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# **Notes to Editors**

#### **General Points**

The data should be read in conjunction with the explanatory notes set out below to ensure a full understanding of what the figures represent.

The figure in the tables below are gross figures which are subject to tax liability and represent the payments made from the legal aid fund to barristers and solicitors' practices for the financial year 2013 - 14. These payments are made retrospectively for work completed and include a number of different components. They can reflect payments in respect of cases conducted over a number of years but which were paid in the same year.

During 2013 - 14 the total payments from the legal aid fund to all solicitors was just under  $\pounds$ 69m, of which, the total payments to the 100 firms of solicitors listed was just under  $\pounds$ 48.6m. The breakdown of the payments made to all solicitors is as follows:

Solicitor Firm Ranking	Total Payments	Band Average
1-100	£48,570,817.49	£485,708.17
101-200	£13,385,730.19	£133,857.30
201-300	£5,075,216.65	£50,752.17
301-400	£1,719,140.44	£17,191.40
401-495	£229,012.12	£2,410.65
Total	£68,979,916.89	£139,353.37

During 2013-14 the total payments from the legal aid fund to all barristers was just under  $\pounds$ 35.3m, of which the payments to the 100 barristers listed were just over  $\pounds$ 22.1m. The breakdown of the payments made to barristers is as follows:

Barrister Ranking	Total Payments	Band Average
1-100	£22,142,469.24	£221,424.69
101-200	£7,825,966.24	£78,259.66
201-300	£3,392,650.45	£33,926.50
301-400	£1,344,702.73	£13,447.03
401-500	£432,266.31	£4,322.66
501-644	£123,334.71	£856.49
Total	£35,261,389.68	£54,753.71

In some cases the legislation provides that fees due to barristers are paid directly to the barristers while in other cases payments to barristers must be made through their instructing solicitors. In the last two years the Northern Ireland Legal Services Commission (the Commission) published details of payments made to solicitors and barristers which amalgamated the payments made directly and indirectly to barristers. Prior to this, indirect payments to barristers were included with the payments made to solicitors. This presented a very limited picture and tended to identify barristers with a significant criminal practice. The details of payments made



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to barristers in 2013 - 14 are once again an amalgamation of both direct and indirect payments.

The figures published by the Legal Services Agency Northern Ireland (the Agency) has also, for the first time, included details of the total number of Legal Aid Certificates which gave rise to the payments, the average gross payment (including disbursements and VAT) and the average net payment (excluding disbursements and VAT). The Commission had previously indicated that this additional information would be included in the 2013 – 14 publication.

## Grant of Legal Aid

All payments included in this publication were made in respect of cases which benefited from legal aid.

Applications for civil legal aid were submitted to the Commission and subject to the applications satisfying statutory tests, a Legal Aid Certificate was issued to the applicant.

In respect of criminal legal aid applications, the Commission was notified of a grant of criminal legal aid, if the judiciary considered that the application met the statutory tests for funding.

#### Payment of Fees

Following the conclusion of a case, bills were submitted to the Commission. Depending on the type of case and court at which the particular case is heard, relevant legislation was followed in the determination, assessment and scrutiny of fees.

Payments were made after claims were carefully scrutinised by the Commission or the Taxing Master (an independent judicial officer) and, where necessary, adjusted.

#### When considering the published information it is also important to note:

Payments received in one financial year do not necessarily reflect work done in that financial year. Cases may have lasted more than one year and overall earnings may be increased by one exceptional case lasting a number of years for which payment was received during the financial year in guestion.

For a number of reasons, the Commission and the Taxing Master may authorise / make payments a number of years after cases conclude.

While these figures represent gross payments actually made to solicitors and barristers during a year (subject to tax liability), some of those monies have been (or may in the future be) repaid to the Legal Aid Fund. This will happen in cases where the legally aided party wins the case and recovers costs from the opponent. Once those costs are recovered, the legally aided party's solicitor refunds some or all of





the money to the Legal Aid Fund. As a consequence, the figures may not reflect the net cost of solicitor's or barrister's fees to the Fund.

### Firms whose members are regulated by the Law Society of Northern Ireland (Solicitors):

The tables attached show payments made by the Commission to solicitor firms whose members were regulated by the Law Society in Northern Ireland between 1 April 2013 and 31 March 2014.

These figures must be interpreted carefully. There are a number of reasons for this:

- The firms listed are of different sizes. Where offices are operated at several • venues, the total shown is an aggregate of them all. The sums shown do not represent the personal earnings or income of any one solicitor;
- Figures included under "disbursements" are payments made by solicitors on behalf of a client, for example fees for expert witnesses. These figures are also scrutinised to ensure they comply with the relevant guidelines;
- The amounts paid to each firm listed in any one year may represent payments for • work covering many years and for a variety of cases;
- The amount an individual firm receives year on year can fluctuate widely;
- All the figures listed detail VAT payments authorised by the Commission if the firm is VAT registered and disbursements are incurred. Firms must pay that VAT to HM Revenue & Customs: and
- Firms pay a percentage of their fees towards professional overheads.
- As small businesses, solicitors' firms are required to make payments for business outgoings including wages, national insurance contributions, pension contributions as well as overheads such as rates, rent, heat, electricity, IT and telecommunications

#### Individuals registered with the General Council of the Bar of Northern Ireland (Barristers)

The tables attached show payments made by the Commission to individuals registered with the General Council of the Bar of Northern Ireland between 1 April 2013 and 31 March 2014.

The figures must be interpreted carefully and do not represent the personal earnings of the individuals listed in any one year. There are a number of reasons for this:

The amounts paid to each barrister listed in any one year may represent payments for work covering many years and for a variety of cases;





- Payments to barristers made by the Commission through a solicitor in any financial year may not necessarily be received by the barrister in the same financial year;
- The amount an individual barrister receives year on year can fluctuate widely;
- All the figures listed detail VAT payments authorised by the Commission if the barrister is VAT registered and disbursements are incurred. Individual barristers must pay that VAT to HM Revenue & Customs;
- Barristers pay a percentage of their fees towards professional overheads; and
- Additionally, barristers face the same expenses as any other self-employed person, including Income Tax and National Insurance contributions.

## About the Legal Services Agency Northern Ireland:

Responsibility for the provision of publicly funded legal services in Northern Ireland during 2013/14 was vested in the Northern Ireland Legal Services Commission. The Commission was dissolved on 31 March 2015 and its functions are now discharged by the Legal Services Agency Northern Ireland which was established on 1 April 2015.

The Agency was established by the Minister for Justice under the Legal Aid and Coroners' Court Act (Northern Ireland) 2014 as an Executive Agency of the Department of Justice.

The powers of the Agency are set out in Article 7 of the Access to Justice (Northern Ireland) Order 2003.

Legal Services Agency Northern Ireland 15 April 2015

