

NICTS BOARD MEETING: Tuesday 27 March 2018 at 3.30 pm

Present:

Peter Luney (Chair)	Acting Chief Executive, NICTS
The Rt Hon Lord Justice Deeny	Judicial Attendee
His Honour Judge McFarland, Recorder of Belfast	Judicial Attendee
Presiding District Judge Bagnall	Judicial Attendee
John Duffy	President of Appeals Tribunal
David A Lavery	Department of Justice (DoJ) Representative
Nicole Lappin	Independent Board Member
Graham Dalton	Independent Board Member
Sharon Hetherington	Head of Corporate Services
Elaine Topping	Head of Court Operations
Jim Coffey	Acting Head of Tribunals & Enforcement

In Attendance:

Mandy Kilpatrick	Office of the Lord Chief Justice
Katy Denkowski	Secretary

Apologies:

N/A

Conflicts of Interest:

No new conflicts were declared.

1. Minutes of the last meeting and matters arising

- 1.1 The minutes of the meeting which took place on 12 December 2017 were agreed with a minor amendment at paragraph 3.1 as suggested by Lord Justice Deeny to include the sick absence figures referred to.

2. Chief Executive's Report

- 2.1 Referring to his written report, the Chair updated members on the achievement of business objectives and performance standards at the end of December 2017, noting 18 out of 20 objectives are on track for achievement. The objective relating to TAS is dependent on a functional Executive, which will be rolled forward into next year's plan and the Digital Strategy has now been integrated into the Transformation Project. In terms of business performance only three of our 37 standards were not achieved. It is likely that the only target which may not be achieved by year end is the one relating to sentencing within six weeks of plea/guilty verdict¹.
- 2.2 In terms of GDPR, the Chair noted that this is a challenging time for the public sector as a whole and the senior management team are working closely with staff in our Records and Information Management Team and departmental contacts. Nicole Lappin noted she is meeting with Tom Clyde on 12 April to discuss the issue. Nicole noted

¹ Between April and December 2017 performance was 88%, below target of 90%. This was as a result of one appeal being listed outside the 4 week period by one day as on 2 consecutive Fridays the lists were full. The end of year figures reflect compliance with the target.

that a paper on GDPR was provided to Audit and Risk Committee and it might be useful to circulate to members. David Lavery also noted that this was raised by a non-executive member at the DoJ Board, where it was noted that all departmental Boards should have an update on this at their next meeting. John Duffy raised the issue of how this may affect his members in relation to medical evidence etc that may be mistakenly left in an evidence file, and who is responsible for carrying the fine. Mandy Kilpatrick noted that when the OLCJ are reviewing the regulations in respect of Judicial members, she will also share relevant information with Tribunal members.

Action – Circulate GDPR Paper that was presented to A&R Committee, and have update paper at next meeting.

- 2.3 The Chair noted the implementation date for the new Fine Collection and Enforcement Service as 1 June 2018. He reminded the Board that the new arrangements would provide a much more effective response to the collection of fines, using deductions from benefits and attachment of earnings, and there would also be a broader range of default measures (rather than opting immediately for committal) including supervised activity, bank account freezing and vehicle seizure. In addition to future cases the FCES would take on a significant workload of 'historical' cases in accordance with the priorities previously discussed at the Board. The Chair noted that performance would be carefully managed and would be reported on at Board level. He also noted that under the terms of the financial model agreed, there was potential to retain a small amount of money when performance exceeded agreed levels.
- 2.4 In regard to legacy, the Chair noted the implications of the Sir Paul Girvan's judgment in the Hughes case and that the DoJ would be working with NICTS and other partners to review and refresh the legacy inquest funding model for discussion with NIO. David Lavery noted that the judgment gave new impetus for funding to be made available from the Westminster government and he agreed to provide an update at the next meeting.
- 2.5 In terms of the Digital Strategy, the Chair noted that a paper had not been brought to this Board meeting as requested, as the Strategy will now be taken forward as part of the Transformation project, however some work is still being taken forward, including a blueprint for a digital court. He noted that other projects such as Small Claims online had been discussed at the Civil Justice Council and there was a general view taken that there would be merit in moving at a slightly slower pace to allow us to benefit from the learning of colleagues in England and Wales who are at a more advanced stage of similar developments. The Chair noted, however, that we would want to look at potential candidate projects which could be brought forward and provide benefits in relation to the administration of courts and tribunals. Nicole Lappin asked if she could be provided with an update on any works as they happen. David Lavery suggested a paper on Transformation and Digital Services be brought to the Autumn meeting.

Action – Paper on Transformation to be tabled at Autumn meeting.

- 2.6 The Chair updated the Board on the air quality issues in Bishop Street Courthouse, noting that some progress has been made with PD. A report is now available and Peter has met with Judge Babington to discuss concerns. Areas that require immediate action have been identified and works will progress over the Summer, contingency arrangements are being sought for staff that may need to vacate the areas affected.

- 2.7 It was noted that the Substance Misuse Court Pilot is almost ready to launch, we are awaiting direction from Nick Perry.
- 2.8 The Chair noted that in terms of the TAS transfer, progress has been made with DfC and we are now in a better position to move forward once we have a functioning government. Alternative accommodation options for Omagh are still being investigated, and the transfer objective has been rolled forward into next year's Business Plan. Mandy Kilpatrick suggested that NICTS may wish to consider adjusting this year's target 'in-year' to reflect that it is outside its control and has been achieved as far as possible in year.
- 2.9 Although not referred to in his report, the Chair wanted to highlight to the Board the NIAO Report on Delay in the Criminal Justice system which has been recently published. The report suggests several improvements to the criminal justice system, including case progression and a more collaborative approach to working between the various criminal justice agencies. In the absence of government the report cannot be sent through the Public Accounts Committee, but will be presented to Criminal Justice Board who will ask the Criminal Justice Delivery Group to develop a plan in response to the report. His Honour Judge McFarland noted that there are many issues outside the control of the courts that cause delay, and we have different arrangements in place than England and Wales.

Action – Circulate report to members and table update at Autumn meeting.

- 2.10 The Board noted the Chief Executive's Report.

3. Finance Director's Report

- 3.1 Sharon Hetherington presented her paper to the Board.
- 3.2 She noted DoJ confirmed the outcome of the latest Monitoring Round in which NICTS bid to secure additional Resource DEL (non-ring fenced) of £1,879k was met, along with a £150k Capital DEL bid. This means that the Budget for 2017/18 will no longer be escalated to the corporate risk register.
- 3.3 NICTS is forecasting a £1,439k overspend in Resource DEL (non-ring fenced), which is mainly attributed to expenditure in relation to District Judge (Civil) Litigation, a shortfall in income, legal fees costing more than expected and unfunded expenditure for the Fine Chasing Team.
- 3.4 The Budget for 2018/19 has been presented to Finance Committee, which consists of £38m net Resource DEL and £2m Capital DEL. NICTS is pleased with this and felt the Department had listened to its concerns. On this basis NICTS is in a position to present a balanced budget which will consume internal pressures. The Board were content to approve the Budget.
- 3.5 Other areas to note from the report concerned the Fine Default damages, noting that 140 claimants have challenged the decision to refuse them compensation, if successful this could represent an unquantified pressure.

- 3.6 Sharon noted that the Civil Fees Team are working on a consultation on further fee reforms, a draft should be available after Easter. If this is successful the changes could generate £2.2m additional revenue for the Agency.
- 3.7 It was noted that the Open House Festival bid for Heritage Lottery funding has been successful, pending approval this will be transferred to them via CAT.
- 3.8 Sharon noted a draft consultation document about CFO reform is almost ready to be approved by the Access to Justice Director.
- 3.9 The Board noted the Finance Director's report.

4. Update on Business Transformation Programme

- 4.1 Sharon Hetherington presented her paper to the Board, noting that the work is still at the discovery stage. A logical order for the programmes and projects is being considered and terms of reference for the Transformation Board have been updated. Sharon noted that a meeting with the Access to Justice Director would be beneficial. She noted how helpful it has been having SIB on board and noted they have engaged Lambert Smith Hampton to carry out a review of the management of maintenance of the estate and have engaged PwC in the development of a Business Case. Graham Dalton noted that it would be helpful to ask PwC to include a benefits dependency map in the business case.
- 4.2 The Board noted the work being undertaken.

5. Draft NICTS Business Plan 2018/19

- 5.1 Peter presented the current draft Plan to the Board noting that they had already had sight of a draft. The current draft has been amended to reflect their earlier comments, and it was noted that we have followed the approach taken by other DoJ Agencies in aligning to the draft Programme for Government.
- 5.2 There was a discussion around the performance targets, and again it was noted that OLCJ were not keen to change the sentencing target. Mandy Kilpatrick noted that the LCJ is keen that work is done to make sure we do meet the target, rather than reducing it. The target has been missed over the last year, however many factors remain outside of our control, particularly in the time taken on pre-sentence reports. David Lavery noted that the necessity for such reports in all cases could be reviewed as part of the sentencing review being undertaken by the Access to Justice Directorate.

Action – Double check with Statistics Branch that ‘deferred sentences’ are not being included in the statistics.

- 5.3 Peter noted that a review of EJO targets will take place over the next year.
- 5.4 Graham Dalton noted that it would be useful if we had more direct dates for completion, not all just set to March 2019. Peter was tasked to review the targets and come up with more meaning target dates.
- 5.5 The Board were content to approve the draft Plan.

6. Quarterly Audit and Risk Report

- 6.1 Nicole Lappin presented her update to the Board.
- 6.2 She noted that in terms of the risk register, the position has changed from the Committee and one of the escalated risks in terms of finance for 2017/18 can now be de-escalated from the corporate register.
- 6.3 She drew attention to the update provided at ARAC on the priority 1 Internal Audit recommendations not yet implemented in the Official Solicitor's Office and outstanding PAC recommendations. It was noted that the Fine Collection and Enforcement Service will be operational from 1 June 2018.
- 6.4 She also highlighted that the ARAC was provided with the final 2016/17 Trust Statement RTTCWG and discussed the management responses provided to the audit recommendations. ARAC expressed disappointment at one response regarding monthly reconciliations of cash warrants with PSNI that did not align with a previous commitment made to PAC. It was noted that this would be escalated to the DoJ Permanent Secretary and an update on progress would be provided at the next meeting. David Lavery suggested that a letter from Nick Perry to the Chief Constable on these concerns and seeking reassurance may be of assistance.
- 6.5 Nicole also wanted to note a few points not mentioned in her report, namely that there were no Audit recommendations on the Annual Accounts for 2016/17, and one audit recommendation on the Trust Statement that has been accepted by management.
- 6.6 The Board noted the update.

7. AOB

- 7.1 No further business was discussed.

Next meeting – Monday 18 June 2018.

Date of Meeting	Action	Owner	Status
27 March 2018	Circulate GDPR Paper that was presented to A&R Committee, and have update paper at next meeting.	Agency Board Secretariat	
27 March 2018	Paper on Transformation to be tabled at Autumn meeting.	Agency Board Secretariat	
27 March 2018	Circulate report to members and table update at Autumn meeting.	Agency Board Secretariat	
27 March 2018	Double check with Statistics Branch that 'deferred sentences' are not being included in the statistics.	Agency Board Secretariat	