list-style-type: none"> processing payments awarded by the HIA Redress Board within the agreed target dates. 	processed compensation payments within the agreed service levels, five working days for UK based payees and international payments within ten working days of receipt of full payment instructions from the Secretary to the Redress Board.
1.11	Reform – Statutory Transfer	Continue to work with the Department for Communities to prepare for the effective statutory transfer of TAS.	On-going Work continues with the Department for Communities to prepare for the transfer of the tribunal. An internal Project Board and a Strategic Oversight Group have been established to monitor progress.
1.12	Reform	Implement the agreed NICTS recommendations from the BCS review of the Fine Collection Service.	Achieved All recommendations were implemented and a revised staff structure agreed.
1.13	Performance	Reduce by 20% the volume of Land and Money Judgments registered with the EJO as active on 1 April 2020.	Achieved The 20% target was met. Staff were reallocated during the pandemic to interrogate case status reports, identify outstanding activities and conclude active registered casework.

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	As part of the Modernisation Programme, deliver the agreed programme of estates modernisation projects to include:- <ul style="list-style-type: none"> complete building condition and functionality surveys; complete pre-consultation engagement with a view to issuing a consultation document early in the 2021-22 business year; progress the Outline Business Case for the North West Accommodation 	Partially Achieved Measured, condition, and functional surveys were completed and the procurement of design teams for the capital projects at RCJ and Old Town Hall commenced. The development of the Estates Strategy and stakeholder engagement were impacted by other COVID-19 related priorities with key members of staff

		<p>Project; and</p> <ul style="list-style-type: none"> • establish a structured approach to whole life estate management for the RCJ including an External Consultancy Business Case to progress a supporting project. 	<p>diverted to business recovery activities. The Outline Business Case for North West accommodation was also delayed due to the pandemic. However, initial stakeholder engagement and option scoping work was progressed.</p>
2.2	Modernisation of Service Delivery	<p>In tandem with the Estates Modernisation Programme continue to maintain the NICTS Estate including:-</p> <ul style="list-style-type: none"> • provide a safe and secure environment for NICTS staff, Judiciary and court users; • maintain the NICTS Estate to ensure statutory compliance and value for money; and • demonstrate our commitment to environmental sustainability. 	<p>Achieved</p> <p>In addition to the statutory planned maintenance requirements, a range of adjustments were completed across the court estate to comply with COVID-19 related public health guidance. Completed planned maintenance works included various security upgrades and carbon reduction projects.</p>
2.3	Modernisation of Service Delivery	<p>As part of the Modernisation Programme, deliver the agreed programme of digital modernisation projects to include:-</p> <ul style="list-style-type: none"> • take forward agreed recommendations from the NICTS Line of Business Review to support the delivery of future digital justice solutions; • develop a Digital Strategy for the delivery of future digital justice solutions; • deliver Year 2 of the digital projects including progressing an electronic case bundles pilot; • complete Year 2 of the Courtroom Technology Refresh Project to include a refresh of digital audio recording and video presentation technology and installation of a secure Wi-Fi connectivity service to facilitate the display of digital evidence in court; and • work in partnership with Department of Justice and stakeholders to deliver a new 	<p>Achieved</p> <p>The Line of Business Review Report was agreed in June 2020 with recommendations currently being progressed. A draft Digital Strategy has been developed and has been issued to key stakeholders for consultation.</p> <p>An electronic case bundles pilot was scoped and commenced in April 2021. Courtroom technology upgrades were suspended in March 2020 due to COVID-19 restrictions but recommenced in August 2020. To date 45 courtrooms have been upgraded in total with secure Wi-Fi installed in all courtrooms.</p>

		remote vulnerable witness suite in a suitable Belfast location.	
2.4	Modernisation of Service Delivery	As part of the Modernisation Programme, deliver the agreed programme of service redesign projects to include:- <ul style="list-style-type: none"> • progressing the Probate online project; and • progressing a new case management system for Official Solicitor's Office/ Office of Care and Protection. 	<p>Achieved</p> <p>The Probate Online Portal, ICOS interface and payment portal have been developed with user acceptance testing currently ongoing. Probate online forms and guidance have been completed and the supporting rule changes are in progress. Go live for the new Probate Online Portal is planned for Quarter 1 of 2021-22.</p> <p>The Official Solicitor's Office/Office of Care and Protection procurement was suspended due to the COVID-19 pandemic. The procurement recommenced in January 2021 with contract award scheduled for May 2021.</p>
2.5	Reform	Make provisions for the agreed Court Funds Office reforms arising from the 2019-20 public consultation exercise within the Justice (Miscellaneous Provisions) Bill.	<p>Partially achieved:</p> <p>Due to the complex nature of the proposed reforms, legislative changes are required and given other priorities it has not been possible to include reforms in the forthcoming Justice Bill.</p> <p>The proposal to introduce a scheme for guardians to make applications for payment to Junior Investment Saving Accounts has been achieved; the scheme commenced in February 2021.</p>

Theme 3: Develop and lead our people to achieve our business objectives			
Ref	Area	Business Objective	Year End Position
3.1	People	Take forward year two recommendations arising from the Business Consultancy Service Review of Court Operations to ensure staff are better equipped to deliver change and support enhanced service delivery.	Partially Achieved Key elements such as ICOS training facilities and knowledge bank review were achieved. A number of longer term deliverables associated with restructuring and training have been deferred to 2021-22 due to pressures placed on operational resources as a result of the pandemic.
3.2	People	Implement the accepted grading and organisational recommendations arising from the Business Consultancy Service Review of EJO.	Achieved All recommendations were progressed including approval of a revised structure, revised job descriptions and the delivery of job specific training.
3.3	People	To establish a staff engagement structure which complements the work being undertaken at Departmental level and works to address new ways of working as a result of COVID-19 challenges including:- <ul style="list-style-type: none"> • finalising a Communication Plan; and • agreeing a draft Engagement Strategy. 	Partially Achieved The pandemic impacted on staff engagement plans for the year. The COVID-19 Recovery Plan included a communications strand aimed at ensuring staff received the most up to date and relevant information. Actions included regular COVID-19 briefing notes, comprehensive guidance on new or amended court procedures, publishing copies of COVID-19 Secure Risk Assessments and consultation with Trade Union Side.
3.4	People	Promote and support the timely identification of staff training and development through Divisional Training Plans with an increased emphasis on business specific training to support the delivery of business objectives and maximise capability and personal development opportunities.	Achieved Induction training plans were adapted to include operational aspects with Court Operations developing a bespoke programme. Tribunals and Enforcement Division designed and delivered an off-site job specific training package for

			new staff across grades to support the restructuring of EJO.
3.5	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 Human Resources 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	Monitor the level of civil and family fee income and contribute to the Business Recovery Plan in terms of forecast income and cost recovery.	Achieved The pandemic had a direct impact on the levels of civil fee earning business, this was addressed through robust monitoring procedures and engagement with DoJ.
4.2	Budget	Effectively manage the Agency budget to maximise efficiency, and utilise resources for maximum effectiveness, ensuring underspend of less than 2%.	Achieved The year-end financial position reflects an underspend of 1.6% of overall Resource DEL budget.
4.3	Governance	Produce financial plans, statements and reports in accordance with DoJ and NI Executive requirements.	Achieved Statements and reports were published within the set Departmental and Executive timelines.
4.4	Governance	Deliver effective, affordable and appropriate governance, encompassing appraisal and evaluation, procurement processes and contract management.	Achieved The necessary governance returns and statements were completed during the period. Procurement activity was managed in line with the relevant procurement guidance and policies.
4.5	Information Management	Provide an effective and legislatively compliant Records Management and Information Assurance function within NICTS.	Partially Achieved The pandemic impacted on the ability to answer some subject access and Freedom Of Information requests within statutory time lines largely due to NICTS business relying

			heavily on physical documents. Requests may often relate to complex cases that can include sensitive data.
4.6	Governance	Support an effective Judicial Appointment, Payroll and Pension function, which accurately reflects current and any future changes to judicial policy.	Achieved Judicial appointment schemes, payroll actions and pension activities were administered effectively.

COVID-19 Pandemic – Impact and Business Recovery (Court Operations)

The key focus for the 2020-21 business year has been managing the impact of the COVID-19 pandemic on courts and tribunals and planning the recovery of business, taking account of the prevailing public health guidance.

NICTS initially 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 the Office of the Lord Chief Justice NICTS implemented 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 in certain specified circumstances, and made greater use of technology to facilitate the move from traditional face to face hearings.

As plans to begin the recovery of court business were developed, a project team was established to take forward a review of the estate, prepare revised floorplans, complete COVID-19 Secure Risk Assessments and implement a range of work within a tightly defined timeline to support the re-opening of venues.

Robust social distancing measures were introduced in courtrooms, offices and public areas, as well as enhanced cleaning regimes and clear guidance for court users. Technology was deployed for remote and hybrid hearings, courtrooms were reconfigured with glass and perspex screens erected to allow proceedings to take place safely. Hand sanitation stations and social distancing signage were provided throughout the estate with court users provided instructions on issues such as face coverings and when they should attend court. The successful delivery of the project ensured court and tribunal business has continued throughout the pandemic albeit in certain areas, at reduced levels. Key achievements include:-

- All courthouses, with the exception of the three smallest hearing centres, have reopened.
- Virtual courtroom capacity has been significantly increased, with video conferencing technology being deployed to facilitate remote and hybrid hearings. There are now 66 Sightlink licences and 17 WebEx in operation across the court estate. In total 27 additional video conferencing units have been installed in courtrooms and tribunal hearing rooms for virtual and hybrid hearings.

- With the completion of modification works in Antrim, Dungannon and Newry scheduled for early April, there will be a total of 13 jury trial courtrooms available exceeding capacity for the average number of trials held at any one time pre-COVID-19.
- Agreement of a leasing arrangement for the ICC Belfast as a Nightingale venue to support NICTS operations. The ICC was initially limited to providing accommodation for jury empanelment and back office staff, however, use of the facility has been extended to include Coroner's business and pre-hearing consultation space for solicitors and their clients. In addition, tribunal business such as welfare appeals is currently being listed and listing for small claims cases has also commenced.

While positive steps were taken to ensure the full range of services continued, there has been a related impact on business performance both in terms of cases received and overall number of disposals.

Criminal Business

During the first lockdown period, the number of criminal cases in the system, primarily in the Magistrates' courts, rose by just under 60% from around 8,000 cases pre-COVID-19 to a caseload of around 12,800 at the end of August 2020. The most recent data confirms that since the re-opening of most courts, almost 4,000 more cases were dealt with than received and the backlog that built up in the initial lockdown is being eroded. The suspension of jury trials between March and August resulted in an increase in Crown Court caseload. Although jury trials have recommenced, the number of new cases coming into the system currently exceeds the number of trials held. To help address this backlog additional crown courtrooms have been brought into use including facilities to list multi-defendant cases in Laganside Courts.

Civil Business

It is not possible to accurately determine the overall backlog of cases for civil business in exactly the same manner as criminal. Civil cases are lodged in court and may be inactive for several reasons including negotiations between parties, solicitors not informing the court office that cases have settled or because parties simply decide not to proceed with a case. County court receipts and disposals remain at just under 60% of their pre-lockdown numbers. Disposals remain at approximately 85% of receipts comparable with pre-lockdown level. However it should be remembered that although disposal rates have increased during the recovery phase, receipts typically remain 40% below pre-COVID-19 levels.

The pattern in the High Court differs across business areas. While all business saw a decline over the lockdown period, the most marked difference is noted in Chancery with both receipts and disposals currently around 20% of pre-lockdown levels. The position with Queen's Bench is more complex with business fluctuating from week to week with receipts and disposals currently around two thirds of pre-lockdown levels. The levels of Probate business have risen steadily since April when the service was reinstated and currently the levels of receipts are slightly higher than their pre-lockdown levels.

Family Business

Family receipts and disposals declined from the start of lockdown, however the dip in receipts is less marked than those seen in the criminal and civil business areas. From mid-April cases received and disposed have steadily increased and with the re-opening of most courts in August, the average number of receipts and disposals increased further currently exceeding pre-lockdown levels by around 10%.

COVID-19 Pandemic – Impact and Business Recovery (Tribunals & Enforcement Division)

Tribunal Business

The majority of NICTS tribunals have resumed case disposal performance to pre-COVID-19 standards and any outstanding case load is reducing. Traditionally the majority of appellants are unrepresented and attend hearings in person to present their appeal. Using remote technology, parties to proceedings were offered a choice of physical, video and telephone hearings from April onwards extending gradually across all tribunals. The introduction of Microsoft 365 across tribunals helped facilitate the secure digital transfer of evidence to panel members and government departments. This approach, which will produce future efficiencies in time, human resources and materials while improving the security of sensitive data in transmission, also supported the provision of materials for remote hearings during the pandemic.

Prior to lockdown, tribunal cases received averaged just over 200 cases per month. During April to June 2020 receipts dipped by 36% with a steady increase noted from July as restrictions eased. Between July and December there were on average 260 cases received per month. Similarly from July onwards, disposals generally returned to pre-COVID-19 levels with January 2021 showing a disposal rate of 80% when compared to the same period in 2020. Remote hearings continue with the agreement of all parties with face to face hearings accommodated on request.

The Appeals Service (TAS)

In consultation with the President hearings were postponed for several months. During this period appeals continued to be listed by video, phone and by paper hearing depending on the preference of the appellant. A number of venues have now been modified to take forward requests for face to face hearings while continuing to meet the necessary public health requirements measures. Listing has commenced into the new business year and includes accommodation at several regional centres and the ICC in Belfast.

Enforcement of Judgments Office (EJO)

EJO reported a decrease in new applications during 2020-21 due to the impact of COVID-19 both in terms of court proceedings and the wider economic impact. Repossession work was greatly curtailed with case work reduced, in consultation with creditors, to only very specific circumstances such as vacant possession of properties. The EJO management team took this opportunity to focus on developing procedures to support remote working in

order to maintain essential services and ultimately aid the recovery programme. BCS Review recommendations in respect of the internal structure were implemented with new quality assurance procedures established, recruitment schemes advanced and job specific training programmes completed. In consultation with HMRC, live access to databases was progressed and will produce future benefits in acquiring real time information to assist debt recovery services.

Fine Collection & Enforcement Service (FCS)

The Health Protection (Coronavirus, Restrictions) (No.2) (Northern Ireland) Regulations 2020 introduced new categories of fixed penalties. NICTS worked closely with business partners to ensure fines for non-compliance with COVID-19 Regulations are flagged upon receipt and progressed through the enforcement journey. A reduction in non-COVID-19 casework facilitated the ongoing review and streamlining of FCS procedures and outcomes, building more capacity to improve performance. Recommendations in relation to the FCS structure have been implemented with the exception of those requiring IT support and further legislative change which could not be progressed due to other COVID-19 pressures.

The Transfer of the Appeals Service (TAS) to NICTS

NICTS, DfC and DoJ continued to collaborate on the statutory transfer of TAS to the Department. The ongoing due diligence exercise and supporting project structures take account of the potential impact of COVID-19 on disposal of benefit appeals. This issue will be included in the forward financial and resourcing model ensuring appropriate contingency measures are in place to underpin the recovery plan.

Business Modernisation

The pandemic impacted on several Modernisation Programme work strands with resource redirected to other priority areas such as the expansion of remote working, video conferencing facilities, making the estate COVID-19 secure, redesigning jury courtrooms and supporting wider NICS communications. While recognising the contribution to the wider Agency recovery plans, progress was made in a number of areas.

The publication of our Modernisation Vision was a key achievement. The document sets out the broad vision for the modernisation of Northern Ireland's courts and tribunals through a system that is modern, innovative, collaborative and responsive. Approved by DoJ, NICTS and OLCJ, it outlines how technology will be deployed to transform the way citizens access courts and tribunal services, making services less complex, more efficient and more effective. It sets out a vision for a system that is more responsive to the needs of citizens and a court and tribunal estate that is properly equipped to deliver 21st Century justice.

Certain aspects of the modernisation programme have been accelerated by the challenges faced during the COVID-19 pandemic and the necessity to keep the administration of justice operational. The rapid move to remote and hybrid hearings in the first lockdown last March required NICTS, working with the judiciary, justice partners and the legal

profession, to quickly implement new ways of working to facilitate urgent court business. This has resulted in the rapid increase of video conferencing across the court and tribunal estate with facilities now available in all courtrooms ensuring thousands of cases have been able to proceed during the pandemic.

Courtroom technology upgrades recommenced in August and continue with 23 courtrooms upgraded bringing the total completed to 45. A rollout plan for the first quarter of 2021-22 has been agreed and includes upgrades in three additional jury courts currently being reconfigured for social distancing purposes to increase court capacity. Additional ICT facilities have also been installed in the ICC in Belfast including two additional courtrooms, additional staff accommodation and a training room.

An e-bundles pilot has been agreed and commenced in the High Court in April 2021. This will help inform judicial requirements for future digital courts and identify if any short-term solutions can be established during COVID-19 to reduce the need for hardcopy bundles.

In terms of the court estate, work was completed in the ICC to allow certain functions such as jury empanelment and inquests to commence in January 2021. The additional accommodation currently supports the following services:

- A Coroner's Court;
- Tribunal Hearing Room;
- Pre-hearing consultation space for legal representatives;
- Staff accommodation including permanent and touchdown facilities; and
- A staff training suite.

Work continues to expand the range of services that can be hosted at the ICC.

Extensive modifications were completed to eight courtrooms at venues across Northern Ireland to facilitate COVID-19-secure jury trials from August 2020. To increase capacity for Crown Court trials, two further courtrooms in Laganside Courts were modified for use in March with three further courtrooms in Antrim, Dungannon and Newry completed in early April. Work also continues to restore Banbridge Courthouse as an active hearing venue, and will provide a flexible multi-purpose layout that can be used for tribunal, civil, family or coronial business.

An analysis of COVID-19 related expenditure for the 2020-21 reporting period

During 2020-21 financial year NICTS spent £9,774k resource on COVID-19 related items. This was funded as follows:

- £500k Funded by Executive allocation;
- £5,149k Funded by DoJ allocation; and
- £4,125k Funded by repurposing existing budget.

These funds were used to cover items such as a loss of Income due to COVID-19, Deputy Judicial cover and staff costs to address the backlog of cases, Jury courtroom refurbishment, Supplier Relief and Nightingale Courts.

During 2020-21 financial year NICTS spent capital expenditure of £183k which was funded by repurposing existing budget. This was used to upgrade the ventilation system in Laganside Courts, IT requirements for the Jury courtroom refurbishments and Nightingale Courts.

EU Transition Period

The EU Exit Transition Period expired on 31 December 2020 and the deal reached in the Trade and Co-operation Agreement between the UK and the EU on 24 December 2020 included a significant package of measures that replicated most of the EU instruments.

Whilst the Agreement covers most areas in respect of Justice and Security matters, there remains a non-negotiated outcome in various Civil and Family matters. Fall back positions have been identified and guidance for NICTS staff on handling cases has been prepared. Some further work is required in areas dealing with co-operation matters between Central Authorities and Competent Authorities of Member States previously set out in EU Regulations. There is latitude and discretion around these cooperation measures post exit, particularly in relation to Reciprocal Enforcement of Maintenance Orders & Child Abduction. These have presented several challenges to date and we continue to identify the day to day issues in order to determine how best to take forward with each request for cooperation (outgoing and incoming) determined on its merits. We continue to engage with Civil Justice partners in MoJ & DoJ and other UK Central Authority colleagues in relation to the practical out workings.

An analysis of EU Exit related expenditure

During the 2020-21 year £82k was spent on EU Exit related expenditure. This was funded by the NI Executive/DoJ. This expenditure covered an OLCJ Lawyer who had responsibility for responding to legal issues and queries arising from EU Exit. This expenditure also covered staff costs for a partial Grade 7 and partial Staff Officer within Operational Policy Branch for Criminal Contingency Planning in the event of public disorder. There was a complement of 1.58 staff resource devoted to EU Exit during 2020-21.

Policy Support

The Agency continued to support the DoJ in a range of reform and policy initiatives. This included work to progress the NICTS elements of committal reform, the Victims & Witness Charter and case progression initiatives. Work also progressed at pace to support the delivery of court related aspects of the Domestic Abuse and Family Proceedings Bill. The Substance Misuse Court in Belfast successfully moved from pilot project status to become an embedded court in Laganside Court. Work will commence in early 2021-22 to develop a phase 2 pilot model for roll-out to other court areas.

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.

Budgeting Framework

The Department of Finance (DoF) is responsible for management of the NI Executive Budget process in line with a budgetary framework set by Treasury. The total amount a department spends is referred to as the Total Managed Expenditure (TME); which is split into:

- Annually Managed Expenditure (AME)
- Departmental Expenditure Limit (DEL)

Treasury, and in turn DoF, do not set firm AME budgets. They are volatile or demand-led in a way that departments cannot control. The Department monitors AME forecasts closely and this facilitates reporting to DoF, who in turn report to Treasury.

As DEL budgets are understood and controllable, Treasury sets firm limits for DEL budgets for Whitehall departments and Devolved Administrations at each Spending Review. The NI Executive, based on advice from the Finance Minister, will in turn agree a local Budget that will set DEL controls for Executive departments.

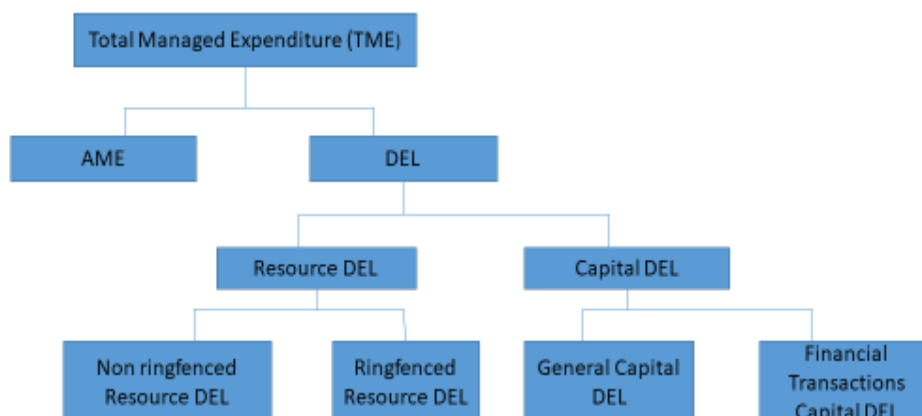
DEL budgets are classified into resource and capital.

- Resource budgets are further split into non-ringfenced resource that pays for programme delivery and departmental running costs, and separately ringfenced resource that covers non-cash charges for depreciation and impairment of assets.
- Capital DEL is split into 'financial transactions' for loans given or shares purchased and 'general capital' for spending on all other assets or investments.

The information contained within budgetary controls does not currently read directly to financial information presented in Financial Statements due to a number of misalignments. It is intended that the Executive's Review of Financial Process will help address these differences and improve transparency. Further detail on the Budgeting Framework can be found in the Consolidated Budgeting Guidance published by Treasury.

<https://www.gov.uk/government/publications/consolidated-budgeting-guidance-2021-to-2022>.

Budget Structure



Net Expenditure Review

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

	2020-21	2019-20	restated*
	£'000	£'000	2018-19 £'000
Total Operating Income	(25,640)	(32,454)	(30,230)
Staff costs	31,957	28,225	25,168
Purchase of goods and services	46,911	50,022	46,225
Depreciation and impairment charges	8,404	7,964	7,588
Provision expense	555	1,359	1,502
Total operating expenditure	87,827	87,570	80,483
Net operating expenditure	62,187	55,116	50,253
Finance expense	700	829	899
Net Expenditure	62,887	55,945	51,152

* 2018-19 has been restated to reflect a prior year adjustment.

The 2020-21 summary position against budget is presented in the table below.

	Provisional		Underspend /	
	Outturn	Final Plan	(overspend)	
	2020-21	2020-21		
	£'000	£'000	£'000	%
Non-ringfenced DEL - Income	(25,640)	(28,878)	(3,238)	11.2%
Non-ringfenced DEL - Expenditure	78,370	82,610	4,240	5.1%
Total non-ringfenced DEL	52,730	53,732	1,002	1.9%
Ringfenced DEL	8,401	8,390	(11)	(0.1)%
Total Resource DEL	61,131	62,122	991	1.6%
Net Resource AME	132	1,460	1,328	91.0%
Non-Budget Costs	1,624	1,567	(57)	(3.6)%
Net Expenditure	62,887	65,149	2,262	3.5%
Net Capital DEL	2,773	2,665	(108)	(4.1)%
Total Expenditure	65,660	67,814	2,154	3.2%

The **£2,154k** underspend is due to:

- **£3,238k** under-recovery of income, £3,413k of which is mainly offset against a corresponding easement in non-staff costs (£2,974k, see below), £213k over recovery in Civil Fee income and £38k under recovery across a number of areas;
- **£4,240k** underspend in non-ringfenced DEL expenditure due to underspend of **£4,858k** in non-staff costs, £2,974k of which is offset by the under recovery in income and therefore has no impact on the overall budget position e.g. TAS, HIA, summon server fees and Fine Collection and Enforcement. There were other easements of £1,884k in non-staff costs due to the impact of the restrictions in response to the pandemic, mainly in the following areas: Commission and Tribunal costs, legal fees, travel and training and delayed maintenance and modernisation work. The underspend in non-staff costs is offset by an overspend of **£558k** in staff costs, mainly due to the employee benefit accruals for staff and judiciary, and **£60k** overspend in provisions;
- **£11k** overspend in depreciation;
- **£1,328k** underspend in Resource 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 worst case scenario, however the hearings were not advanced as anticipated and have been further delayed. Given the ongoing uncertainty in relation to the cases at year end, a contingent liability has been disclosed;
- **£57k** overspend in non-budget costs due to lower than anticipated notional charges for IT, HR and internal audit (£123k), offset by the community asset transfer (£180k); and

- **£108k** overspend in capital due to the Courtroom Technology Refresh progressing quicker than anticipated.

Non-Current Assets

Non-current asset expenditure movements are detailed in the notes to the financial statements. Capital additions in 2020-21 totalled £2,773k (2019-20: £3,457k) 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, CCTV upgrade, the new case management system for CSNI and the NICTS Payment Gateway.

Financial Position

The total net assets of NICTS at 31 March 2021 were £185,353k (2019-20: £184,730k). This is the value of all assets, less the liabilities of NICTS as at the year end.

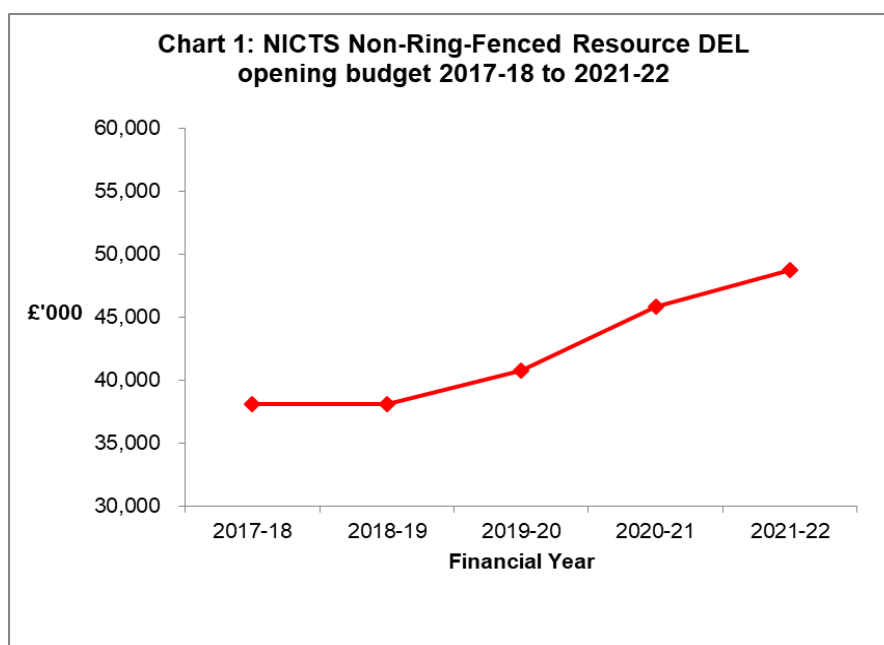
Cash Flow

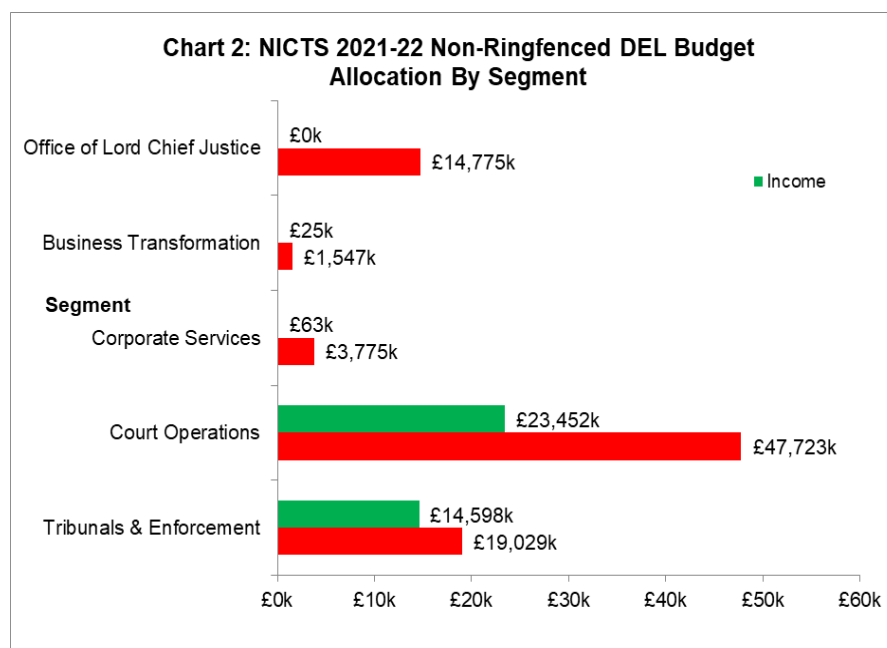
As detailed in the Statement of Cash Flows, the NICTS Net Assembly draw down in 2020-21 was £53,293k (2019-20: £39,566k) and the net increase in cash and cash equivalents in the year is £3,403k (2019-20: decrease of £804k).

Long Term Expenditure Trends

The charts below show:

- **Chart 1:** the movement in NICTS non-ringfenced Resource DEL opening budget over the period 2017-18 to 2021-22; and
- **Chart 2:** the 2020-21 non-ringfenced Resource DEL budget split by the NICTS segments.





2017-18 to 2019-20 Financial Year

During the period 2017-18 to 2019-20, NICTS non-ringfenced DEL opening budget increased from £38,083k to £40,732k due to baseline transfers and additional allocations.

2020-21 Financial Year

At the beginning of 2020-21 NICTS received a non-ringfenced Resource DEL budget allocation of £45,820k; a net increase of £5,088k on the initial 2019-20 allocation. This consisted of a reduction for non-baseline adjustments of £1,352k, an increased baseline of £3,156k for pension and additional funding of £3,284k to assist towards NICTS pressures. A further £7,912k was allocated in-year to meet inescapable pressures, including those as a result of COVID-19, which increased the non-ringfenced Resource DEL allocation to £53,732k.

2021-22 Financial Year

NICTS has received a non-ringfenced Resource DEL budget allocation of £48,711k, a net increase of £2,891k on the 2020-21 opening budget allocation. This increased allocation takes into consideration reduction for non-baseline adjustments of £490k, baseline increases of £381k and additional funding of £3,000k to assist towards NICTS COVID-19 pressures.

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 £5,232k. This will allow a number of important projects to be taken forward, particularly the NICTS Estates Strategy and the Modernisation Programme.

Looking Ahead – Budgets beyond 2021-22

Decisions on budgets beyond 2021-22, 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 94.5% (2019-20: 94.1%) of invoices paid within ten working days on receipt of the invoice. NICTS achieved an average of 97.9% (2019-20: 96.8%) 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 2020-21 resulted in a notional audit fee of £120.1k (2019-20: £118.2k), £66.5k of which relates to the audit of NICTS Annual Report and Accounts (2019-20: £65k), £32.6k (2019-20: £32.5k) relates to the audit of the Trust Statement, £13.8k (2019-20: £13.5k) relates to the audit of Funds in Court and £7.2k (2019-20: £7.2k) relates to the audit of the NICTS Investment Account.

Financial Risk

For 2020-21, 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

The initial response to, and subsequent recovery from, the impacts of the coronavirus pandemic dominated all facets of NICTS business in this accounting period, and this included our efforts around environmental sustainability. Although it is likely that the initial reduction in footfall and occupancy of our buildings will have reduced our consumption of energy, any savings will have been offset by steps taken to prioritise the health and safety of our staff and other court users. In particular, in order to mitigate the risks of aerosol transmission of coronavirus, we introduced measures to significantly increase fresh air ventilation rates, following public health and industry advice.

In spite of the challenges presented by the public health emergency, the NICTS Modernisation and Estates teams continued with sustainability and energy efficiency interventions, and in addition, active participation in intra and inter Departmental groups was sustained.

Through the Modernisation and Estates Programme, NICTS will seek to learn lessons from the energy and sustainability aspects of the COVID-19 response, and ensure that sustainability is a key consideration as we move wholly into the recovery phase that will undoubtedly include some new ways of working.

Strategic Context

In January 2020 the New Decade, New Approach document was signed by the political parties and an Executive restored. This document states that the ‘Executive will tackle climate change head on with a strategy to address the immediate and longer term impacts of climate change. The Executive will introduce legislation and targets for reducing carbon emissions in line with the Paris Climate Change Accord.’ Annex 2 of the Deal provides a suggested outline of a Programme for Government and dedicates a section to climate change. The Northern Ireland Assembly also declared a climate emergency.

Furthermore, a number of NICS-wide initiatives are underway which seek to address climate change. DAERA’s Future Generations group is committed to reducing greenhouse gas emissions in order to meet statutory requirements. NICTS has an important role to play in the achievement of associated targets.

NICTS contributes to the annual Asset Management Plan (AMP) of the Department of Justice, which supports the objectives of the Executive’s Asset Management Strategy (AMS). The AMP sets out the DoJ’s strategic objectives in relation to its estate, with a key objective committing

- To ensure a fit-for-purpose estates portfolio that:
 - Minimises the environmental impact of the portfolio, including in particular water and energy use and associated level of greenhouse gas emissions.

In support of the NI Executive and Departmental strategic objectives, NICTS continues its commitment to incorporate sustainability into its core activities and emphasize the energy efficiency agenda, building 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. Under the themes of the nascent NI Environment Strategy, some of the highlights and aspirations for NICTS are described below:

Environmental Quality and Protection

The coronavirus pandemic has placed a renewed and increased emphasis on indoor air quality, and how this can contribute to greater respiratory health and productivity in the workplace. NICTS is progressing schemes at all of its sites to improve air quality. In sites with mechanical ventilation, we are undertaking control modifications and upgrades that will allow indoor air quality to be automatically monitored through carbon dioxide sensors. This in turn will allow ventilation rates to be automatically adjusted in order to optimise air quality and reduce energy consumption.

Through its routine maintenance programme, NICTS is progressing schemes that will reduce or eliminate the storage of cold water within our buildings. The storage of water can lead to bacterial growth, and results in more significant monitoring and maintenance costs. By converting our buildings to mains fed systems, we will improve water quality and reduce unnecessary expenditure.

Environmental Engagement and Education

NICTS ensures public awareness of the energy performance of our buildings by ensuring that Display Energy Certificates are produced on an annual basis, and displayed prominently in our public areas.

NICTS has been working together with colleagues from the DoJ and its Agencies on the Sustainability Working Group of the Asset Management Board. Working with the Strategic Investment Board, four NICTS venues participated in a pathfinder Energy Survey project.

NICTS continues to embrace new technology as a means to advance our sustainability agenda. The widespread installation of video conferencing facilities within our courtrooms has allowed greater use of hybrid or fully remote hearings, and this was a key factor in our ability to respond to the pandemic. All our buildings are equipped with Building Energy Management Systems (BEMS) which allows the Estates and Premises teams to monitor real time conditions within buildings and adjust to optimise the indoor environment and energy consumption.

Environmental Efficiency

In spite of the challenges imposed by the coronavirus pandemic, this year NICTS continued its work to improve the energy efficiency of its building stock. Oil to gas fuel conversions schemes completed at another 3 sites, and additional upgrade work will continue into the next financial year. We have initiated a large capital programme of LED upgrades, which is likely to be rolled out over the next number of years into all buildings.

NICTS works with the DoF and participates in the collaborative arrangement for the procurement of electricity and natural gas. This year, the electricity used within NICTS buildings was sourced from 100% renewable sources.

Environmental Prosperity and Wellbeing

NICTS insists on the highest standards when upgrading items of equipment in its building stock. By specifying high efficiency and low or zero carbon building services equipment, we are contributing to the green economy.

The health and wellbeing of our staff has never been more important than in the last year and we will seek to learn lessons from our COVID-19 response in order to enhance our aspirations for sustainability. In tandem with the NICS 'New Ways of Working' project, we will work to improve the health and wellbeing facilities available in our buildings, in order to promote greater mental and physical health and support active travel.

NICTS recognise that the concepts of climate change mitigation and climate resilience cannot be ignored. This year, we undertook a flood risk assessment of our properties in Belfast City Centre that may be impacted by a tidal or fluvial event. Our planned maintenance work now recognises the possibility of increased summer temperatures, and our ventilation and cooling strategies will be adjusted or upgraded.

Corporate Social Responsibility

The experience of the last year in responding to the coronavirus pandemic has underlined the importance of health and wellbeing. Through our participation in the NICS New Ways of Working Project, we will seek to ensure that sustainability, health and wellbeing are embedded in all of our activity.

Equality

In carrying out its functions NICTS is required to have due regard to the need to promote equality of opportunity between:

- persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
- men and women generally;
- persons with a disability and persons without; and
- persons with dependants and persons without.

In addition, without prejudice to the obligations above, NICTS is required to have regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group.

Key arrangements for compliance include: consulting; assessing, monitoring and publishing the impact of policies; ensuring and assessing public access to information and services; and the complaints procedure. The NICTS contributes to the Department of Justice Equality Action Plan with specific responsibility for the provision of foreign language services and information provision as part of the communication and engagement strand. In addition, during the pandemic, the use of video technology has greatly increased allowing individuals in areas such as benefit appeals the choice to proceed with cases virtually without the need to attend a physical hearing.

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. A fraud log is maintained and presented as a standing agenda item to NICTS ARAC and updates are provided to Departmental Audit and Risk Committee. The DoJ Anti-Fraud & Anti-Bribery Policy and Response Plan and the DoJ Whistleblowing Policy are available to staff on the intranet. The Whistleblowing Policy was updated in March 2021 and tells staff how to report a concern and what they should expect to happen. It is an effective policy as it encourages an open door culture within NICTS and also includes details of other regulatory bodies which may also provide assistance in raising concerns.

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

PERFORMANCE REPORT



Anthony Harbinson
Accounting Officer
30 June 2021

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 Board 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 Board oversees the work of the NICTS in delivering its aims and objectives. The Board acts in an advisory and consultative capacity, offering guidance when sought. It does not usually direct any of its Executive members on how their business areas should be run, with day-to-day operational matters the responsibility of the Director of NICTS.

Anthony Harbinson was appointed Director of NICTS on 3 August 2020 and from that date was designated Accounting Officer of NICTS and Chair of the NICTS Agency Board. He is supported by the Chief Operating Officer, two independent Board members and six judicial attendees.

Membership of the Board as at 31 March 2021 was as follows:-

- Director of NICTS, **Anthony Harbinson**;
- Chief Operating Officer, **Peter Luney**; and
- Non-Executive Board Members **Nicole Lappin** and **Graham Dalton**.

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 current Judicial Representatives are **The Right Honourable Mr Justice Colton**, **His Honour Judge Fowler** Recorder of Belfast and Presiding County Court Judge, **District Judge Bagnall** Presiding District Judge (Magistrates' Courts) and **Mr John Duffy**, President of the Appeal Tribunals.

Mr Patrick Butler, Head of Legacy Inquest Unit, and **Mrs Mandy Kilpatrick**, Principal Private Secretary to the Lord Chief Justice, are nominated by the Lord Chief Justice and attend the Board with his agreement.

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.

Ms **Nicole Lappin** joined the Board in October 2017. Her contract was extended in September 2020 for a period of three years to September 2023. Ms Lappin is also the Chair of the ARAC.

Mr **Graham Dalton** joined the Board in October 2017. His contract was extended in September 2020 for a period of three years to September 2023. Mr Dalton also sits on the Finance Committee and the Modernisation Board.

The role of the Non-Executive Board Members includes:

- providing strategic advice to the Board, contributing to decision-making and supporting the good corporate governance of the Agency;
- using their experience to challenge and support the Board, acting corporately;
- ensuring that the Board obtains and considers all appropriate information; and
- notifying the Board of any matters that threaten the regularity, propriety or value-for-money within the Agency.

All Board members are required to adhere to the Seven Principles of Public Life (also known as the Nolan Principles). These principles apply to anyone who works as a public office-holder and are available on the Treasury website at the following link [The Seven Principles of Public Life - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/the-seven-principles-of-public-life)

The Board is supported in its role by the Audit and Risk Assurance Committee and the Finance Committee. The Audit and Risk Assurance Committee supports the Board in its responsibilities for issues of risk control and governance by reviewing the completeness of assurances provided to the Accounting Officer and reviewing the reliability and integrity of these assurances. The Finance Committee supports the Board by providing financial oversight and budget control.

Register of Interests

A Register of Interests is maintained by NICTS and no significant interests are currently held by Board members which may conflict with their management responsibilities.

Data Related Incidents

There were no personal data related incidents which were required to be formally reported to the Information Commissioner's Office (ICO) during 2020-21.

Reporting of Complaints

The 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 approach to managing complaints and is a two stage process. 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>

The Complaints Officer monitors the progress of all complaints to ensure compliance with procedures, including adherence to the timescales contained within the policy, and to ensure the Agency operates a transparent and consistent complaints system. The Complaints Officer will request the relevant business area dealing with a complaint documents any lessons learnt, which will be collated and listed in the bi-annual update report to the Senior Management Team. Complaints are formally reported to the Director and Senior Management Team twice a year, providing a summary of the total amount of complaints received, complaint outcomes, category and any emerging trends or themes.

A Complaints Register is maintained to monitor all complaints received by the Agency. There were 81 complaints recorded for the Agency during 2020-21. In total, 36% (29 out of 81) of Stage 1 complaints were upheld by the business area, 54% (44 out of 81) were not upheld and 10% (eight out of 81) were partially upheld.

Complaints are co-ordinated centrally by the Corporate Support Branch and can be made in writing to:

Complaints Co-ordinator
Corporate Support Branch
Northern Ireland Courts and Tribunals Service
Laganside House
23-27 Oxford Street
BELFAST
BT1 3LA

STATEMENT OF ACCOUNTING OFFICER'S 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 BOARD MEMBERS' REPORT

In last year's Non-Executive Board Members' report we referred to the unprecedented uncertainty caused by Brexit and the COVID-19 pandemic. During the year we were pleased to note how the staff planned for EU-Exit to ensure that the NI Courts and Tribunals Service was as prepared as possible to manage the impact of the UK exiting the EU. We would like to acknowledge the work carried out here and to record that the ongoing work in this area has minimised disruption and led to close working relationships with other stakeholders to meet challenges in a constructive manner which benefits the public in Northern Ireland. The Trade and Co-operation Agreement which was reached between the UK and the EU at the end of the EU Transition period meant that most EU instruments were replicated and this mitigated many of the potential negative impacts of EU-Exit for the Agency.

In contrast, the COVID-19 pandemic has had, as would be expected, an adverse impact on NICTS' ability to deliver its services over the past year. While there has been an inevitable delay imposed on progressing cases through the system, we were impressed to monitor staff efforts to ensure that the administration of justice continued to be delivered while protecting staff and the public from the spread of the virus. Further, we are pleased to report that staff utilised some of the downturn in court activity to press ahead with the digitisation of court venues as the pandemic presented an unexpected opportunity to see this aspect of the Modernisation work being progressed at pace.

In addition to acknowledging the work carried out to deliver on significant aspects of the 2020-21 Business Objectives, we would like to highlight two services in particular where NICTS provides administrative support and which have attracted significant public interest. In relation to the Historical Institutional Abuse Redress Board, NICTS processes compensation payments and provides the necessary administrative staff to the Board. Despite COVID-19 challenges, it was encouraging to hear how this work was progressing at this time given how the establishment of this Board had been eagerly anticipated.

The virus adversely affected the progression of year one inquests within the Legacy Inquest Unit. However, work is ongoing to address this regarding the scheduling of cases for 2021-22. As independent Board members, we noted the data breaches which were reported in the media. Given the sensitive nature of this work, we are content that the steps taken to address these issues will continue to be monitored at the Audit and Risk Committee going forward into the 2021-22 year.

In addition to our work on NICTS' Agency Board, Graham is a member of the Finance Committee and Modernisation Programme Board and Nicole chairs the Audit and Risk Committee. In these roles, Graham's focus has been on the management structures for the Chief Operating Officer, the Fine Collection and Enforcement Service and the Enforcement of Judgments Office. Nicole's focus has been on EU-Exit and the risks caused by COVID-19 in addition to monitoring the risks associated with the Legacy Inquest Unit referred to above.

During the 2020-21 year, the Board underwent some changes and as NEBMs we are sorry to see Peter Luney leave for a new challenge and want to wish him well. We look forward to continuing to work with our new Chair and Director of NICTS, Anthony Harbinson, as we offer the necessary independent scrutiny and challenge along with support to ensure NICTS recovers from the constraints placed on it by the pandemic and builds on the promising work carried out during it. We eagerly await the implementation of the Board's new Framework Document and anticipate hearing how NICTS continues to deliver services which meet the needs of a post-pandemic society in the twenty-first century.

Nicole Lappin
Graham Dalton

NICTS GOVERNANCE STATEMENT 2020-21

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. The NICTS Framework Document is currently being reviewed internally by 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 Permanent Secretary, DoJ and ultimately to the Assembly, working under the direction of the Justice Minister Naomi Long MLA and in accordance with the Framework Document.

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 now and throughout 2020-21. The UK was put into lockdown on 23 March 2020 in an unprecedented step to attempt to limit the spread of COVID-19 and we continue to operate amid a public health emergency. NICTS has been required to radically change how we use our IT, Estate and staff to deliver our business. The pandemic crisis greatly impacted the way NICTS traditionally conducts court business and, in conjunction with stakeholders, NICTS has responded to the emerging situation. In the current recovery stage, with the potential for further waves of the pandemic, the aim is to manage a gradual return to more normal levels of operation.

The role of NICTS is to:

- provide administrative support for Northern Ireland's courts, tribunals, PCNI, PACWAC and HIA Redress Board;
- 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 2020-21 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 2020-21 Business Plan supporting the policy agenda set by the Minister.

As a front-line service delivery agency, our main priority for the year was business recovery taking account of the prevailing public health advice and guidance. In this context business recovery has been the overriding focus for the Agency over the course of the 2020-21 financial year. In addition, during 2020-21, NICTS continued work on the Business Modernisation Programme with a focus on the development of an Estates Strategy and a review of our existing line of business systems. NICTS continues to work with the DfC to prepare for the effective statutory transfer of The Appeals Service (TAS) and NICTS is preparing for the end of the EU transition period.

The Agency Board reviewed progress against the 2020-21 Business Plan throughout the year and progress is reported in the Performance Analysis section and at Annex D of this Annual Report.

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 2020-21, 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;
- Audit and Risk Assurance Committee;
- Chief Operating Officer's Senior Management Team (COO SMT); and
- Emergency Response Team (ERT).

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, 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.

Declarations of Interests

NICTS maintains a Register of Interests for Board Members. Declarations include anything which may give rise to conflict with the position of Board member, including:

- Any Directorships (including Non-Executive Directorships) held in Private Companies or Public Limited Companies (PLCs);
- Any private companies, businesses or consultancies which they may own (or part-own) and which may seek to do business with the DoJ and the public bodies it sponsors;
- Position of authority held in Charities or Voluntary Bodies in fields related to the work of the DoJ;
- Any connections which they may have with Voluntary, or other bodies, contracting with the DoJ and the public bodies it sponsors; and
- Any other interests that could have a conflict.

For 2020-21, the Accounting Officer has been provided with assurance that no Board members have declared any conflict of interest with the business of NICTS.

The Board met on four occasions during the 2020-21 financial year. 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. Details of any significant interests which may conflict with Board members management responsibilities can be found in Note 22 to the accounts.

Attendance by members is shown below for the four meetings of the Board during 2020-21:

Member	Position	Attendance
Mr A Harbinson	*Director (Chair)	3 / 3
Mr P Luney	*Chief Operating Officer	4 / 4
Mrs E Topping	**Head of Court Operations	1 / 1
Mrs G McClearn	**Acting Head of Tribunals and Enforcement	1 / 1
Mrs S Hetherington	***Head of Modernisation Programme	0 / 0
Mrs P Reid	****Head of Digital Transformation	1 / 1
Mrs L Laverty	*****Acting Head of Corporate Services	0 / 1
Mr G Capper	*****Department of Justice (DoJ) Representative	1 / 1
Ms N Lappin	Non-Executive Board Member	4 / 4
Mr G Dalton	Non-Executive Board Member	4 / 4
The Honourable Mr Justice Colton	Judicial Representative	4 / 4
The Honourable Mr Justice McFarland	***** Judicial Representative	1 / 2
His Honour Judge Fowler QC, Recorder of Belfast	***** Judicial Representative	1 / 2
Presiding District Judge Bagnall (Magistrates Court)	Judicial Representative	4 / 4
Mr J Duffy (President of the Appeals Tribunal)	Judicial Representative	3 / 4
Mrs M Kilpatrick (Principal Private Secretary to the Lord Chief Justice)	***** Judicial Representative	1 / 3
Mr P Butler (Head of Legacy Inquest Unit)	***** Judicial Representative	2 / 2

**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 P Luney stepped down as Chair of the Board on 3 August 2020 and was replaced by Mr A Harbinson).*

***Mrs E Topping and Mrs G McClearn stepped down from the Agency Board on 3 August 2020.*

****Mrs S Hetherington stepped down from the Agency Board and left NICTS on 31 May 2020.*

*****Mrs P Reid became a member of the Agency Board on 1 April 2020 and stepped down from the Agency Board on 3 August 2020.*

******Mrs L Laverty stepped down from the Agency Board on 3 August 2020.*

******Mr G Capper attended the Agency Board on 22 June 2020.*

******The Honourable Mr Justice McFarland resigned from the Board and was replaced by His Honour Mr Judge Fowler QC on 23 November 2020.*

******Mrs M Kilpatrick was nominated by the Lord Chief Justice to attend the Agency Board from 3 August 2020.*

******Mr P Butler was nominated by the Lord Chief Justice to attend the Agency Board from 5 October 2020.*

Key work of the Board during the year included:

- ensuring adherence to public health advice and guidance and NICTS business recovery;
- review of key risks to achievement of NICTS objectives during 2020-21;

- 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; and
- review of the implications of Brexit on NICTS.

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 four meetings of the Finance Committee during 2020-21:

Member	Position	Attendance
Mr A Harbinson	*Director (Chair)	3 / 3
Mr P Luney	*Chief Operating Officer	3 / 4
Mrs E Topping	**Head of Court Operations	2 / 2
Mrs G McClearn	Acting Head of Tribunals and Enforcement	3 / 4
Mrs S Hetherington	***Head of Modernisation Programme	0 / 0
Mrs P Reid	****Head of Digital Transformation	4 / 4
Mrs L Laverty	Acting Head of Corporate Services	3 / 4
Mr G Dalton	Non-Executive Board Member	4 / 4
The Honourable Mr Justice Colton	Judicial Representative	4 / 4

**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 P Luney stepped down as Chair of the Finance Committee on 3 August 2020 and was replaced by Mr A Harbinson).*

***Mrs E Topping stepped down from the Finance Committee on 18 November 2020.*

****Mrs S Hetherington stepped down from the Agency Board and left NICTS on 31 May 2020.*

*****Mrs P Reid became a member of the Finance Committee on 1 April 2020.*

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 monitors 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 and Risk Assurance 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 2020-21:

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

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.

Chief Operating Officer's Senior Management Team (COO SMT)

COO SMT is the decision making group for the senior executive team within NICTS. COO SMT 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.

Emergency Response Team (ERT)

In addition to the above management structures the ERT was formed during 2020-21 to deal with COVID-19 specific issues. With the Chief Operating Officer in the role of Chair, membership comprised of senior managers from all business areas within NICTS. In

addition, the Office of the Lord Chief Justice was also represented. When the Director of NICTS took up post in August 2020 he became a member of the team.

Initially the focus was on managing the immediate impact of the pandemic on court business, compliance with the public health guidance and the varying degrees of restrictions introduced by the Assembly. As the year progressed planning for the recovery of court business, including the reopening of the court estate, became a key focal point for the team. At the outset of the pandemic meetings were held twice-weekly with the frequency reducing to fortnightly as the year progressed. Meetings can be called at any time to discuss important developments e.g. changes to the public health guidance or restrictions.

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 Managing Public Money Northern Ireland (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 2021 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 Corporate Support Branch.

Emerging risks are identified, considered and managed; 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. Amendments were made to incident reporting procedures in April 2020 as a result of the COVID-19 pandemic, and these were ratified in a revised policy in November 2020. As a result, only critical incidents (where an actual data breach has occurred and there is a risk of ICO action or harm/distress to individuals) are 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. All minor data incidents are recorded and managed locally within NICTS.

During 2020-21, a total of 31 incidents were reported with the highest proportion relating to post or emails being sent to the wrong recipient. All data incidents were fully investigated with the findings reviewed to identify any lessons learned and existing processes were amended as appropriate. Of the 31 incidents, fourteen were deemed reportable incidents and sent to DoJ, and are now closed. No incidents were reported to the ICO during the reporting period.

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

NICTS is responsible for only accrediting the aspects of the service that relate to line of business systems. Typically this relates to the operating system, database and application software. Full 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 (JASPAR), the Integrated Court Operations System (ICOS), Enforcement of Judgments Office system (JEMS), Office of Care and Protection system (OCP), Court Funds Office system (CFO), Online Applications, Coroners Case Management System (CLEAR), HIA Redress Board system and the E-judiciary Portal. Annual IT Health Checks on all of these systems took place between January – March 2021.

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 in February 2020 for Causeway and for the main NICTS line of business applications and are currently being planned for 2021.

NICTS continues to monitor and review the application of Information Assurance policies (including a series of unannounced clear desk inspections) to ensure data is handled appropriately and that any associated risks are identified and managed.

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. I received additional comfort from the inter-departmental assurance report relating to shared services provided to the various NI departments, by the DoF Head of Internal Audit. This report offers an update on the key business areas and provides satisfactory assurance.

The Head of Internal Audit has provided overall **Satisfactory Assurance** based on the work carried out during the year. An audit plan which included six separate reviews was agreed in March 2020 and progress against the plan was monitored by the ARAC throughout the year. Five reviews were completed during 2020-21. The audit in relation to the HIA Redress Board was removed as responsibility for this works rests with the Accounting Officer for TEO.

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 Official Solicitors' Office (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 bi-annually 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 Effectiveness Questionnaire was commissioned in October 2020. The questionnaire was issued electronically to all members who sat on the Board in the 2020-21 year. It asked for responses to a number of questions in key areas including Board Governance, the way Board meetings were structured and conducted, performance and risk monitoring and internal audit and reporting. The Board noted the results of the survey at their meeting on 21 March 2021.

Budget Position and Authority

The Assembly passed the Budget Act (Northern Ireland) 2021 in March 2021 which authorised the cash and use of resources for all departments for the 2020-21 year, based on the Executive's final expenditure plans for the year. The Budget Act (Northern Ireland) 2021 also authorised a Vote on Account to authorise departments' access to cash and use of resources for the early months of the 2021-22 financial year. This will be followed by the 2021-22 Main Estimates and the associated Budget (No. 2) Bill before the summer recess which will authorise the cash and resource balance to complete the remainder of 2021-22 based on the Executive's 2021-22 Final Budget.

SIGNIFICANT INTERNAL CONTROL ISSUES

The following issue has been identified as significant to the organisation during 2020-21 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. Subsequent to the audit a spreadsheet system has been developed to record all cases to such times as the recommended bespoke IT workflow system was procured.

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. This should allow for greater visibility of cases within OSO and provide a full and complete audit trail. The business case for the new system was approved in early 2020. Tendering and further progression was temporarily delayed due to COVID-19, the ongoing health emergency and related guidance on restricted working practices. The tender notice was published via CPD on 28 January with returns due by 1 March 2021. The contract was awarded on 27 April 2021 and the first meeting scheduled with the supplier on 24 May 2021.

The Official Solicitors' Office has been included on the 2021-22 Audit Plan and the scope of the audit will include control, governance and risk management arrangements associated with Case Reviews and File Management.

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. Internal Audit performed a follow up audit in March 2019 and issued a management letter in April 2019. This recommendation was partially implemented as a business case has progressed for a new electronic case management system in OSO and OCP. The procurement of the new case management system, that will ensure a more efficient and effective BF system, for the OCP and the OSO stalled as a result of COVID-19. The procurement recommenced in January 2021 and it is envisaged the new case management system will be in place in OCP / OSO in January 2022. A Project Board has been established under NICTS Modernisation Programme to take this forward. Internal Audit will review progress in both areas during 2021-22 to ascertain to what extent these recommendations have been implemented and provide assurance to the Accounting Officer.

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

The 2020-21 Annual Internal Audit Plan was endorsed by ARAC who monitor progress during the year towards completion of the plan.

External Audit

NIAO made two priority two recommendations in the RTTCWG on the 2019-20 NICTS Agency Accounts. The recommendation in relation to the number of unreconciled items in the bank at 31 March 2020 has been addressed and significantly improved, resulting in all items at 31 March 2020 being subsequently matched. The second recommendation 'Age of outstanding OCP fees' remains in progress. Finance Branch staff are currently liaising with OCP staff on this matter and some progress has been made. The Civil Fees Project Team intend to consider the introduction of a new fee for OCP in due course.

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 2020-21 year overall **Satisfactory Assurance** has been provided.



Anthony Harbinson
Accounting Officer
30 June 2021

REMUNERATION AND STAFF REPORT

REMUNERATION REPORT

Remuneration Policy

The pay remit for the NI public sector, including senior civil servants (SCS), is approved by the Minister of Finance. The Minister has set the 2020-21 NI public sector pay policy (September 2020) in line with the overarching HM Treasury parameters. Annual NICS pay awards are made in the context of the wider public sector pay policy. The pay award for NICS staff, including SCS, for 2020-21 has been finalised but not yet paid.

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 Accounting Officer and the Agency Board. Of those reported only four fall 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 entitlements

Audited information

2020-21

Officials*	Salary £000	Benefits in kind (to nearest £100)	**Pension Benefits £000	Total £000
Mr A Harbinson* Director of NICTS (from 03/08/2020)	35 - 40 (50 - 55 FYE)	-	6	40 - 45
Mr P Luney Chief Operating Officer	75 - 80	-	53	125 - 130
Mrs E Topping Head of Court Operations Division (until 03/08/2020)	20 - 25 (65 - 70 FYE)	-	17	40 - 45
Mrs G McClearn Acting Head of Tribunals and Enforcement Division (until 03/08/2020)	20 - 25 (55 - 60 FYE)	-	26	45 - 50
Mrs P Reid Head of Digital Transformation (until 03/08/2020)	20 - 25 (65 - 70 FYE)	-	9	30 - 35
Mrs L Laverty Acting Head of Corporate Services (until 03/08/2020)	20 - 25 (60 - 65 FYE)	-	9	30 - 35
Mrs S Hetherington Head of Modernisation Programme (until 31/05/2020)	10 - 15 (65 - 70 FYE)	-	6	15 - 20
Ms N Lappin*** Non-Executive Board Member (Fee per attendance)	0 - 5	-	-	0 - 5
Mr G Dalton*** Non-Executive Board Member (Fee per attendance)	0 - 5	-	-	0 - 5

*Only Board members and NEBMs are included in the Remuneration Report. The Board was reconfigured to only include Grade 5s and NEBMs on 3 August 2020 when Anthony Harbinson became Director of NICTS. Anthony Harbinson also holds the position of DoJ Director of Access to Justice, splitting his time 50/50 between the two roles.

**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 NEBMs 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. There are no entitlements to pension or other contributions from NICTS for NEBMs.

Audited information

2019-20

Officials	Salary £'000	Benefits in kind (to nearest £100)	*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 and Enforcement Division (until 25/11/2019)	35 - 40 (55 - 60 FYE)	-	31	70 - 75
Mrs 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 and Enforcement Division (from 26/11/2019)	15 - 20 (55 - 60 FYE)	-	17	35 - 40
Ms N Lappin** Non-Executive Board Member (Fee per attendance)	5 - 10	200	-	5 - 10
Mr G Dalton** Non-Executive Board 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 NEBMs 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. There is no entitlement to pension or other contributions from NICTS for NEBMs.*

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. No officials received benefits in kind during 2020-21 (2019-20: 2).

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

	2020-21	2019-20
Band of Highest Paid Director's Total Remuneration* (£'000)	105 - 110	70 - 75
Median Total Remuneration* (£)	27,845	27,299
Ratio	3.86	2.66

** 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 2020-21 was £105,000 - £110,000 (2019-20: £70,000 - £75,000). This was 3.86 times (2019-20: 2.66) the median remuneration of the workforce, which was £27,845 (2019-20: £27,299).

In 2020-21, no employees (2019-20: none) received remuneration in excess of the highest paid director.

Remuneration ranged from £19,000 to £106,000 (2019-20: £19,000 to £72,000).

The increase in the ratio to 3.86 from 2.66 is due to the appointment of a new highest paid director in 2020-21.

Pension Entitlements

Audited information

Officials	Accrued pension at pension age as at 31/03/21 and related lump sum	Real increase/ (decrease) in pension and related lump sum at pension age	CETV at 31/3/21	CETV at 31/3/20	Real increase in CETV	Employer contribution to partnership pension account
	£'000	£'000	£'000	£'000	£'000	Nearest £100
Mr A Harbinson* Director of NICTS (from 03/08/20)	50 - 55 plus 150 - 155 lump sum	0 - 2.5 plus 2.5 - 5 lump sum	1,179	1,155	12	-
Mr P Luney Chief Operating Officer	30 - 35 plus 65 - 70 lump sum	2.5 - 5 plus 2.5 - 5 lump sum	544	505	33	-
Mrs E Topping Head of Court Operations Division (until 03/08/2020)	30 - 35	0 - 2.5	556	541	11	-
Mrs G McClearn Acting Head of Corporate Service (until 03/08/2020)	25 - 30 plus 60 - 65 lump sum	0 - 2.5 plus 0 - 2.5 lump sum	520	483	21	-
Mrs P Reid Head of Digital Transformation (until 03/08/2020)	25 - 30 plus 65 - 70 lump sum	0 - 2.5 plus 0 - 2.5 lump sum	514	506	5	-
Mrs L Laverty Acting Head of Corporate Services (until 03/08/2020)	10 - 15	0 - 2.5	194	188	5	-
Mrs S Hetherington Head of Modernisation Programme (until 31/05/2020)	10 - 15 plus 10 - 15 lump sum	0 - 2.5 plus 0 - 2.5 lump sum	184	180	4	-

*Anthony Harbinson joined NICTS as Director of NICTS on 3 August 2020. Anthony Harbinson also holds the position of DoJ Director of Access to Justice, splitting his time 50/50 between the two roles. The Pension Entitlements above are for the two roles as Civil Service Pensions were unable to provide separate figures for the NICTS portion.

No pension benefits are provided to the Non-Executive 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%.

Discrimination identified by the courts in the way that the 2015 pension reforms were introduced must be removed by the Department of Finance. It is expected that, in due course, eligible members with relevant service between 1 April 2015 and 31 March 2022 may be entitled to different pension benefits in relation to that period. The different pension benefits relates to the different schemes e.g. classic, alpha etc. and is not the monetary benefits received. This is known as the 'McCloud Remedy' and will impact many aspects of the Civil Service Pensions schemes including the scheme valuation outcomes. Further information on this will be included in the NICS pension scheme accounts which are available at <https://www.finance-ni.gov.uk/publications/dof-resource-accounts>

Currently 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.

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).

Active members of the pension scheme will receive an Annual Benefit Statement. 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.

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 2020 was 0.5% and HM Treasury has announced that public service pensions will be increased accordingly from April 2021.

Employee contribution rates for all members for the period covering 1 April 2021 to 31 March 2022 are as follows:

Scheme Year 1 April 2021 to 31 March 2022

Annualised Rate of Pensionable Earnings (Salary Bands)		Contribution rates – All members
From	To	From 1 April 2021 to 31 March 2022
£0	£24,199.99	4.6%
£24,200.00	£55,799.99	5.45%
£55,800.00	£153,299.99	7.35%
£153,300.00 and above		8.05%

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 (2019-20: nil).

STAFF REPORT

Staff costs

Staff costs comprise:

<u>Audited information</u>	2020-21			2019-20
	Permanently Employed		Total	Total
	Staff £'000	Others £'000	£'000	£'000
Wages and salaries	21,641	2,552	24,193	21,023
Social security costs	2,175	-	2,175	1,981
Other pension costs	6,318	-	6,318	5,796
Total net costs	30,134	2,552	32,686	28,800
Of which:				
Charged to Administration	3,887	94	3,981	3,668
Charged to Programme	25,518	2,458	27,976	24,557
Charged to Capital	729	-	729	575
Total	30,134	2,552	32,686	28,800

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 Public Service Pension Act (NI) 2014 provides the legal framework for regular actuarial valuations of the public service pension schemes to measure the costs of the benefits being provided. These valuations inform the future contribution rates to be paid into the schemes by employers every four years following the scheme valuation. The Act also provides for the establishment of an employer cost cap mechanism to ensure that the costs of the pension schemes remain sustainable in future.

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 2023.

The 2016 Scheme Valuation requires adjustment as a result of the 'McCloud remedy'. The Department of Finance have also commissioned a consultation in relation to the Cost Cap Valuation which will close on 25 June 2021. By taking into account the increased value of public service pensions, as a result of the 'McCloud remedy', scheme cost control valuation outcomes will show greater costs than otherwise would have been expected. On completion of the consultation the 2016 Valuation will be completed and the final cost cap results will be determined.

For 2020-21, employers' contributions of £6,088,945 were payable to the NICS pension arrangements (2019-20: £5,572,528) at one of three rates in the range 28.7% to 34.2% of pensionable pay, based on salary bands.

Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £7,272 (2019-20: £7,618) 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% (2019-20: 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. Employers also contribute 0.5% of pensionable pay to cover the cost of the future provision of lump sum benefits on death in service and ill-health retirement of these employees.

During 2020-21 two individuals (2019-20: 5) retired early on ill-health grounds; the total additional accrued pension liabilities in the year amounted to £571 (2019-20: £881).

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. The Government intends to remedy this discrimination across all public sector pension schemes and both MoJ and DoJ have consulted with stakeholders on the proposed remedy.

Further details of these provisions can be found in Note 15 to the accounts.

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. These figures include 27 (2019-20: 20) whole time equivalent staff employed by NICTS to support the HIA Redress Board, a TEO ALB. There were a further 104 (2019-20: 123) whole time equivalent staff employed by DfC to support TAS which is administered by NICTS. The majority of staff (89%) are located in frontline service posts in courthouses, tribunal hearing centres, PCNI, EJO or in CFO.

Audited information

Activity	Permanently Employed Staff	Others	2020-21	2019-20
			Number Total	*Restated Number Total
Court Operations	451	78	529	497
Tribunals and Enforcement	122	15	137	122
Office of the Lord Chief Justice	26	2	28	28
Corporate Services	57	2	59	63
Modernisation Programme	13	1	14	9
Staff engaged on capital projects	12	-	12	13
Total	681	98	779	732

* 2019-20 has been restated to include HIA Redress Board staff

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

Staff composition

The staff composition as at 31 March 2021 in NICTS was as follows (based on headcount):

	Female Staff	Male Staff	Total Staff
Agency Board	-	2	2
Senior Civil Service	1	3	4
Employees	578	289	867

The breakdown of Senior Civil Service staff by pay scale is as follows:

	Total Staff
Pay scale 1 - £71,932 - £82,464	3
Pay scale 2 - £92,413 - £105,447	1
Pay scale 3 - £118,960 - £139,070	-
Pay scale 4 - £160,563 - £188,272	-

Staff Policies and Other Employee Matters

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.

NICTS had a sickness absence rate of 11.4 days lost per employee in 2020-21 (2019-20: 14.2 days). The NICS wide absence figure for 2020-21 was 9.8 average days lost per staff member, representing 4.4% of all available working days (2019-20: 12.9 days, 5.9%). The equivalent figures for DoJ in 2020-21 were 13.5 days or 6.1% of available working days (2019-20: 15.5 days, 7.1%). Departmental level annual sickness absence figures can be found in the "*Sickness Absence in the Northern Ireland Civil Service 2020-21*" report at [Sickness Absence Statistics Northern Ireland Statistics and Research Agency \(nisra.gov.uk\)](https://www.nisra.gov.uk).

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 engagement scores

The 2020 NICS People Survey was conducted by NISRA across the nine NICS ministerial Departments as well as the Public Prosecution Service and the Health & Safety Executive for NI. All staff working in these organisations were invited to take part in the survey. For the DoJ there were 3,378 (2019: 3,343) staff invited to complete the survey, of which 1,091 individuals participated, including temporary/agency workers (2019: 1,366); a response rate of 31.3% (2019: 41.4%) excluding temporary/agency workers. Due to the short timeframe for completion of the 2020 survey it was not possible to put in place the necessary arrangements to allow full participation by NIPS operational staff which impacted on response rates.

The Employee Engagement Index (EEI) is the weighted average of responses to the five employee engagement questions, and it ranges from 0% to 100%. DoJ responses indicated an Employee Engagement Index of 55% (2019: 51%), compared to the NICS average of 57% (2019: 51%). Details of the Benchmark Scores can be accessed at www.finance-ni.gov.uk/publications/nics-people-survey-results.

Staff turnover

Based on information provided by NISRA the level of staff turnover for 2020-21 was as follows:

	NICTS Turnover Rate	General Turnover Rate
NICTS	8.9%	3.0%

The Turnover Rate % is calculated as the number of leavers within the year divided by the average number of staff in post over the year. The definitions employed for Turnover are: 'NICTS Turnover' (staff leaving NICS or a particular Department) and 'General Turnover' (staff leaving NICS as a whole). 2020-21 is the first financial year that disclosures for staff turnover are required by FReM and comparative information for 2019-20 is not available.

Equality, diversity and inclusion

In the NICS, we are committed to building an inclusive workplace culture where diversity is truly valued at all levels, where you are valued for who you are and where you can bring your true self to work. We want to make use of all the talent that exists across the NICS to ensure we are a well-led, high performing, outcome-focused Service and a Service that is a great place to work.

The [NICS People Strategy](#) includes a range of actions that will help accelerate our ambition of a truly inclusive NICS, which reflects the society we serve.

As a key element of the People Strategy, our ambitious diversity and inclusion programme of work is delivered through the implementation of an annual NICS Diversity Action Plan, and overseen by the leadership of the NICS Board, the NICS Diversity Champions Network, Departmental Diversity Champions and Thematic Diversity Champions, NICS

colleague networks and NICSHR¹, as well as through partnership working with stakeholder organisations.

The NICS Diversity Action Plan sets out our priorities for action by diversity and inclusion theme, cross-cutting priorities, departmental priorities and includes supporting plans on communications and outreach.

Equality is a cornerstone consideration in the development and review of all HR policies which determine how staff are recruited and appointed, their terms and conditions, how they are managed and developed, assessed, recognised and rewarded. The NICS' commitment to equality of opportunity is outlined in its [Equality, Diversity and Inclusion Policy](#).

As part of the NICS' efforts to ensure equality of opportunity, the NICS continually conducts comprehensive reviews into the composition of its workforce and recruitment activity, publishing a wide range of [NICS human resource statistics](#).

The annual "Equality Statistics for the Northern Ireland Civil Service" reports work force composition and trends over time and, where appropriate, makes comparisons with the wider labour market and the Civil Service in Great Britain.

The NICS continues to meet its statutory obligations under the Fair Employment & Treatment (NI) Order 1998, which includes submission of an annual Fair Employment Monitoring Return and a tri-annual Article 55 Review to the Equality Commission for NI (ECNI), both of which assess the composition of the NICS workforce and the composition of applicants and appointees. In addition, the NICS conducts a similar formal review of the gender profile of its workforce. The findings are published in the NICS [Article 55 and Gender Reviews](#).

The NICS uses the findings of all the equality monitoring and analysis to inform its programme of targeted outreach activity to address any areas of under-representation.

As a public authority, the NICS has due regard to the need to promote equality of opportunity and regard to the desirability of promoting good relations across a range of categories outlined in the Section 75 of the Northern Ireland Act 1998 in carrying out its functions. Further information on the department's equality scheme is available at [Department of Justice](#).

Employment, training and advancement of disabled persons

NICS applies the recruitment principles as set out in the Recruitment Code of the Civil Service Commissioners for Northern Ireland, appointing candidates based on merit through fair and open competition. Recruitment and selection training, which includes raising awareness of unconscious bias, is offered to all members of NICS recruitment panels. Unconscious bias training is available to all staff.

¹ NICSHR is the NICS' centralised human resources function. It falls under the responsibility of the Department of Finance

To maintain and promote a diverse and inclusive workforce, the NICS has policies in place to support adjustments to the working environment required by disabled persons.

The NICS has a wide and active network of Diversity Champions and one of its Deputy Secretaries is the NICS Diversity Lead for Disability. The NICS has a Disability Working Group and is a lead partner with Employers for Disability Northern Ireland. During 2020-21 the NICS established a Disability Staff Network. This Network plays a key role in promoting disability equality and inclusion across the NICS.

The NICS is committed to working towards creating a truly inclusive workplace where all colleagues feel valued. The NICS promotes a number of schemes for disabled people, including a Work Experience Scheme for People with Disabilities.

Workforce planning and performance management

DoF continues work to strengthen its approach to workforce planning. All staff use the performance management module on HR Connect. Staff can either access the performance management form online or in a downloadable format.

Pay policy

Under the Civil Service (NI) Order 1999, DoF is responsible for the pay arrangements for NICS civil servants. Current pay scales are available online. The pay award system aims to:

- be a system which will help to recruit, retain and motivate staff to perform efficiently the duties required of them;
- encourage staff to improve their individual performance by providing a direct and regular link between satisfactory performance and pay;
- ensure equity of treatment in respect of pay in accordance with legal requirements and the equal opportunities policy of the NICS;
- secure the confidence of staff that their pay will be determined fairly;
- secure the confidence of the public and their representatives in the system for determining the pay of the staff; and
- enable the Government to reconcile its responsibilities for the control of public expenditure with its responsibilities as an employer.

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.

NICTS is also required to meet the additional cost of benefits beyond the normal benefits in respect of employees who retire early. NICTS provides in full for this cost, charged against the SoCNE, when an early retirement programme has been announced.

Employee consultation and Trade Union relationships

DoF is responsible for the NICS Industrial Relations Policy. NICS HR consults on HR policy with all recognised Trade Unions and local arrangements are in place to enable consultation on matters specific to NICTS or individual business areas.

Employee involvement

There are a number of initiatives and work streams led by the Department to which NICTS staff actively participate and contribute. NICTS staff are also represented on the DoJ Staff Engagement Forum.

The sub groups of the Court Operations Forum developed a series of Training Matrixes for new entrants which have been added to the Knowledge Bank on the NICTS intranet. These are useful tools to assist in the induction of staff from AO to EO1 grades and cover the business areas of Magistrates' Criminal, Civil, Domestic and Family Proceedings, Small Claims, County Court Civil and Family Care Courts and Crown Court.

Following three workshops prior to the pandemic, a number of court managers continued to work on reviewing key processes for monitoring and controlling all aspects of court work delivered through the Integrated Court Operations System.

Learning and development

The NICS recognises the importance of having skilled and engaged employees and continues to invest in learning and development.

Development and delivery of generic staff training is centralised in NICS HR. Training is delivered using a variety of learning delivery channels (including on-line, webinars), providing flexible access to learning. Coherent learning pathways are aligned to both corporate need and the NICS Competency Framework.

Talent management is a key theme of the NICS People Strategy and this year the focus was on improving the quality of the development conversation between managers and staff, with the introduction of a talent management toolkit.

The NICS offers a wide range of career development opportunities through mentoring, secondment and interchange opportunities, elective transfers, temporary promotion, job rotation and job shadowing.

In NICTS all classroom-based training was suspended during the reporting period due to the pandemic. It should be noted that the focus for staff in Court Operations Division was on the delivery of front line services and tackling the backlogs which had accrued during the first period of lockdown.

However in doing this, court staff learned new ways of working, especially with the

mediums of virtual court hearings where all parties appeared remotely and court clerks managed hearings via the new platform of Sightlink. Instructions were issued for the different processes which were introduced for identifying and prioritising the listing of cases and for liaising with court users and the judiciary.

Desk training was largely hampered or severely limited due to the restrictions of social distancing and the only generic training undertaken has been delivered digitally through the platforms of Zoom and the interactive webinars offered by the Centre for Applied Learning which focussed on the main areas of communicating with team members remotely and mental health / resilience.

The new EOIs which were introduced under the EOI Pilot programme completed the mandatory NICS first line management training including Performance Management and Managing Sickness Absence.

Off-payroll payments

As required by DAO (DFP) 08/12 Tax Arrangements of Public Sector Appointees and FD (DoF) 02/21, NICTS undertook a review of the arrangements for making payments to individuals engaged by NICTS who are paid fees of £245 or more per day in the financial year and are not on the NICTS payroll. The number of off-payroll engagements is as follows:

Table 1: Temporary off-payroll worker engagements as at 31 March 2021

Number of existing engagements as at 31 March 2021	15
<i>Of which have:</i>	
Existed for less than one year at time of reporting	-
Existed for between one and two years at the time of reporting	-
Existed for between two and three year at time of reporting	-
Existed for between three and four years at time of reporting	-
Existed for four or more years at time of reporting	15

Table 2: All temporary off-payroll worker engagements at any point during the year ended 31 March 2021

Number of of-payroll workers engaged during the year ended 31 March 2021	22
<i>Of which:</i>	
Number determined as out-of-scope of IR35	22
Number determined as in-scope of IR35	-
Number of engagements reassessed for compliance or assurance purposes during the year	-

<i>Of which: Number of engagements that saw a change to IR35 status following review</i>	-
Number of engagements that were disputed under provisions in the off-payroll legislation	-
<i>Of which: Number of engagements that saw a change to IR35 status following review</i>	-

Table 3: For any off-payroll engagements of board members (and/or, senior officials with significant financial responsibility) between 1 April 2020 and 31 March 2021

Number of off-payroll engagements of board members, (and/or senior official with significant financial responsibility), during the financial year	-
Total number of individuals on payroll and off-payroll that have been deemed “board members (and/or senior officials with significant financial responsibility)”, during the financial year. This figure should include both on payroll and off-payroll engagements.	7

Reporting of Civil Service and other compensation schemes - exit packages

Audited information

Exit package cost band	Number of		2020-21	2019-20
	compulsory redundancies	other departures agreed	Total number of exit packages by cost band	Total number of exit packages by cost band
< £10,000	-	-	-	-
£10,000 - £25,000	-	-	-	-
£25,000 - £50,000	-	1	1	1
£50,000 - £100,000	-	1	1	-
£100,000 - £150,000	-	-	-	-
£150,000 - £200,000	-	-	-	-
Total number of exit packages	-	2	2	1
Total resource cost £	-	£103,610	£103,610	£32,356

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme (Northern Ireland), a statutory scheme made under the Superannuation (Northern Ireland) Order 1972. The table above shows the total cost of exit packages agreed and accounted for 2020-21 and 2019-20. Exit costs are accounted for in full in the year of departure. Where NICTS has agreed early retirements,

the additional costs are met by NICTS and not by the Civil Service pension scheme. Ill-health retirement costs are met by the pension scheme and are not included in the table.

Expenditure on consultancy

NICTS did not incur any expenditure on external consultancy in the financial year (2019-20: nil).

Expenditure on temporary staff

The following details the expenditure incurred on temporary staff:

	2020-21	2019-20
	£'000	£'000
Charged to Administration	94	62
Charged to Programme	2,458	1,381
Total	2,552	1,443

The administration temporary staff were engaged by Estates and the Modernisation Programme. The programme temporary staff were mainly engaged by Court Operations and, to a lesser extent, Tribunals and Enforcement.

The main reason for the increase in costs in 2020-21 is difficulty filling staff headcount, particularly at AO grade. Some temporary staff were also required to backfill for permanent staff working on new projects and on issues relating to the pandemic.

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 (2019-20: did not exceed £250k) and therefore no disclosure is required.

During 2020-21, final compensation payments were made in 44 cases (2019-20: 39 cases) by NICTS. The total amount of compensation paid in these cases was £438k (2019-20: £518k).

Fees and charges

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

	2020-21			2019-20		
	Income £'000	Full Cost £'000	Surplus/ (deficit) £'000	Income £'000	Full Cost £'000	Surplus/ (deficit) £'000
NICTS - Civil Business	18,941	(29,774)	(10,833)	23,246	(30,483)	(7,237)

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 2020-21 represents 64% of cost recovery (2019-20: 76%).

The total amount of fees within the family and children's arenas which have been subsidised was £405.6k in 2020-21 (2019-20: £445.3k). Applicants in receipt of certain means tested benefits are entitled to automatic fee exemption. Total fee exemptions during 2020-21 amounted to £49.8k (2019-20: £62.7k). Remission of fees is considered on an individual basis and is granted in cases of hardship. Total fees remitted during 2020-21 amounted to £24.4k (2019-20: £19.5k).

Remote contingent liabilities

There were no contingent liabilities requiring disclosure under Assembly reporting requirements. NICTS had no significant remote contingent liabilities during 2020-21 that require disclosure. Note 21 provides further details regarding the contingent liabilities that are included within the financial statements.

ACCOUNTABILITY REPORT



Anthony Harbinson
Accounting Officer
30 June 2021

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 2021 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. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRS) as adopted by the European Union and interpreted by the Government Financial Reporting Manual.

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 2021 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 for opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK), applicable law 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 the Northern Ireland Courts and Tribunals Service in accordance with the ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2019, 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

In auditing the financial statements, I have concluded that the Northern Ireland Courts and Tribunals Service's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Northern Ireland Courts and Tribunals Service's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

The going concern basis of accounting for the Northern Ireland Courts and Tribunals Service is adopted in consideration of the requirements set out in the Government Reporting Manual, which require entities to adopt the going concern basis of accounting in the preparation of the financial statements where it anticipated that the services which they provide will continue into the future.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this report.

Other Information

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

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 I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 based on the work undertaken in the course of the audit:

- 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.

Matters on which I report by exception

In the light of the knowledge and understanding of the Northern Ireland Courts and Tribunals Service and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report and Accountability Report. 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
- certain disclosures of remuneration specified by the Government Financial Reporting Manual are not made; 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.

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 in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- such internal controls as the Accounting Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; and
- assessing the Northern Ireland Courts and Tribunals Service's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Northern Ireland Courts and Tribunals Service will not continue to be provided in the future.

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 reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue a certificate that includes my opinion. 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.

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulation, including fraud.

My procedures included:

- obtaining an understanding of the legal and regulatory framework applicable to the Northern Ireland Courts and Tribunals Service through discussion with management and application of extensive public sector accountability knowledge. The key laws and regulations I considered included the Government Resources and Accounts Act (Northern Ireland) 2001;
- making enquires of management and those charged with governance on the Northern Ireland Courts and Tribunals Service's compliance with laws and regulations;
- making enquiries of internal audit, management and those charged with governance as to susceptibility to irregularity and fraud, their assessment of the risk of material misstatement due to fraud and irregularity, and their knowledge of actual, suspected and alleged fraud and irregularity;
- completing risk assessment procedures to assess the susceptibility of the Northern Ireland Courts and Tribunals Service's financial statements to material misstatement, including how fraud might occur. This included, but was not limited to, an engagement director led engagement team discussion on fraud to identify particular areas, transaction streams and business practices that may be susceptible to material misstatement due to fraud. As part of this discussion, I identified potential for fraud in the following areas: revenue recognition and posting of unusual journals;
- engagement director oversight to ensure the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with the applicable legal and regulatory framework throughout the audit;
- documenting and evaluating the design and implementation of internal controls in place to mitigate risk of material misstatement due to fraud and non-compliance with laws and regulations;
- designing audit procedures to address specific laws and regulations which the engagement team considered to have a direct material effect on the financial statements in terms of misstatement and irregularity, including fraud. These audit procedures included, but were not limited to, reading board and committee minutes, and agreeing financial statement disclosures to underlying supporting documentation and approvals as appropriate, testing of journal entries, discussing regularity with management, reading internal audit reports, and review of legal provisions. With regard to revenue recognition, our procedures included testing the design and implementation of relevant controls in place around revenue recognition, testing the process through which management has identified and quantified any income that needs to be accrued or deferred, evaluation accounting policies around revenue recognition and performing test of details in relation to cut off on revenue.

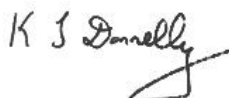
- addressing the risk of fraud as a result of management override of controls by:
 - performing analytical procedures to identify unusual or unexpected relationships or movements;
 - testing journal entries to identify potential anomalies, and inappropriate or unauthorised adjustments;
 - assessing whether judgements and other assumptions made in determining accounting estimates were indicative of potential bias; and
 - investigating significant or unusual transactions made outside of the normal course of business; and

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.

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

2 July 2021

PART 3 FINANCIAL STATEMENTS

STATEMENT OF COMPREHENSIVE NET EXPENDITURE for the year ended 31 March 2021

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.

	Note	2020-21 £'000	2019-20 £'000
Revenue from contracts with customers	6.1	(25,033)	(31,908)
Other operating income	6.2	(607)	(546)
Total operating income		(25,640)	(32,454)
Staff costs	4,5	31,957	28,225
Purchase of goods and services	4,5	46,911	50,022
Depreciation and impairment charges	4,5	8,404	7,964
Provision expense	5	555	1,359
Total operating expenditure		87,827	87,570
Net operating expenditure		62,187	55,116
Finance expense	5	700	829
Net expenditure for the year		62,887	55,945
Other comprehensive net expenditure			
Items that will not be reclassified to net operating expenditure:			
- Net gain on revaluation of property, plant and equipment	8	(8)	(7,235)
- Net gain on revaluation of intangible assets	9	(15)	(17)
- Actuarial (gain)/loss on pension liability	15	(47)	121
Total other comprehensive net expenditure		(70)	(7,131)
Comprehensive net expenditure for the year		62,817	48,814

All income and expenditure is derived from continuing operations.

The notes on pages 93 to 127 form part of these accounts.

STATEMENT OF FINANCIAL POSITION

as at 31 March 2021

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	2020-21 £'000	2019-20 £'000
Non-current assets			
Property, plant and equipment	8	207,914	214,420
Intangible assets	9	2,036	1,318
Total non-current assets		209,950	215,738
Current assets			
Assets classified as held for sale	11	60	60
Trade and other receivables	13	5,737	5,390
Cash and cash equivalents	12	4,310	1,140
Total current assets		10,107	6,590
Total assets		220,057	222,328
Current liabilities			
Trade and other payables	14	(19,100)	(20,405)
Provisions	15	(1,154)	(2,379)
Total current liabilities		(20,254)	(22,784)
Total assets less current liabilities		199,803	199,544
Non-current liabilities			
Provisions	15	(5,378)	(4,076)
Other payables	14	(9,072)	(10,738)
Total non-current liabilities		(14,450)	(14,814)
Total assets less total liabilities		185,353	184,730
Taxpayers' equity and other reserves			
General fund		49,949	44,542
Revaluation reserve		135,404	140,188
Total equity		185,353	184,730



Anthony Harbinson
Accounting Officer
30 June 2021

The notes on pages 93 to 127 form part of these accounts.

STATEMENT OF CASH FLOWS

for the year ended 31 March 2021

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	2020-21 £'000	2019-20 £'000
Cash flows from operating activities			
Net expenditure for the year		(62,887)	(55,945)
Adjustments for non-cash transactions	3.2	10,611	10,929
Increase in trade and other receivables	13	(347)	(375)
<i>Movements in receivables relating to items not passing through the SoCNE</i>		(5)	-
(Decrease)/increase in trade and other payables	14	(2,738)	48
<i>Movement in payables relating to items not passing through the SoCNE</i>		3,001	354
Use of provisions	15	(454)	(445)
Net cash outflow from operating activities		(52,819)	(45,434)
Cash flows from investing activities			
Purchase of property, plant and equipment	8,14	(2,562)	(1,841)
Purchase of intangible assets	9,14	(1,637)	(481)
Net cash outflow from investing activities		(4,199)	(2,322)
Cash flows from financing activities			
From the Consolidated Fund (Supply) – current year		53,293	39,566
From the Consolidated Fund (non-supply)		8,703	8,875
Capital element of payments in respect of SoFP PFI contracts		(1,575)	(1,485)
Net financing		60,421	46,956
Net increase/(decrease) in cash and cash equivalents in the period before adjustment for receipts and payments to NICF		3,403	(800)
Receipts due to NICF which are outside the scope of the NICTS' activities		1	5
Payments of amounts due to the NICF		(1)	(9)
Net increase/(decrease) in cash and cash equivalents in the period after adjustment for receipts and payments to NICF		3,403	(804)
Cash and cash equivalents at the beginning of the period	12	820	1,624
Cash and cash equivalents at the end of the period	12	4,223	820

The notes on pages 93 to 127 form part of these accounts.

STATEMENT OF CHANGES IN TAXPAYERS' EQUITY

for the year ended 31 March 2021

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 2019		46,081	137,454	183,535
Net Assembly Funding – drawn down		39,566	-	39,566
Consolidated Fund Standing Services	5,15	8,875	-	8,875
Comprehensive net expenditure for the year		(56,066)	7,252	(48,814)
Auditors' remuneration	4,5	119	-	119
Other notional charges	4,5	1,449	-	1,449
Transfers between reserves		4,518	(4,518)	-
Balance at 31 March 2020		44,542	140,188	184,730
Net Assembly Funding – drawn down		53,293	-	53,293
Consolidated Fund Standing Services	5,15	8,703	-	8,703
Comprehensive net expenditure for the year		(62,840)	23	(62,817)
Auditors' remuneration	4,5	120	-	120
Other notional charges	4,5	1,324	-	1,324
Transfers between reserves		4,807	(4,807)	-
Balance at 31 March 2021		49,949	135,404	185,353

The notes on pages 93 to 127 form part of these accounts.

NOTES TO THE ACCOUNTS

1. Statement of accounting policies

These financial statements have been prepared in accordance with the 2020-21 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 23. 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 8 and 18).

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 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	20-83 years
	- Leasehold	Period of lease
Plant and machinery	- Furniture and fittings	10 years
	- Office machinery & equipment	5 years
	- Antiques (non-operational)	Not depreciated
Information Technology	- Computer hardware	3-7 years
	- Telecoms & networks	3-7 years
Intangible assets	- Software licences	3 years
	- Software	3 years

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

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 2020-21.

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 23 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 14). Where revenue is expected based on performance obligations being met by NICTS, this is recognised as a Contract Asset within Receivables (Note 13).

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 7.

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.

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 5).

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 18 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	Nominal Rate
Short-term	Up to 5 years	(0.02)%
Medium-term	5 to 10 years	0.18%
Long-term	Over 10 years	1.99%

Further details on provisions are contained in Note 15.

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 21.

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 23.

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 15.2.

(iv) Contract liabilities and deferred income

NICTS' deferred income is accounted for as Contract Liabilities in accordance with IFRS 15. 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 21). 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

IFRS 9 *Financial Instruments* requires the recognition of a financial asset or financial liability 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 and 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. Provisions for doubtful debts are made specifically where there is objective evidence of a dispute or inability to pay.

Financial assets within 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 receivables and contract assets. The expected credit losses on these financial assets are estimated using historical credit loss experience, adjusted for factors that are specific to the receivables, 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 the 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 and other payables. These are initially measured at fair value, which is usually the original invoiced amount, 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 the SoCNE.

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 2.

1.21 Prior period adjustment

There were no prior period adjustments.

1.22 Accounting standards, interpretations and amendments to published standards and FReM – issued and effective in 2020-21 for the first time

There were no accounting initiatives issued and effective in 2020-21 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 2022, 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	2022-23
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</p>

	<p>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	<p>IFRS 16 Leases replaces IAS 17 Leases and is effective with EU adoption from 1 January 2019. In line with the requirements of FReM, IFRS 16 will be implemented, as interpreted and adapted for the public sector, with effect from 1 April 2022.</p> <p>NICTS has undertaken a preliminary assessment of the potential impact of IFRS 16 on its future financial statements. It is currently considered that approximately £1m leases will be capitalised on the Statement of Financial Position in 2022-23 and it is not expected to have a material impact on the Statement of Comprehensive Net Expenditure.</p>
Standard	IFRS 10, 11 and 12 – Group Accounting Standards
Effective date	1 January 2014 (with EU adoption)
FReM application	2022-23
Description of revision	The IASB issued new and amended standards (IFRS 10, IFRS 11 and IFRS 12) that affect the consolidation and reporting of subsidiaries, associates and joint ventures.
Comments	Accounting boundary IFRS are currently adapted in the FReM so that the Westminster departmental accounting boundary is based on ONS control criteria, as designated by Treasury. A similar review in NI, which will bring NI departments under the same adaptation, has been carried out and the resulting recommendations were agreed by the Executive in December 2016.

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. 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.

						2020-21
	Court Operations £'000	Tribunals and Enforcement £'000	OLCJ £'000	Corporate Services £'000	Modern. Programme £'000	Total £'000
Gross Expenditure	53,235	13,493	13,885	3,769	4,145	88,527
Income	(17,275)	(8,200)	(8)	(138)	(19)	(25,640)
Net Expenditure	35,960	5,293	13,877	3,631	4,126	62,887
						2019-20
	Court Operations £'000	Tribunals and Enforcement £'000	OLCJ £'000	Corporate Services £'000	Modern. Programme £'000	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

3. Summary of information for Statement of Comprehensive Net Expenditure

3.1 Operating income and expenditure

		2020-21		
	Note	Administration £'000	Programme £'000	Total £'000
Revenue from Contracts with Customers	6.1	(157)	(24,876)	(25,033)
Other operating income	6.2	-	(607)	(607)
Total operating income		(157)	(25,483)	(25,640)
Staff costs	4,5	3,981	27,976	31,957
Purchase of goods and services	4,5	1,452	45,459	46,911
Depreciation and impairment charges	4,5	1,430	6,974	8,404
Provision expense	5	-	555	555
Total operating expenditure		6,863	80,964	87,827
Net operating expenditure		6,706	55,481	62,187
Finance expense	5	-	700	700
Net expenditure for the period		6,706	56,181	62,887

		2019-20		
	Note	Administration £'000	Programme £'000	Total £'000
Revenue from Contracts with Customers	6.1	(68)	(31,840)	(31,908)
Other operating income	6.2	-	(546)	(546)
Total operating income		(68)	(32,386)	(32,454)
Staff costs	4,5	3,668	24,557	28,225
Purchase of goods and services	4,5	1,785	48,237	50,022
Depreciation and impairment charges	4,5	1,235	6,729	7,964
Provision expense	5	-	1,359	1,359
Total operating expenditure		6,688	80,882	87,570
Net operating expenditure		6,620	48,496	55,116
Finance expense	5	-	829	829
Net expenditure for the period		6,620	49,325	55,945

3.2 Non-cash costs

		2020-21		
	Note	Administration £'000	Programme £'000	Total £'000
Purchase of goods and services	4,5	501	1,128	1,629
Depreciation and Impairment charges	4,5	1,430	6,974	8,404
Provision expense	5	-	555	555
Finance expense	5	-	23	23
Total non-cash costs		1,931	8,680	10,611

		2019-20		
	Note	Administration £'000	Programme £'000	Total £'000
Purchase of goods and services	4,5	452	1,116	1,568
Depreciation and Impairment charges	4,5	1,235	6,729	7,964
Provision expense	5	-	1,359	1,359
Finance expense	5	-	38	38
Total non-cash costs		1,687	9,242	10,929

4. Other administration expenditure

	Note	2020-21 £'000	2019-20 £'000
Staff costs			
Wages and salaries		2,844	2,600
Social security costs		297	274
Other pension costs		840	794
		3,981	3,668
Purchase of goods and services			
Cash items:			
Staff related costs		79	112
Accommodation costs		87	52
Office services		74	71
Professional and consultancy costs		140	562
Contracted out and managed services		517	416
Commission and Tribunal costs		16	12
Consumables and equipment costs		37	107
Other costs		1	1
		951	1,333
Non-cash items:			
Auditors remuneration and expenses		99	98
Notional charges		402	354
		501	452
Total purchase of goods and services		1,452	1,785
Depreciation and impairment charges			
Depreciation	8	995	754
Amortisation	9	435	482
Revaluation released to SoCNE	10	-	(1)
		1,430	1,235
Total administration costs excluding finance expense		6,863	6,688
Interest payable and similar charge		-	-
Total administration costs including finance expense		6,863	6,688

5. Programme expenditure

	Note	2020-21 £'000	2019-20 £'000
Staff costs			
Wages and salaries		20,835	18,015
Social security costs		1,822	1,663
Other pension costs		5,319	4,879
		27,976	24,557
Purchase of goods and services			
Cash items:			
Staff related costs		179	379
Rentals under operating leases		280	56
Accommodation costs		4,933	5,023
Office services		862	785
Contracted out and managed services		8,475	7,577
PFI service charges		2,854	2,515
Professional and consultancy services		1,508	924
Commission and Tribunal costs		6,696	11,070
Consumables and equipment costs		68	76
Client and programme operating costs		437	641
Judicial costs		9,111	9,105
Judicial costs – Consolidated Fund		8,572	8,538
Other costs		356	432
		44,331	47,121
Non-cash items:			
Loss on disposal of non-current assets		180	-
Auditors remuneration and expenses		21	21
Notional charges		922	1,095
Other non-cash items		5	-
		1,128	1,116
Total purchase of goods and services		45,459	48,237
Depreciation and impairment charges			
Depreciation	8	6,878	6,577
Amortisation	9	93	159
Revaluation released to SoCNE	10	3	(7)
		6,974	6,729
Provision expense			
Provided in year	15	700	1,742
Written back in year	15	(145)	(383)
		555	1,359
Total programme costs excluding finance expense		80,964	80,882
Interest payable and similar charges		677	791
Borrowing costs on provisions		23	38
Total programme costs including finance expense		81,664	81,711

5.1 Programme Expenditure relating to HIA Redress Board

The HIA Redress Board, an ALB of TEO, was established in December 2019 and became operational on 31 March 2020. Through a service level agreement, NICTS is responsible for providing administrative support and making the necessary compensation payments to victims and survivors, as advised by the HIA Redress Board.

The running costs borne by NICTS on behalf of the HIA Redress Board are recouped from TEO each month, along with a NICTS management fee for services rendered. The compensation payments processed by NICTS are also recouped from TEO but the recoupment is netted off against the payment so the expenditure and income relating to compensation payments are excluded from the NICTS SoCNE. Compensation payments of £10,467k were processed in 2020-21 (2019-20: nil).

The running costs relating to the HIA Redress Board included in Programme Expenditure (Note 5) are:

	Note	2020-21 £'000	2019-20 £'000
Staff costs			
Wages and salaries	5	898	96
Social security costs	5	71	10
Other pension costs	5	196	28
		1,165	134
Purchase of goods and services			
Cash items:			
Staff related costs	5	6	1
Office services	5	8	4
Contracted out and managed services	5	69	1
Professional and consultancy services	5	230	-
Commission and Tribunal costs	5	172	4
Consumables and equipment costs	5	17	-
Judicial costs	5	498	-
Judicial costs – Consolidated Fund*	5	549	-
		1,549	10
Non-cash items:			
Notional charges**	5	-	-
		-	-
Total programme costs		2,714	144
Programme expenditure recouped from TEO			
Income – rendering of services	6.1	(2,165)	(144)
Balance not recouped from TEO*		549	-

* In 2020-21 one High Court Judge and two County Court Judges were assigned by NICTS to the HIA Redress Board as the President and Judicial Panel members. The £549k Consolidated Fund element of their judicial salaries was not recouped in 2020-21 because NICTS received funding from the NI Consolidated Fund for these judicial costs (2019-20: nil).

** In 2020-21 the HIA Redress Board incurred £20k of the notional costs charged to NICTS by DoF for NICS shared services (2019-20: nil). These notional charges have been transferred to TEO as the sponsoring department of the HIA Redress Board.

6. Income

6.1 Revenue from contracts with customers

	2020-21 £'000	2019-20 £'000
Court fees, levies and charges	19,896	24,126
Rendering of services	4,046	6,510
Other revenue from contracts	1,091	1,272
	25,033	31,908

Disaggregation of revenue from contracts with customers per NICTS operating segment is as follows:

						2020-21
	Court Operations £'000	Tribunals and Enforcement £'000	OLCJ £'000	Corporate Services £'000	Modern. Prog. £'000	Total £'000
Court fees, levies and charges	14,354	5,542	-	-	-	19,896
Rendering of services	2,346	1,554	8	138	-	4,046
Other revenue from contracts	-	1,072	-	-	19	1,091
	16,700	8,168	8	138	19	25,033
						2019-20
	Court Operations £'000	Tribunals and Enforcement £'000	OLCJ £'000	Corporate Services £'000	Modern. Prog. £'000	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

6.2 Other operating income

	2020-21 £'000	2019-20 £'000
Rental income	538	416
Other non-trading income	69	130
	607	546

7. Summary of fine income payable to NICF

Income shown in Note 6 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 2020-21, 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:

	2020-21 £'000	Restated 2019-20 £'000
Trust Statement Revenue		
Fixed Penalty Notices	1,989	2,300
Court Imposed Fines	4,569	5,628
Offender Levy	352	463
Extra Costs	-	6
Confiscation Orders	1,291	2,099
Other Party Criminal	914	1,719
	9,115	12,215
Expenditure		
Credit Losses	(891)	(3,053)
Revenue retained by NICTS under statute	(1,254)	(1,431)
Disbursements		
Amounts paid to Other Parties	(918)	(1,913)
Amounts paid to Safety Camera Scheme	(1,003)	(1,124)
	(4,066)	(7,521)
Net Revenue for the Consolidated Fund	5,049	4,694

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

Amounts Held On Trust	2020-21 £'000	2019-20 £'000
Balance held on trust at 1 April	293	264
Fines cleared by receipt of payment (NICF fines)	6,246	8,464
Payments to Consolidated Fund	(3,509)	(5,880)
Payments to others	(2,257)	(2,555)
Balance held on Trust at 31 March	773	293

The receivables balance at year end was £10.7m (2019-20 restated: £7.6m), this includes those receivables which are not payable to NICF, for example compensation.

	2020-21 £'000	Restated 2019-20 £'000
Balance receivable at 1 April	7,575	8,499
Amounts Imposed	9,115	12,215
Fines Cleared by receipt of Payment	(5,070)	(10,176)
Refund due from NICF	-	90
Fines Cleared by Competent Authority	(891)	(833)
Increase in impairment provision	-	(2,220)
Balance receivable at 31 March	10,729	7,575

**The 2019-20 balances have been restated within this note to reflect the contents of the Trust Statement for 2019-20 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.*

8. Property, plant and equipment

2020-21

	Land £'000	Buildings £'000	Plant & Machinery £'000	Information Technology £'000	Total £'000
Cost or valuation					
At 1 April 2020	36,310	184,192	4,046	3,908	228,456
Additions	-	275	291	976	1,542
Disposals	(90)	(94)	(27)	(5)	(216)
Transfers and reclassifications	-	(4)	1	3	-
Revaluation, indexation and impairment released to SoCNE	-	-	-	-	-
Revaluation, indexation and impairment released to Revaluation Reserve	-	-	12	4	16
At 31 March 2021	36,220	184,369	4,323	4,886	229,798
Depreciation					
At 1 April 2020	-	9,220	2,924	1,892	14,036
Charged in year	-	7,166	114	593	7,873
Disposals	-	(14)	(18)	(4)	(36)
Transfers and reclassifications	-	-	-	-	-
Revaluation, indexation and impairment released to SoCNE	-	3	-	-	3
Revaluation, indexation and impairment released to Revaluation Reserve	-	-	5	3	8
At 31 March 2021	-	16,375	3,025	2,484	21,884
Carrying amount at 31 March 2021	36,220	167,994	1,298	2,402	207,914
Carrying amount at 31 March 2020	36,310	174,972	1,122	2,016	214,420
Asset financing:					
Owned	36,220	127,126	1,298	2,402	167,046
On balance sheet PFI contracts	-	40,868	-	-	40,868
Carrying amount at 31 March 2021	36,220	167,994	1,298	2,402	207,914

2019-20

	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)
Revaluation, indexation and impairment released to SoCNE	-	7	1	-	8
Revaluation, indexation and impairment released to Revaluation 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)
Revaluation, indexation and impairment released to SoCNE	-	-	-	-	-
Revaluation, indexation and impairment released to Revaluation 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

IAS 16 requires measurement of assets at fair value.

Land and buildings were externally valued by LPS at 31 March 2019 in accordance with the Royal Institution of Chartered Surveyors Appraisal and Valuation Manual. The next valuation by LPS will be effective from 31 March 2024. Indexation is applied between asset valuations to update the asset register.

All Buildings are valued at DRC with the exception of one Courthouse that was revalued at market value, due to its non-operational status, and is classified as held for sale (Note 11).

In December 2020 NICTS completed the legal process to facilitate the Community Asset Transfer of Bangor Courthouse (valued at £180k) to Bangor Open House Festival, a community arts based group. This was transferred at nil proceeds and is disclosed as a loss on the disposal of non-current assets in 2020-21 in Programme Expenditure (Note 5) and the SoCNE.

As at 31 March 2021, Plant and Machinery (excluding Antiques) and Information Technology assets have been adjusted to their current value by reference to the appropriate indices compiled by ONS.

Antiques have been included in the Plant and Machinery 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 2021, the amount of revaluation surplus that relates to property, plant and equipment is £135,374k (at 31 March 2020: £140,152k).

9. Intangible assets

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

2020-21

	Software/ Licences £'000	Externally developed software £'000	Intangibles- Assets under Construction £'000	Total £'000
Cost or valuation				
At 1 April 2020	356	11,910	249	12,515
Additions	26	934	271	1,231
Revaluation, indexation and impairment to Revaluation Reserve	1	24	-	25
As at 31 March 2021	383	12,868	520	13,771
Amortisation				
At 1 April 2020	312	10,885	-	11,197
Charged in year	24	504	-	528
Revaluation, indexation and impairment to Revaluation Reserve	-	10	-	10
As at 31 March 2021	336	11,399	-	11,735
Carrying amount at 31 March 2021	47	1,469	520	2,036
Carrying amount at 31 March 2020	44	1,025	249	1,318
Asset financing:				
Owned	47	1,469	520	2,036
On balance sheet PFI contracts	-	-	-	-
Carrying amount at 31 March 2021	47	1,469	520	2,036

2019-20

	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)
Revaluation, indexation and impairment to Revaluation 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)
Revaluation, indexation and impairment to Revaluation 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

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

At 31 March 2021, the amount of revaluation surplus that relates to intangible assets is £30k (at 31 March 2020: £34k).

10. Impairment

	2020-21 £'000	2019-20 £'000
Charged/(credited) directly to the SoCNE		
Property, plant and equipment	3	(8)
Intangible assets	-	-
	3	(8)
Taken through the revaluation reserve		
Property, plant and equipment	(8)	(7,235)
Intangible assets	(15)	(17)
	(23)	(7,252)
Total revaluation gain for the year	(20)	(7,260)

11. Assets classified as held for sale

	2020-21 £'000	2019-20 £'000
<i>Land and building</i>		
Balance at 1 April	60	60
Transfers	-	-
Balance at 31 March	60	60

12. Cash and cash equivalents

	2020-21 £'000	2019-20 £'000
Balance at 1 April	820	1,624
Net change in cash and cash equivalent balances	3,403	(804)
Balance at 31 March	4,223	820

The following balances at 31 March were held at:

NI Banking Pool	4,222	819
Commercial banks and cash in hand	1	1
Balance at 31 March	4,223	820

The closing balance as at 31 March 2021 consists of cash balances of £4,310k and liabilities of £87k (2019-20: cash balance of £1,140k and liabilities of £320k).

13. Trade receivables and other current assets

	Note	2020-21 £'000	2019-20 £'000
Amounts falling due within one year:			
VAT receivable		858	651
Other receivables		832	196
Prepayments		923	961
Accrued income		2,521	2,909
Contract assets	14.1	603	673
Total		5,737	5,390

Within other receivables there is a provision for bad debt of £42k (2019-20: £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.

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

14. Trade payables and other current liabilities

	Note	2020-21 £'000	2019-20 £'000
Amounts falling due within one year:			
Trade payables		247	46
Other payables		3,462	3,171
Cash and cash equivalents		87	320
Accruals		9,418	9,598
Contract Liabilities	14.1	4,220	5,695
Current part of imputed finance lease element of PFI contracts		1,666	1,575
Consolidated Fund extra receipts due to be paid to the Consolidated Fund received and receivable		-	-
		19,100	20,405
Amounts falling due after more than one year:			
Imputed finance lease element of PFI contracts		9,072	10,738
Total		28,172	31,143

Within accruals and deferred income are capital amounts of £977k (2019-20: £2,404k).

14.1 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 receipted over the previous 12 month period.

Contract liabilities primarily relate to Courts, EJO and PACWAC 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
Balance at 1 April 2020	673	5,695
Movement in year	(70)	(1,475)
Balance at 31 March 2021	603	4,220

It is assumed that the full opening balance of contract liabilities has been recognised as income throughout the 2020-21 reporting year, as the majority of deferral periods used are less than 12 months.

15. Provisions

2020-21

	Legal Claims £'000	Judicial Service Award £'000	Judicial Litigation £'000	Auto- enrolment £'000	Holiday Pay £'000	Total £'000
Balance at 1 April 2020	297	4,002	1,500	187	469	6,455
Provided in the year	178	159	300	63	-	700
Provisions not required written back	(86)	-	-	-	(59)	(145)
Provisions utilised in the year	(138)	(185)	-	-	-	(323)
Provisions settled from Consolidated Fund	-	(131)	-	-	-	(131)
Borrowing costs	-	23	-	-	-	23
Actuarial gain	-	(47)	-	-	-	(47)
Balance at 31 March 2021	251	3,821	1,800	250	410	6,532

Analysis of expected timing of discounted flows:

	Legal Claims £'000	Judicial Service Award £'000	Judicial Litigation £'000	Auto- enrolment £'000	Holiday Pay £'000	Total £'000
Not later than one year	251	493	-	-	410	1,154
Later than one year and not later than five years	-	1,960	1,800	250	-	4,010
Later than five years	-	1,368	-	-	-	1,368
Balance at 31 March 2021	251	3,821	1,800	250	410	6,532

2019-20

	Legal Claims £'000	Judicial Service Award £'000	Judicial Litigation £'000	Auto- enrolment £'000	Holiday Pay £'000	Total £'000
Balance at 1 April 2019	185	3,997	1,200	-	-	5,382
Provided in the year	302	184	600	187	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 loss	-	121	-	-	-	121
Balance at 31 March 2020	297	4,002	1,500	187	469	6,455

Analysis of expected timing of discounted flows:

	Legal Claims £'000	Judicial Service Award £'000	Judicial Litigation £'000	Auto- enrolment £'000	Holiday Pay £'000	Total £'000
Not later than one year	297	395	1,500	187	-	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	1,500	187	469	6,455

15.1 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 21.

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

The Judicial Service Award (JSA) was created to equalise the tax position of judicial pensions affected by the provisions of the Finance Act 2004. Following the introduction of the Fee Paid Judicial Pensions Scheme on 1 April 2017, the provision held for JSAs covers the liability in relation to both salaried and 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.

15.3 Judicial Litigation

In December 2018, the Court of Appeal ruled that the JPS 2015 transitional protection provisions were unlawful on grounds of age discrimination (McCloud). The Supreme Court issued a decision in June 2019 rejecting the Government's application for permission to appeal.

In July 2020 MoJ consulted on changes to the transitional arrangements and published its response on 25 February 2021, confirming its approach to addressing the discrimination identified in the McCloud case. It is proposed that all judges will transfer into a reformed judicial pension scheme from 1 April 2022. The proposed scheme will be in line with the Hutton principles for public service pension reform and will be non-registered for tax purposes.

Judges in scope of the McCloud remedy (generally those in post on 31 March 2012 and who have more than 10 years to pension age) will participate in an 'options exercise' after the reformed scheme is introduced, during 2022-23. This will allow them to make a retrospective choice of pension scheme membership for the period that they were accruing benefits in JPS 2015, from 1 April 2015. The choice available in the options exercise will

be between the relevant pre-2015 scheme of JUPRA, FPJPS or remaining in JPS 2015. 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 £1.8m (2019-20 £1.5m) in respect of additional JSAs that might be payable as a result of the litigation ruling.

15.4 Auto-enrolment

A District Judge brought a claim to the UK Employment Tribunal in relation to mistreatment, having acted as a 'whistle blower'. The significant point was whether, as a judicial office holder, she was a 'worker' under the Employment Rights Act, 1996. It would then follow that judicial office holders were entitled to a workplace pension under the Pensions Act 2008. NICTS has a number of both legal and non-legal devolved officers who may be impacted by this case. 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 £250k (2019-20: £187k) to meet the estimated potential backdated costs. The provision has been calculated on the basis of backdated employee and employer contributions payable and NICTS has assumed a 100% opt-in for the purposes of calculating an estimated provision.

15.5 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. The Supreme Court hearing was scheduled for the 23 and 24 June 2021 but this has subsequently been adjourned. The 2020-21 Holiday Pay provision of £410k has been estimated by NICS HR and covers the period from 1998 to 31 March 2020 (2019-20: £469k). 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 detailed 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; and
4. The provision includes a pension element which is based on formulae provided by GAD with a variable capitalisation factor (CF). The CF used for these calculations is 12 which is based on the commutation value currently used in public sector pensions. This figure is subject to change as the calculation has not been agreed with Trade Unions.

16. Capital commitments

NICTS entered into the following capital commitments as at 31 March 2021:

	2020-21 £'000	2019-20 £'000
Property, plant and equipment	372	682
Intangible assets	24	512
	396	1,194

17. Commitments under leases

17.1 Operating leases

Obligations under operating leases comprise:

	2020-21 £'000	2019-20 £'000
<i>Buildings</i>		
Not later than one year	225	55
Later than one year and not later than five years	440	43
Later than five years	-	-
	665	98

17.2 Finance leases

NICTS has no obligations under finance leases other than the PFI commitment contained in Note 18.

18. 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 £2,854k (2019-20: £2,515k). Total future obligations under on-balance sheet PFI arrangements are given in the table below for each of the following periods:

Minimum lease payments:

	2020-21 £'000	2019-20 £'000
Due within one year	2,182	2,182
Due later than one year and not later than five years	8,728	8,728
Due later than five years	1,573	3,755
	12,483	14,665
Less interest element	(1,745)	(2,352)
Present value of obligations	10,738	12,313

Service elements due in future periods:

	2020-21 £'000	2019-20 £'000
Due within one year	1,395	1,385
Due later than one year and not later than five years	5,683	5,641
Due later than five years	1,039	2,476
Total service elements due in future periods	8,117	9,502

19. Other financial commitments

NICTS has not entered into any non-cancellable contracts at 31 March 2021 (2019-20: nil).

20. 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 13) and cash and cash equivalents (Note 12). NICTS financial liabilities comprise trade payables excluding tax assets, accruals and deferred income (Note 14). 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, 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.

21. 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.

21.1 Litigation claims

There are contingent liabilities relating to ongoing legal claims upon which it is not possible to put a value.

21.2 Other Judicial Office Holders

There is also an unquantifiable contingent liability in relation to the pension treatment of a number of payments paid to judicial office holders following 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. However MoJ has yet to fully state how the decision affects the Judges pensions which may result in pension related liabilities falling to NICTS.

21.3 Legacy inquests

In respect of legacy inquests, funding was confirmed by DoJ in February 2019 for progression of legacy inquests and a new Legacy Inquest Unit (LIU) was established in NICTS during the 2019-20 financial year. The work of the LIU is overseen by the Office of the Lord Chief Justice. There are currently 51 outstanding legacy inquests 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.

21.4 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 171 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, September 2019 and February 2020. All four Civil Bills were struck out with no order to pay costs. The first High Court legal challenge seeking an extension to the one year limitation period was reviewed on 11 June 2021 and has been provisionally listed for 20 and 21 October 2021. 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. Following a hearing in April 2021, the Divisional Court was not persuaded that the Applicant had made arguable grounds and refused to grant leave for judicial review.

If a challenge to the one year limitation period were to succeed, there may be significant financial implications in the future for NICTS and the Department.

22. 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.

23. Third party assets

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

23.1 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 2020 £'000	Gross inflows £'000	Gross outflows £'000	31 March 2021 £'000
Monetary assets such as bank balances and monies on deposit	100,966	110,551	(114,153)	97,364
Listed securities	198,722	78,885	(56,154)	221,453
Total Third Party Assets	299,688	189,436	(170,307)	318,817

23.2 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 2021 Number	31 March 2020 Number
Property assets	746	1,465

24. 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.

25. 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 2021

	2020-21	2019-20
	£	£
Income	-	-
Expenditure		
Staff payroll costs	213,845	224,069
Judicial payroll costs	91,298	164,908
	<u>305,143</u>	<u>388,977</u>
Other operating costs	9,482	21,221
Net cost of operations	<u>314,625</u>	<u>410,198</u>

26. Events after the reporting period

MoJ announced its intention to introduce a reformed judicial pension scheme in a consultation published on 16 July 2020. The reformed judicial pension scheme will be provided through scheme regulations. The regulations will set out much of the detail of the scheme, such as its design features and eligibility requirements. MoJ intends to publish its consultation on these scheme regulations in the summer 2021, before they are implemented. This will provide the opportunity for judges, judicial associations and any other interested parties to provide their comments and views on the specifics of the reformed scheme.

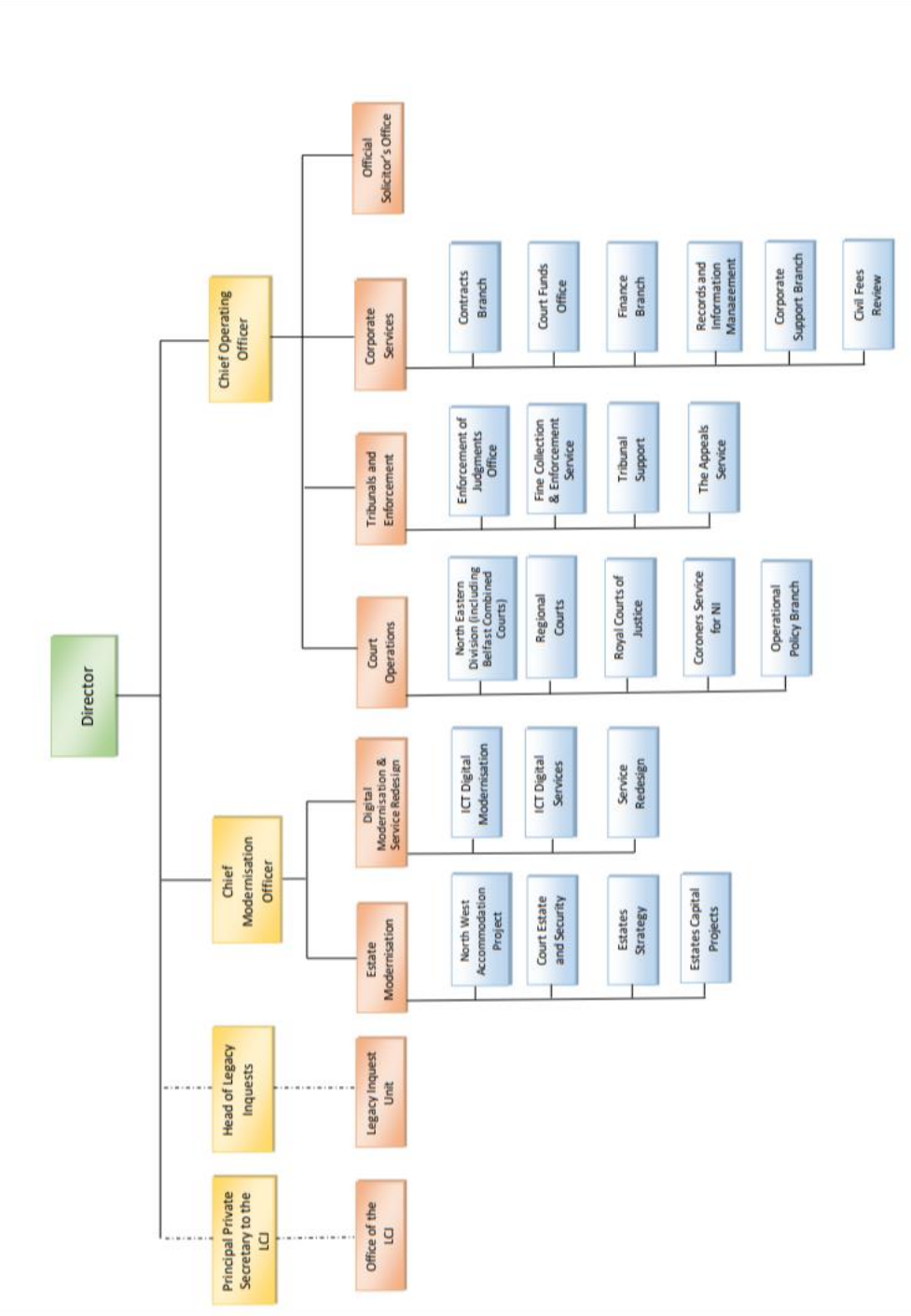
There were no other events between the end of the reporting period and the date the financial statements were authorised that would significantly affect these accounts.

Date of authorisation for issue

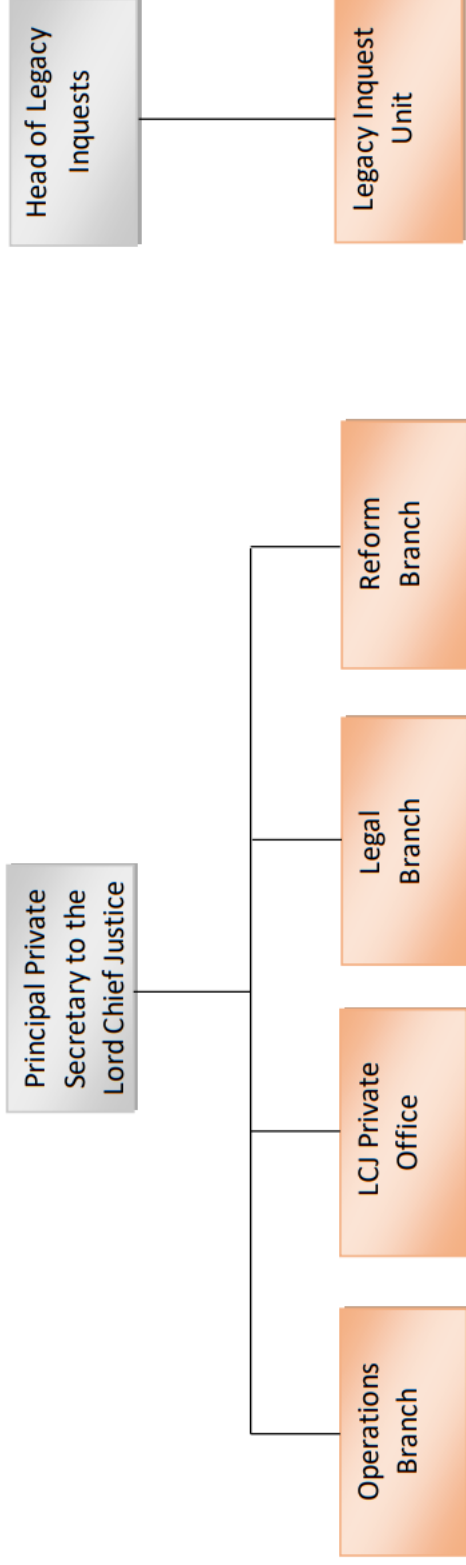
The Accounting Officer authorised these financial statements for issue on the same date that they were certified by the C&AG.

PART 4 APPENDICES

Annex A Northern Ireland Courts and Tribunals Service Organisational Chart 2020-21



Annex B Office of the Lord Chief Justice Structure 2020-21



Annex C Staffing

At the end of March 2021, the number of staff employed by NICTS was 867. A breakdown is provided below.

Staff Headcount	
Court Operations Division	603
Tribunals and Enforcement Division	145
Office of the Lord Chief Justice	31
Corporate Services	18
Modernisation Programme	57
Staff Engaged on Capital Projects	12
Director NICTS	1
Total	867

Staff Headcount by Grade	
Administrative Assistant	1
Administrative Officer	384
Executive Officer II	82
Executive Officer I	199
Staff Officer	71
Deputy Principal	55
Principal Officer	59
Grade 6	12
Grade 5	3
Director NICTS	1
Total	867

Annex D Court and Tribunal Performance Standards 2020-21

Criminal Business

To facilitate the efficient disposal of criminal business¹

- 80% of Crown Court defendants will be arraigned within six weeks of committal;
(In 2020-21 we achieved 77%)

- 80% of Crown Court defendants will start their trial within 18 weeks of committal;
(In 2020-21 we achieved 78%)

- 80% of Crown Court defendants will be sentenced within six weeks of a plea or finding of guilt;
(In 2020-21 we achieved 63%)

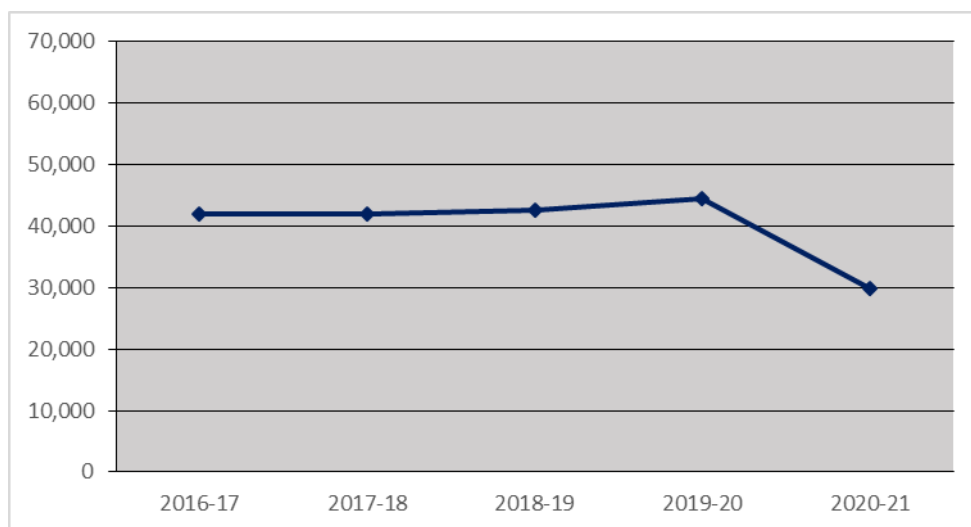
- 80% of Magistrates' Courts adult defendants will have their case disposed of within nine weeks of first listing;
(In 2020-21 we achieved 60%)

- A finding will be reached within 12 weeks from first listing for 80% of Youth Court defendants;
(In 2020-21 we achieved 65%)

- 90% of appeals against a sentence will be listed within four weeks of leave being granted to appeal to the Court of Appeal;
(In 2020-21 we achieved 83%)

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	2020-21	2019-20	% difference
Total Criminal business	29,778	44,434	-33%
Crown Court cases	1,167	1,392	-16%
Magistrates' adult defendants	27,710	41,793	-34%
Magistrates' youth defendants	901	1,249	-28%
Business Volumes disposed			
Total criminal business	28,394	41,908	-32%
Crown Court cases	916	1,327	-31%
Magistrates' adult defendants	26,610	39,321	-32%
Magistrates' youth defendants	868	1,260	-31%
Business Volumes received and disposed			
Total criminal sittings	4,479	5,729	-22%
Crown Court	1,406	2,497	-44%
Magistrates' adult	2,841	2,944	-3%
Magistrates' youth	237	288	-18%

Performance against a target of 80% compliance			
Crown Court ²	78%	85%	-7pp
Magistrates' adult	60%	82%	-22pp
Magistrates' youth	65%	81%	-16pp

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 2020-21 we achieved 79%)

- 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 2020-21 we achieved 99%)

- 98% of claims for Personal Injury will be listed for review within three months of setting down;

(In 2020-21 we achieved 66%)

- 97% of petitions for bankruptcy (presented by creditors) will be listed for hearing within six weeks;

(In 2020-21 we achieved 100%)

- 90% of petitions for bankruptcy (presented by debtors) will be listed for hearing within three weeks;

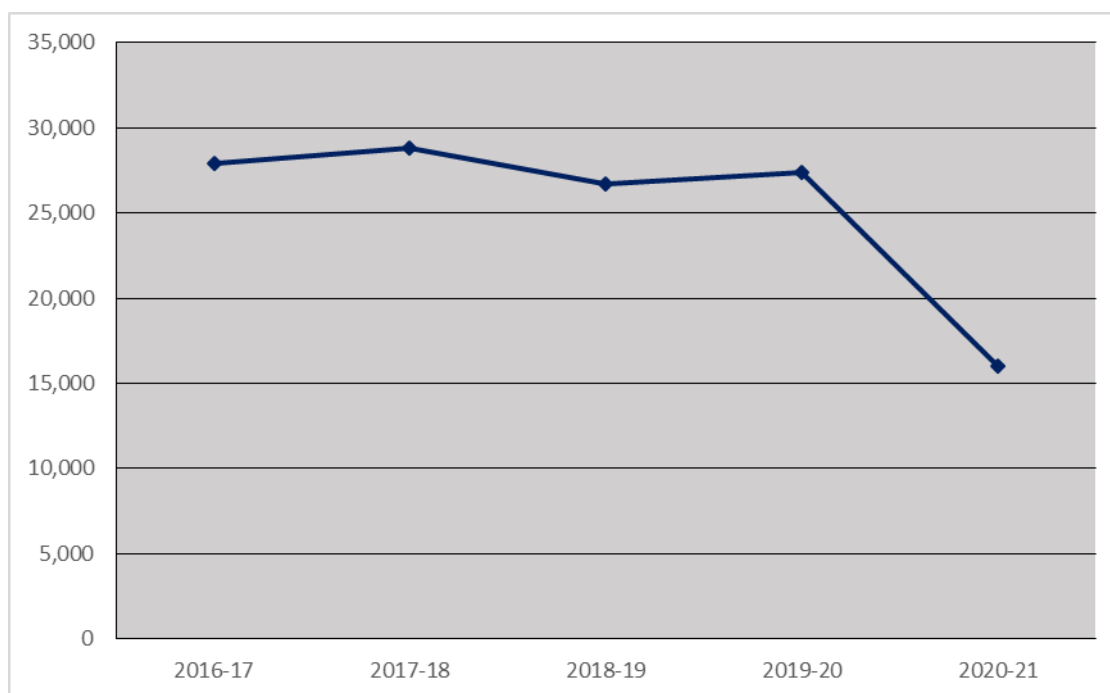
(In 2020-21 we achieved 84%)

- 85% of applications for Grant of Probate/Letters of Administration will be issued within seven days of receipt of correct information;

(In 2020-21 we achieved 28%)

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

² Committal to hearing target

Figure 2: Civil Business Received**Civil Court Business – Volumes, Disposals and Performance**

Business Volumes Received	2020-21	2019-20	% difference
Total civil business	17,325	27,358	-37%
Civil Bills (Notice of Intentions to Defend)	6,156	7,505	-18%
Small Claims	3,950	9,473	-58%
Writs set down	577	887	-35%
Mortgages received	35	1,752	-98%
Bankruptcies received	241	1,207	-80%
Probate grants received	6,366	6,534	-3%
Business Volumes disposed			
Total civil business	16,222	28,149	-42%
Ordinary Civil Bills	5,750	8,947	-36%
Small Claims	3,456	8,726	-60%
Writs disposed	1,319	2,039	-35%
Mortgages disposed	36	999	-96%
Bankruptcies disposed	294	1,195	-75%
Probate grants issued	5,367	6,243	-14%

Sittings			
Total civil sittings	2,366	2,749	-14%
County Court	1,843	2,128	-13%
Queen's Bench	290	407	-29%
Chancery	233	214	9%
Performance against a target of compliance			
Civil Bills listed for hearing (95%)	79%	100%	-21pp
Petitions for bankruptcy (presented by creditors)	100%	100%	0pp

pp – percentage point

Family Business

To facilitate the efficient disposal of family business

- 92% of Children Order applications will be listed for first directions within six weeks of receipt of correct information;

(In 2020-21 we achieved 86%)
- 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 2020-21 we achieved 48%)
- 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;

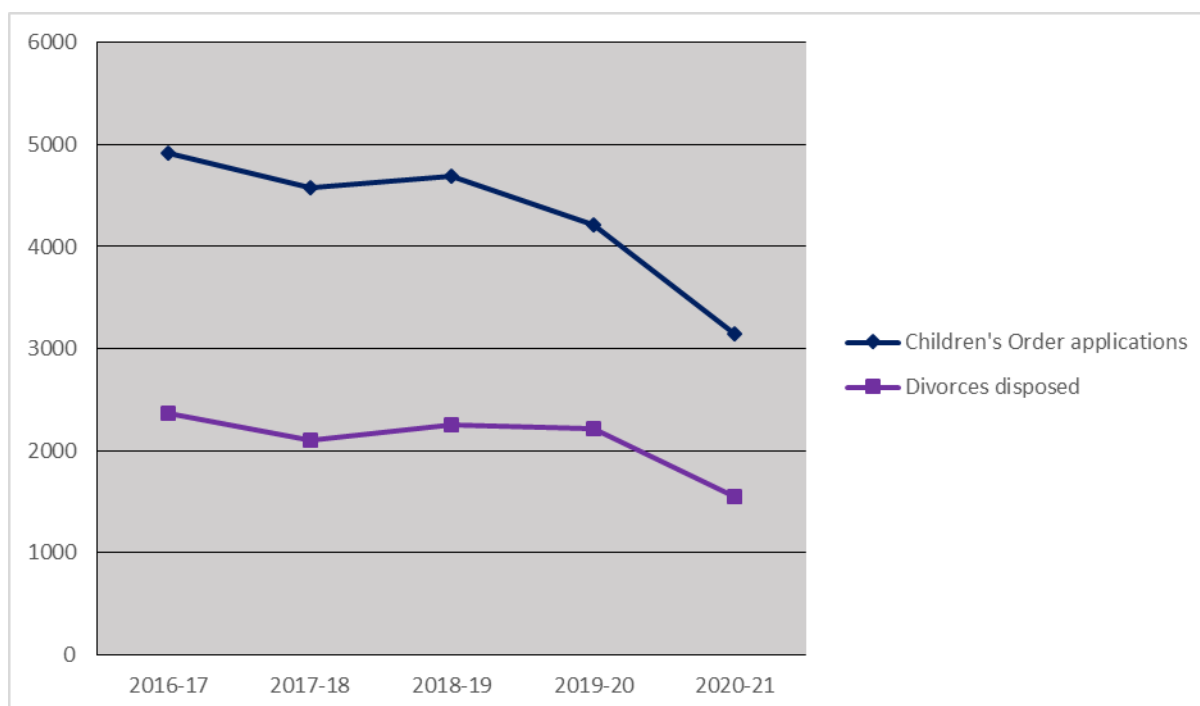
(In 2020-21 we achieved 43%)
- 95% of applications for Enduring Power of Attorney (where no objection has been lodged) will be registered within 40 days of receipt of all required information;

(In 2020-21 we achieved 76%)
- 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 2020-21 we achieved 89%)

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

Figure 3: Family Business Disposed



Family Court Business – Volumes, Disposals and Performance

Business Volumes Received	2020-21	2019-20	% difference
Total Family Business	8,862	9,379	-6%
Children Order applications	4,488	4,538	-1%
Divorces received	2,297	2,345	-2%
Enduring Power of Attorney applications received	1,134	1,213	-7%
Controllership applications received	943	1,283	-27%
Business Volumes disposed			
Total Family Business	6,611	8,772	-25%
Children Order applications	3,141	4,212	-25%
Divorces disposed	1,544	2,219	-30%
Enduring Power of Attorney registered	983	1,058	-7%
Controllership orders issued	943	1,283	-27%
Sittings			
Children Order	1,937	1,985	-2%

Performance against a target of 92% compliance			
Children Order	86%	97%	-11pp

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 2020-21 we achieved 99%)

- 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 2020-21 we achieved 96%)

- In 95% of inquests the administrative listing arrangements will be completed within 28 days of the Coroner's direction to list;

(In 2020-21 we achieved 100%)

Coroners Service Business – Volumes and Performance

Business Volumes	2020-21	2019-20	% difference
Deaths reported	3,342	4,587	-27%
Post mortems with no inquest	1,264	1,051	20%
Inquests held	16	102	-84%
No post mortem and no inquest	1,121	2,659	-58%
Other disposals of registered entries	990	539	84%
Performance			
Certificate of registration for deaths not requiring a post-mortem	99%	99%	-
Certificate of registration for deaths requiring a post-mortem	96%	97%	-1pp

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 2020-21 we achieved 97%)

- 95% of direct credits will be posted within two working days of receipt in the bank account;

(In 2020-21 we achieved 92%)

- 95% of other receipts (cheques, cash or money orders) will be posted on the day of receipt;

(In 2020-21 we achieved 97%)

- 95% of regular payments will be made on or before the due date;

(In 2020-21 we achieved 100%)

- 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
- on receipt of a Notice of Acceptance.

(In 2020-21 we achieved 99%)

- 98% of investment sale and purchase transactions will be completed within five working days of the relevant trade;

(In 2020-21 we achieved 99%)

- 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 2020-21 we achieved 89%)

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 2020-21 we achieved 84%)

- Complete 85% of repossessions within 26 weeks of acceptance;

(In 2020-21 we achieved 36%)

- 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 2020-21 we achieved 95%)

The Taxing Office will:

- Produce 95% of Taxation Assessments within 15 working days;

(In 2020-21 we achieved 97%)

Enforcement of Judgments Business – Volumes and Performance

Business Volumes	2020-21	2019-20	% difference
Total money recovered by the Enforcement process	£5.23m	£8.40m	-38%
Notices of Intent to Enforce a Judgment	2,026	7,000	-71%
Applications to Enforce a Judgment	1,074	4,126	-74%
Applications for Repossession	47	581	-92%
Repossessions	16	362	-96%
Performance against a target of compliance			
Accept Enforcement Applications	84%	97%	-13pp
Issue summons for interview	95%	93%	+2pp
Complete Repossessions	36%	97%	-61pp

pp – percentage point

Taxation Office Business – Volumes and Performance

Business Volumes	2020-21	2019-20	% difference
Taxing Applications Lodged	1,075	1,333	-19%
Taxing Assessments Completed	1,055	1,254	-16%
Performance against a target of compliance			
Issue Taxation Assessments	97%	100%	-3pp

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 2020-21 we achieved 99%)

- 95% of all decisions will be issued within five working days of receipt from a Commissioner;

(In 2020-21 we achieved 100%³)

Parole Commissioners Secretariat – Volumes and Performance

Business Volumes	2020-21	2019-20	% difference
Lifers referrals received	92	91	1%
Indeterminate/ Extended Custodial Sentence referrals received	155	157	-1%
Determinate Custodial Sentence referrals received	367	384	-4%
Performance against a target of compliance			
Schedule cases	99%	98%	+1pp
Issue decisions	100%	100%	0pp

pp – percentage point

³ A small number were issued outside the standard, however, performance, when rounded, is reported as 100%.

Tribunals

- 90% of all Tribunal hearing dates will be offered within the specified number of weeks;
(In 2020-21 we achieved 72%)
- 80% of MHRT appeals will be disposed of within eight weeks of receipt;
(In 2019-20 we achieved 86%)
- 80% of cases regarding Deprivation of Liberty within the provision of the Mental Capacity Act 2016 will be disposed of within 10 weeks⁴;
(In 2020-21 we achieved 53%)

Tribunal Business – Volumes and Performance

Business Volumes Received	2020-21	2019-20	% difference
Total Tribunal Business	6,798	10,282	-34%
Care Tribunal	4	10	-60%
Charity Tribunal	4	6	-33%
Criminal Injuries Compensation Appeals Panel	263	243	8%
The Health and Personal Social Services Disqualification Tribunal	N/A	N/A	N/A
Health and Safety Tribunal	-	-	N/A
Lands Tribunal	162	199	-19%
Mental Health Review Tribunal	268	247	9%
Mental Health Review Tribunal – Mental Capacity Act (NI) Act 2016 ⁵	1,288	218	491%
Northern Ireland Traffic Penalty Tribunal	314	470	-33%
Northern Ireland Valuation Tribunal	26	37	-30%
Office of the Social Security and Child Support Commissioner	130	184	-29%
Pensions Appeal Tribunal	79	140	-44%
Rent Assessment Panel	3	6	-50%

⁴ This is a new target not directly comparable with the 2019-20 target.

Business Volumes Received	2020-21	2019-20	% difference
Special Educational Needs and Disability Tribunal	255	412	-38%
The Appeals Tribunal	4,002	8,110	-51%
Business Volumes Disposed	2020-21	2019-20	% difference
Total Tribunal Business	4,773	11,668	-59%
Care Tribunal	5	8	-38%
Charity Tribunal	5	5	0%
Criminal Injuries Compensation Appeals Panel	134	254	-47%
The Health and Personal Social Services Disqualification Tribunal	N/A	N/A	N/A
Health and Safety Tribunal	-	-	N/A
Lands Tribunal	129	188	-31%
Mental Health Review Tribunal	271	248	9%
Mental Health Review Tribunal – Mental Capacity Act (NI) Act 2016	836	77	986%
Northern Ireland Traffic Penalty Tribunal	306	500	-39%
Northern Ireland Valuation Tribunal	30	33	-9%
Office of the Social Security and Child Support Commissioner	182	213	-15%
Pensions Appeal Tribunal	133	135	-1%
Rent Assessment Panel	2	5	-60%
Special Educational Needs and Disability Tribunal	280	438	-36%
The Appeals Tribunal	2,460	9,564	-74%

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

Court of Appeal
Hears appeals on points of law in criminal and civil cases from all courts

The High Court
Hears complex or important civil cases and appeals from County Court

County Courts (including Family Care Centres)
Hears a wide range of civil actions including Small Claims and family cases

Magistrates' Courts
(Including Youth Courts and Family Proceedings)
Hears the majority of criminal cases and civil and family cases involving juveniles and civil and family cases

Coroners Court
Investigates unexplained deaths

Legacy Inquest Unit
Deliver LCJ plan for legacy related deaths

Northern Ireland Tribunals
Social Security and Child Support Commissioners
Appeal Tribunals*
Care Tribunal
Charity Tribunal
Criminal Injuries Compensation Appeals Panel
Health and Safety Tribunals
Mental Health Review Tribunal
Review Tribunal - Deprivation of Liberty cases
Northern Ireland Valuation Tribunal
Northern Ireland Traffic Penalty Tribunal
Pensions Appeal Tribunal
Rent Assessment Panel*
Special Educational Needs and Disability Tribunal
The Lands Tribunal
Health and Personal Social Services Disqualification Tribunal
*These tribunals are administered by NICTS under an Agency agreement with DfC

Planning Appeals Commission Water Appeals Commission (PACWAC)
PACWAC determines appeals against decisions made and notices issued by government departments and district councils on a wide range of planning, environmental and water matters; and
PACWAC conducts independent examinations, public inquiries and hearings and report to departments on a wide range of matters referred to the PACWAC. Decisions on these matters are taken by the departments.

Parole Commissioners Secretariat
Parole Commissioners Secretariat provide administrative support to the Parole Commissioners for Northern Ireland who are responsible for the release and recall of prisoners referred to them under the Criminal Justice (NI) Order 2008 or under the Life Sentences (NI) Order 2001.

The Enforcement of Judgments Office
EJO enforces civil judgments of the courts related to the recovery of money, goods and property.
Taxing Office – provides administrative support to the Taxing Master in the assessment (or taxing) of bills of costs.

Fine Collection and Enforcement Service
A team of collection officers provide advice to debtors and collect and enforce outstanding financial penalties imposed (or registered) by a criminal court where a collection order has been made.

Historical Intentional Abuse (HIA)
HIA Redress Board is responsible for receiving, processing and determining applications for compensation to persons who suffered abuse while resident in an institution in Northern Ireland.
NICTS is responsible for providing administrative support and making the compensation payments to victims and survivors, as advised by the HIA Redress Board.

Appendix 3

Judicial Complement in Northern Ireland

Judicial complement of salaried and fee paid judicial officers in Northern Ireland as at 31 March 2021:

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	5*
Lands Tribunal Member	1
Appeal Tribunal Member	2
Total	74
Lay Magistrates	114
Fee Paid Tribunal members	375
Number of Deputy and fee paid Judicial Officers	60
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

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

978-1-912313-52-5



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