



Annual Report & Accounts 2019-20

Scottish Courts
and Tribunals Service



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2019-20

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September 2020



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Lord President's Foreword



Recent developments across Scotland and the world serve as a reminder that we are all at the mercy of events. At a time when society is under strain from the impact of a virus which we cannot fully control, it is crucial that we have confidence in the systems and structures that are under our management.

Scotland's courts and tribunals exist to ensure that we have confidence in the rule of law. They provide the structures through which allegations of crime are fairly and openly prosecuted, and people may assert their rights and seek a remedy if those rights have been, or may be, infringed.

It is in this context that I am pleased to present the Annual Report and Accounts of the Scottish Courts and Tribunals Service (SCTS) for 2019-20. This report sets out the work of the organisation over the 2019-20 financial year. The purpose of the SCTS is supporting justice. It is a purpose that we take very seriously. We deliver it to a high standard on a daily basis, by administering Scotland's courts, the devolved tribunals and the Office of the Public Guardian.

Although the final two months of 2019-20 were overshadowed by the impact of COVID-19, the SCTS has made significant progress over the year. Key objectives which were set in our annual business plan and the 3-year Corporate Plan have been achieved. New facilities, including the Inverness Justice Centre, the new jury courts in Kirkcaldy and the Glasgow evidence and hearings suite have improved both the environment for those we support and the way in which we can provide services. New systems are allowing more business to be conducted digitally and remotely. This is something that we will no doubt learn from over the coming year. New approaches to case management, to learning, and to tackling long-term challenges, including climate change, will ensure that we continue to move with the times and to meet people's needs.

As we publish our corporate plan for 2020-23, we look forward to the next three years with a mixture of trepidation and confidence. Trepidation will persist in the short-term because of the impact that coronavirus will have on our society and on the operation of our courts and tribunals as we focus on protecting the health and safety of all those who use and work in them. Confidence will continue in the longer term because we will, ultimately, emerge from that challenge with new insights and experience, all of which we will put to good use to change the system for the better.

The role of chairman of the SCTS Board continues to be made easier as a result of the insight and expertise of my fellow Board members. Their commitment, guidance and support are essential as we continue to manage an ambitious agenda within a tight budget.

I record my thanks to the staff of the SCTS. Their knowledge, dedication and expertise is experienced by those using the justice system every day. Their creativity and commitment are essential as we continue to develop a modern, sustainable and accessible service to the public.

Rt. Hon. Lord Carloway

Lord President, Chairman of the SCTS Board

1. Performance Report

1.1 Overview

1.1.1 Chief Executive's Statement

Eric McQueen, Chief Executive, Scottish Courts and Tribunals Service



The purpose of this performance report is to provide an overview of the Scottish Courts and Tribunals Service (SCTS) and its performance during 2019-20. This section of the Annual Report and Accounts sets out the purpose, structures, activities and functions of the SCTS; provides a summary of our operational and financial performance for the year and describes the key issues, risks and trends which influence our work.

Our purpose is **supporting justice**. At a time of unprecedented change and uncertainty caused by the COVID-19 pandemic, it is crucial that we continue to fulfil that purpose; supporting the public health response by protecting our service users and staff – whilst ensuring that essential court business continues, so that public trust and confidence in the justice system is maintained.

It has been a privilege to support the work of the SCTS over the past year. We occupy a unique position in Scotland's justice system – providing the administrative support to Scotland's judiciary as they carry out their independent role. We are accountable to a judicially-led Board and, as a public service, are trusted to spend public funds – for which we are accountable to the Scottish Parliament. We operate as part of Scotland's justice system. That system consists of a range of organisations, independent of each other for constitutional reasons, but working together to promote justice, fairness and the rule of law. Our work involves people from all walks of life every day – including victims and witnesses, who often find themselves involved through no fault or action of their own.

I am proud of what we have been able to achieve over the past 12 months. Throughout the year we have focused on maintaining a high-quality service whilst managing change and improvement. The workload we face remains high and continues to change in its distribution. The volume of serious criminal cases reaching trial continues to grow. The expansion of the First Tier Tribunal for Scotland has seen new jurisdictions come under its unified structure. Business levels in the Office of the Public Guardian have remained significant, with 2019-20 marking the second busiest year on record.

Managing over 180,000 case registrations per year requires us to continually recalibrate programmes, support our staff as they manage changing business and work in partnership to anticipate, understand and plan for the future. Against this backdrop it is a huge credit to our staff that the majority of our waiting periods remained within their optimal ranges during the year, that we achieved our highest ever independent Customer Service Excellence ratings and that our Civil Service People Survey engagement score improved and remains amongst the highest in Scotland in 2019. As our people continue to support the SCTS we will continue to support, invest in and develop them.

This report marks the completion of our 2017-20 corporate planning period. I had hoped to celebrate that with the opening of the landmark Inverness Justice Centre – the highlight of a number of major improvements we have made. This has, of course, been overshadowed by the COVID-19 outbreak. The impact of both the lockdown period and the physical distancing measures that remain in place will require us to reconsider, reprioritise and continue to innovate with our partners, in order to deliver essential business and manage case backlogs as effectively as possible.

We were able to open Inverness Justice Centre in March, using its state of the art facilities and technology to support the co-ordination of essential business at this challenging time. Whilst COVID poses significant challenges the necessity to innovate also presents real opportunities, which we are taking advantage of through the development of remote hearings and virtual courts. As we respond to the acute challenges of the present we must also take the opportunity to improve how our system works in the future – embracing the new ways of working both to manage the recovery and to develop a more effective, innovative, accessible and sustainable service.

1.1.2 Purpose and Activities of the SCTS

Business Model and Environment

The Scottish Courts and Tribunals Service (SCTS) was established on 1 April 2015, following the merger of the Scottish Court Service (a Non-Ministerial Department established on 1 April 2010 by the Judiciary and Courts (Scotland) Act 2008) with the Scottish Tribunals Service (previously a delivery arm of the Scottish Government)¹.

The function of the SCTS is to provide or ensure the provision of the resources to support:

- the Scottish courts, devolved tribunals and their judiciary;
- the Lord President or his delegates in respect of his functions as Head of the Judiciary;
- the sheriffs principal in respect of their functions under the relevant provisions of the Sheriff Courts (Scotland) Act 1971;
- the Office of the Public Guardian and Accountant of Court; and
- the Scottish Sentencing Council, Scottish Civil Justice Council and the Criminal Courts Rules Council².

A three-year **Corporate Plan** for the SCTS was published in April 2017³. For each year of that Corporate Plan an annual business plan is produced, detailing the specific activities that the organisation planned to undertake. This is the final year in the current corporate planning period. The SCTS **Business Plan for 2019-20**⁴ was published in April 2019.

This Annual Report details how the SCTS carried out its functions in 2019-20, as required by section 67 of the Judiciary and Courts (Scotland) Act 2008 and section 22(5) of the Public Finance and Accountability (Scotland) Act 2000.

Purpose, Vision & Values

The purpose of the SCTS is **supporting justice**. The SCTS fulfils this purpose by providing the people, buildings and services required for the work of Scotland's courts and devolved tribunals, members of the judiciary and the Office of the Public Guardian and Accountant of Court.

In delivering its purpose, the SCTS must take account of the needs of the judiciary, of the people involved in

proceedings and the wider public.⁵

Our vision is to **build a stronger courts and tribunals service** – focused on improving access to justice, reducing delay and cost within the system and maximising the use of technology to improve our services.

The core values that we observe as an organisation and seek to promote in others are **Respect, Service and Excellence**.

Structure

The SCTS is led by its Board, which has a judicial majority and oversees the administrative arrangements that support the judiciary in the delivery of justice. The Board meets at least six times per year⁶. Day to day management of the organisation rests with the Chief Executive and the Executive Team. Further information on the Board and Executive Team can be found in the Directors Report (pages 30-37).

Our purpose and strategic priorities are illustrated in our strategy map overleaf. It sets out how the priorities are aligned to the delivery of our purpose.

¹ Section 130 of the Courts Reform (S) Act 2014 facilitated the merger by extending the functions of the Scottish Court Service established under the Judiciary and Courts (Scotland) Act 2008 to include the administration of devolved tribunals. As such the 2008 Act remains the founding legislation for the SCTS.

² Sections 61 & 62 of the Judiciary and Courts (Scotland) Act 2008.

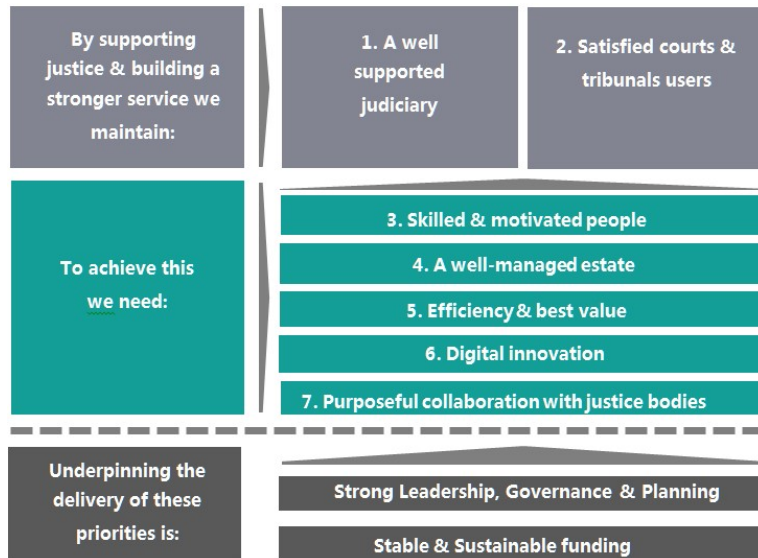
³ <http://www.scotcourts.gov.uk/docs/default-source/aboutscs/reports-and-data/publications/corporate-plan-2017-20-publish.pdf?sfvrsn=6>

⁴ <http://www.scotcourts.gov.uk/docs/default-source/aboutscs/reports-and-data/publications/scts-business-plan-2018-19.pdf?sfvrsn=2>

⁵ Section 61(2) of the Judiciary and Courts (Scotland) Act 2008.

⁶ Further information on the SCTS Board and its committees, including membership, standing orders, framework document and minutes of meetings can be accessed at <http://www.scotcourts.gov.uk/about-the-scottish-court-service/the-scottish-court-service-board>

SCTS Strategy Map



1.1.3 Performance Summary

Over the course of 2019-20 the SCTS has played a central role in Scotland's justice system, administering the courts, tribunals and the Office of the Public Guardian to a high standard – ensuring that service users are satisfied and that we work closely with partner agencies. Under the leadership of the SCTS Board our Corporate Plan was published in April 2017 – setting out our strategic priorities and objectives to the end of this planning period. Detailed outcomes for 2019-20 were set in our annual Business Plan, structured under our **seven strategic priorities**:

- **A well supported judiciary;**
- **Satisfied courts & tribunals users;**
- **Skilled & motivated people;**
- **A well-managed estate;**
- **Efficiency & best value;**
- **Digital innovation;**
- **Purposeful collaboration.**

Over the course of the year we have worked to deliver these outcomes in order to



Our Corporate Plan 2017-20

fulfil the vision set out in our Corporate Plan Building on the introduction of civil simple procedure in 2016 and our new **Civil Online** system in 2018-19 this year saw the launch of online case submission for simple procedure claims, marking the first fully end-to-end digital case process. Documents can be lodged, fees paid and claims responded to online at any time. This was followed by the first fully digital hearing which took place in Aberdeen in August 2019.

Reforms to summary criminal processes, based on the recommendations of the **Evidence and Procedure Review** took a step forward in early 2020, with the launch of pilots of a new approach in Dundee, Hamilton and Paisley. Significant steps were also taken this year to better support **child and vulnerable**

witnesses required to give evidence in serious criminal cases. The Vulnerable Witnesses (Criminal Evidence)(Scotland) Act allows evidence to be recorded in advance of trial to reduce the risk of re-traumatisation. This has been backed up by the opening of state of the art evidence taking facilities in both Glasgow and Inverness, at which evidence can be professionally recorded in advance of trial, in a safe and supportive environment.

The workload across the courts and tribunals remained substantial throughout 2019-20, with summary criminal cases continuing to represent the highest volumes. Whilst, recorded crime has reduced in recent years, the volume of serious crime reaching the High Court has continued to grow. A high proportion of this relates to **domestic abuse and sexual offending** – which is at its highest level since records began in 1971. Cases of this nature are complex, more likely to proceed to trial and can take longer to conclude. A review group, chaired by the

Lord Justice Clerk, met throughout the year and will make recommendations for change in the coming year.

The ongoing programme of reform to **Scotland's devolved tribunals** saw the expansion of workload in the Social Security Chamber, the transfer of the Parking and Bus Lanes jurisdiction into the General Regulatory Chamber and preparations for the transfer of the Mental Health Tribunal for Scotland into the First Tier Tribunal in the coming year. The newly-developed Glasgow Tribunals Centre was officially opened – providing 34 high quality hearing rooms and accommodation for around 300 staff.

Business levels in the **Office of the Public Guardian** remain high, with over 64,000 Powers of Attorney and 2,700 guardianship orders registered in 2019-20. This reflects growing public awareness of the value of ensuring your financial affairs will be effectively managed should you become unable to do so yourself.

We have a presence in communities across the length and breadth of Scotland⁷ ensuring that justice can be administered locally. Several major estates projects completed in 2019-20. In March this year we opened **Inverness Justice Centre** – providing six modern court rooms and tribunal hearing facilities, whilst housing a range of agencies under one roof to enhance the operation of justice from the Highland capital. This is the first purpose-built Justice

Centre in Scotland, offering an open and modern environment on-site and the technology to effectively support justice beyond the building. New facilities were also developed in Airdrie and Kirkcaldy, alongside a substantial redevelopment of the court in Peterhead.

Balancing investment in both our built and digital infrastructure is a challenging but essential task if we are to maintain the services of the present whilst developing the services of the future. Investment in the core systems that help the organisation operate continued at pace, with the completion of our **Unified Communications** platform and the deployment of Windows 10 across the majority of the estate. Progress continued to be made on our rolling programme of **courtroom technology** upgrades – and the completion of our court to prison video links project was timely – ensuring that all courts can link directly to prisons in order to conduct relevant hearings.

The final few months of 2019-20 were overshadowed by the outbreak of **COVID-19**. Recognising the potential impact of the outbreak from early in 2020 we reviewed our plans and established our **Strategic Incident Management Team (SIM)** in February – to oversee the response to the pandemic. When it became clear that its scale would exceed normal contingency plans we convened a **multi-agency workshop** to agree shared priorities for a system-

wide response and to develop contingency options.

Whilst this work has allowed us to support the public health response and ensure that essential business was maintained the most significant challenges for SCTS are likely to arise in the coming period, as “lockdown” (and subsequent physical distancing) create significant case backlogs and constrain our normal operating capacity for some time to come. However, with these challenges come real opportunities – to change the way in which we support justice, increasing our flexibility and resilience through the use of technology. We will work in partnership with the Scottish Government and other justice organisations to develop the best approach to recovery and renewal.

In a busy and challenging year we have delivered the vast majority of our outcomes, alongside improved carbon reduction levels, record **Customer Service Excellence** accreditation results and some of the highest staff engagement levels amongst civil service organisations in Scotland. At its core our work this year supported the effective administration of 174,000 court cases, over 9,700 devolved tribunal cases and 64,000 Power of Attorney registrations. Behind each of those numbers is an individual – it is in processing, managing and resolving those cases for the people of Scotland that we fulfill our purpose – **supporting justice**.

⁷ A map of our locations across Scotland can be found at Annex 2

Financial Performance 2019-20

Gross DEL expenditure for the year was £178.8m. When offset by income of £45.5m, the net DEL outturn was £133.3m. This represented an increase of £7.5m on the preceding year's outturn driven by an increase in expenditure due to continued inflationary rises, the further expansion of Tribunal operations and the investment in Inverness Justice Centre. Total non-current assets at the year-end increased from £515m to £521m, mainly due to additions. A notional charge of £96k is recognised for external audit services.

The AME outturn position is mainly due to non-cash movements on impairment of Inverness Justice Centre (due to its limited alternative use), changes to the accounting treatment for Inverness Sheriff Court (to assets held for sale) and a change to dilapidations (following updated data from Avison Young). The Scottish Government was consulted in relation to this possible AME in year overspend and they have provided SCTS with a letter of comfort to confirm that the position is covered by additional provision for AME within the overall Scottish Government budget.

During the year SCTS purchased non-audit services from its appointed external auditor totalling £19k. At the request of SCTS, Scott-Moncrieff assisted in drafting the Edinburgh Justice Sector Property Rationalisation business case.

Financial Performance Summary

	2019-20		2018-19
	Budget £'000	Outturn £'000	Outturn £'000
Capital – DEL*	20,287	23,022	26,333
Revenue – DEL*	118,263	110,325	99,526
Net outturn before exceptional costs	138,550	133,347	125,859
Exceptional costs	-	-	-
Net outturn after exceptional costs	138,550	133,347	125,859
Auditors remuneration	-	96	92
	138,550	133,443	125,951
Capital - AME	2,504	6,916	3,615
Revenue – AME	118	745	2,120
Total	141,172	141,104	131,686

* Variances explained by the application of a stakeholder contribution of £2,273k revenue contribution applied to a capital project.

1.1.4 Key Issues, Risks & Future Trends

Ensuring that court and tribunal business is managed effectively is our core function. It relies on a number of independent agencies working together to ensure that people can assert their rights and settle disputes. It supports society by addressing offending and helping those who have suffered from it. Our work is significant in volume, increasingly complex in nature and subject to a high degree of political, public and media scrutiny.

For these reasons the SCTS places a strong emphasis on planning; identifying and managing risk; and making improvements through sound performance and change management. Predicting future change is important so we can manage and make the most of it.

The SCTS Board, supported by its Audit & Risk Committee and the Executive Team, consider the **key risk areas that must be managed** to support the business; deliver our priorities; and maintain sound controls – based on recognised standards of good governance.

Corporate risks are reviewed approximately every six weeks by the SCTS Executive Team, and at least quarterly by the SCTS Audit and Risk Committee. The SCTS Board sets the overall approach to risk and holds an annual workshop involving members of all its Committees and the Executive Team – at which the strategic risk categories and major risks facing the

organisation are reviewed. This year's workshop took place in February 2020. The corporate risk register was updated throughout the year to ensure it remained current. A summary of strategic risks is provided at page 10.

By its nature much of our work is demand-led. Predicting **business volumes** helps us match capacity to demand, and adapt to shifting trends.⁸ Projections are carried out as part of our annual business planning process – although the outbreak of COVID-19 will require us to revisit current projections during 2020-21.

Operational performance is monitored at both the local management level and through **organisational KPIs**, reviewed by the SCTS Board. These help ensure that business is processed within the timescales considered to be optimal where possible.

In their ongoing planning, oversight and assessment of future demand, the SCTS Board has identified a number of key issues and trends that may impact on future performance.

1. COVID-19

When awareness of the outbreak was raised in early 2020 the SCTS reviewed its contingency plans to ensure these were up to date. From February the pandemic began to pose major challenges to the operation of society and the justice system as a whole. The March “lockdown” demanded a focus on the most essential business.

Within days we moved to a ten court operating model in order to maintain essential business, implemented rule and practice changes, increased our capacity for remote hearings across both courts and tribunals and transitioned over 400 staff to working from home. Our priorities in response to the outbreak were to: support the public health response (protecting the life and safety of all users); maintain all essential business to the greatest extent possible; and minimise the accumulation of case backlogs – to facilitate the most effective recovery.

The impact of the lockdown period and subsequent social distancing measures poses significant challenges for SCTS, as well as opportunities. Case backlogs have grown considerably in lockdown – and will continue to grow whilst capacity is restricted through the need for social distancing. Innovation will be crucial – we are focusing on a range of options to deliver more of our business digitally – freeing up the estate to run business that must continue to be managed traditionally so far as possible. Virtual and remote hearing present the opportunity to maintain business during the pandemic whilst increasing accessibility to both the media and the public. We are working across the justice system to maintain essential business and explore new approaches, with the potential to deliver long-term system benefits. It must be recognised, however, that in the short to medium term

⁸ Detailed data on business volumes is available at Annex 1 of this report.

COVID-19 will present real challenges in maintaining “business as usual” which may lead to case backlogs and the need for additional investment to address them.

2. Resourcing

Managing within limited resources is a perennial challenge for SCTS. The cumulative impact of years of tight budget settlements places some restraints on our ability to deliver the outcomes set in our plans. In previous years we have noted that financial restraint makes it more challenging to deal with unplanned events such as COVID-19. Additional resourcing will be required to tackle backlogs and invest in approaches that will support justice, as we move into the “new normal”.

A well-functioning court and tribunal system is a core element of any democratic society. The SCTS Board will work closely with the Scottish Government to make the case for adequate levels of funding to support services. With over a third of our income deriving from fees and retained fines (which have been declining in recent years and will be reduced in the coming year) we will need to carefully plan, monitor and manage our income, expenditure and capacity – to achieve a balance between them.

3. Technology & Resilience

Making more and better use of technology is at the core of reform for both the SCTS and the wider justice system. The core infrastructure in which we have invested over recent years allows us to develop innovative ways of

transacting business and providing services that we must now fully exploit. With these opportunities come new challenges and threats. We must continue to strike the balance between innovation, accessibility, affordability and resilience.

4. Managing Change and Reform

In normal times the organisation manages changes in its workload every-day, alongside the longer-term reform agenda set in its corporate plan. Current circumstances serve only to increase the need for effective management of change. Modelling is underway to inform both the immediate response to and the longer-term recovery from COVID-19. Whilst waiting times throughout 2019-20 have remained satisfactory the adjournment of all but essential court business during “lockdown” and the impact of physical distancing will inevitably lead to case backlogs. New ways of working need to be developed at pace – but not at the expense of fairness, accessibility or efficiency. Remote and virtual hearings are now operating to good effect across a range of court and tribunal business.

The Coronavirus (Scotland) Act 2020 introduced short-term changes that will have long-term impacts on how justice is delivered – where new ways of working add value to the system we will focus on capturing and implementing them. This may lead to some shifts of emphasis or sequencing in our reform agenda –

however the moves to increase digital and virtual case management and delivery that we are now accelerating out of necessity are fully in line with the vision set out in our Corporate Plan. We will continue to focus on the major changes it proposes in areas such as summary criminal business, enhancing support to child and vulnerable witnesses, modernising the process of civil justice and tribunals’ reform.

5. Brexit

Following the UK’s departure from the European Union the SCTS continues to monitor developments during the transition period. Work conducted over the past year means that the organisation is well-placed to manage the situation as it develops. We will continue to assess the impact of negotiations to identify any challenges. This work includes our continuing participation in the Justice Board EU Sub-group led by the Scottish Government.

The issues, risks and trends outlined in this section are identified through our risk management processes and our annual and three-yearly planning processes, carried out in collaboration with other justice bodies and in alignment with the Vision & Priorities for Justice in Scotland,⁹ agreed by the Justice Board for Scotland.

⁹<https://www.gov.scot/publications/justice-scotland-vision-priorities/>

Strategic Risk Categories – Identified & Mapped by the SCTS Board (at March 2020)

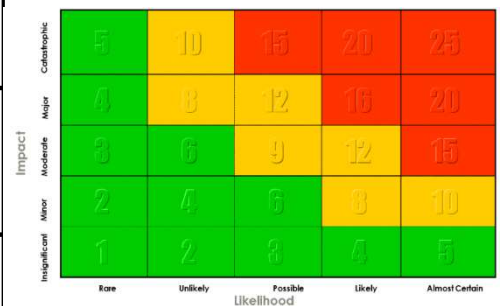
Strategic Risk Category	Principal Corporate Risk monitored by SCTS Board and Audit & Risk Committee	Risk Score March 2020
1. Workforce Planning & Skills	Failure to maintain a skilled, motivated and adaptable workforce to meet current and future needs.	9 (I=3, L=3)
2. Health, Safety & Security	Significant health & safety or security breach.	9 (I=3, L=3)
3. Service Resilience & Continuity	Essential business & services compromised due to critical incident(s). (I=3, L=4)	12 (I=3, L=4)
4. Data & Cyber Security	Significant data/system loss caused by failure in information management controls or cyber-attack.	9 (I=3, L=3)
5. Change Management	Failure to deliver planned key reforms in the SCTS Corporate Plan and broader Justice Strategy.	12 (I=3, L=4)
6. Financial Pressures	Financial shortfall impacts ability to resource and maintain core business or deliver reform programmes.	12 (I=4, L=3)
7. Brexit & Constitutional Change	Wider Policy/constitutional change impacts on the SCTS' ability to deliver core business or reform.	9 (I=3, L=3)
8. Climate Change	Failure to progress towards a sustainable carbon neutral position by 2045 as set by government.	9 (I=3, L=3)

(Note – risks 1, 3, and 5 all increased between February and March 2020 as a consequence of COVID-19)

Risk Impact Descriptors (“I”)

Rating	Indicators
5 Catastrophic	<ul style="list-style-type: none"> Disastrous impact on business continuity or ability to meet Objectives Permanent damage to Agency’s reputation and/or Cost implications which would require Ministerial Intervention High danger to staff and public
4 Major	<ul style="list-style-type: none"> Severe impact upon business continuity or ability to meet Objectives Significant damage to Agency’s reputation and/or Cost implications which would require major restructuring of Agency Budgets Medium danger to staff and public
3 Moderate	<ul style="list-style-type: none"> Significant impact on business continuity or ability to meet Objectives Some damage to Agency’s reputation and/or Sizeable cost implications Breach of Health & Safety Legislation obligations resulting in low danger to staff and public
2 Minor	<ul style="list-style-type: none"> Slight impact upon business continuity or ability to meet Objectives Limited impact on Agency’s reputation and/or Minor cost implications Minor breach of Health & Safety Legislation
1 Insignificant	<ul style="list-style-type: none"> Minimal impact upon business continuity or ability to meet Objectives Few, if any, reputational or Cost implications

Risk Score – determined by multiplying risk impact (I) and likelihood (L) together



Risk Likelihood Descriptors (L)

Rating	1	2	3	4	5
	Rare	Unlikely	Possible	Likely	Almost Certain
Indicator	<5%	5-25%	25-50%	50-75%	>75%

1.2 Performance Analysis

1.2.1 Performance Measures – Business Plan Outcomes & KPIs

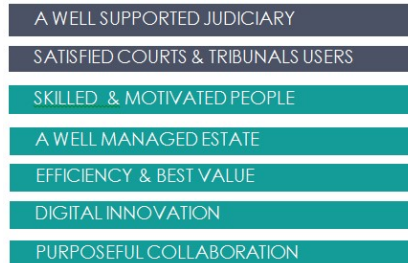
Throughout the year the SCTS Board monitored ongoing delivery of its 2019-20 Business Plan Outcomes. 28 outcomes were set in the plan, of which 24 were fully completed. Four were partially delivered, with full delivery scheduled for 2020-21. A more detailed year-end position report on all 28 outcomes is available on the SCTS website¹⁰. Commentary on a range of the outcomes delivered during the year is available from page 14 in the **Development & Performance** section of this report.

In addition to reviewing our performance against these outcomes, the Board also appraises the organisation's broader performance on a quarterly basis through its **key performance indicators (KPIs)** scorecard. A summary of the KPI measures can be found on page 13. The full-year scorecard for 2019-20 is published on our website¹¹.

The KPIs are subject to review to ensure they remain relevant and stretching. They are aligned to our **strategic priorities**, allowing the Board to maintain effective oversight of core service delivery, key operational and corporate processes and wider performance.

In addition to providing an exception-based report on performance the KPIs provide the Board with a means of assuring that the

SCTS is carrying out activities intended to mitigate **key risks** and **manage uncertainty** so far as possible.



The SCTS's strategic priorities

Key corporate risks in relation to areas such as staff engagement, financial constraint and sustainability are subject to measurement through specific KPIs in the scorecard. These relate to employee engagement measures, training data, expenditure and income profile and carbon footprint measures – in addition to an assessment of the delivery status of the organisation's change portfolio. Measuring these areas cannot eliminate risk entirely, but it does provide visibility of the current position and helps manage uncertainty by providing evidence-based insights on changes as they occur.

12 of the 18 Board KPI scorecard indicators reported green throughout the year. Three measures were in exception throughout the year. These related to:

1. Indicator 2b: proportion of cases disposed of through the summary justice system

as a whole within 26 weeks.

This measure covers the period from Police caution and charge, through prosecution of an accused until the verdict at trial. SCTS has ensured that the optimum period for the court element in this process (the time between a summary case first calling in court and the date of the trial diet) of within 16 weeks has been achieved throughout the year (as recorded by indicators 5a and 5b of the KPI scorecard).

2. Indicator 5c: the proportion of summary trials at which no evidence was led, and were subsequently adjourned to a further diet. This indicator was amber in quarters 1-3 and red in quarter 4 of the year. The SCTS has limited ability to control this indicator as the majority of adjournments relate to the non-attendance of witnesses and parties not being fully prepared to proceed at the calling of the trial diet. That said, the SCTS continues monitoring and reporting on the measure as it provides a useful indication of performance across the justice system more generally. These challenges were recognised in the Evidence and Procedure Review and the summary justice pilots launched in January 2020 (see page 14-15) are intended to reduce the proportion of cases reaching their trial date, only

¹⁰ The SCTS Business Plan Delivery Report, which provides a summary of progress against all 2019-20 Business Plan outcomes is available on the SCTS Board page of the SCTS website: <http://www.scotcourts.gov.uk/about-the-scottish-court-service/the-scottish-court-service-board>

¹¹ The KPI scorecard is also available on the SCTS Board page of the SCTS website – see link in note 10, above

for evidence not to be led on the date scheduled. The movement of this indicator from amber to red in quarter 4 may also be attributable to the additional impact of the "lockdown" in late March. In quarter 3 it was only 1.6% below the red threshold – the postponement of all trials in the final week of the quarter would have increased the quarterly adjournment rate by at least several percentage points.

3. Indicator 4a – Annual Expenditure on Backlog Estate Maintenance. This indicator reported red throughout the year. During 2019-20 we invested some £4.64m in backlog maintenance – whilst this fell some £400,000 short of our target of £5.07m this should be set against a reduction of £2 million that was achieved in 2018-19. Ongoing financial restraint presents challenges in continuing to bring down the backlog. Where this expenditure is constrained we will prioritise available maintenance expenditure to ensure that the safety and security of our properties, and all those who use them, is protected.

Three other measures were in exception for 1 or 2 quarters of the year – these related to:

1. Indicator 5d – Court waiting times (non-summary). This reported amber in quarter 3 due to (i) the current waiting period for a 4 day proof diet in the Outer House, and (ii) the average period between the date when a High Court First Instance case was first cited to a preliminary hearing and the conclusion of the trial being outwith the green range. The indicator has been marked provisionally amber for quarter 4 – this will be confirmed once systems are fully updated as part of the COVID-19 recovery process.

2. Indicator 6(b) – IT Resilience and Service. In Q4 the Criminal case management system (COPII) "uptime" was 97.2% following a system outage in February – an uptime of under 98% means that this sub-measure reported red for the quarter, causing the indicator to report amber overall.

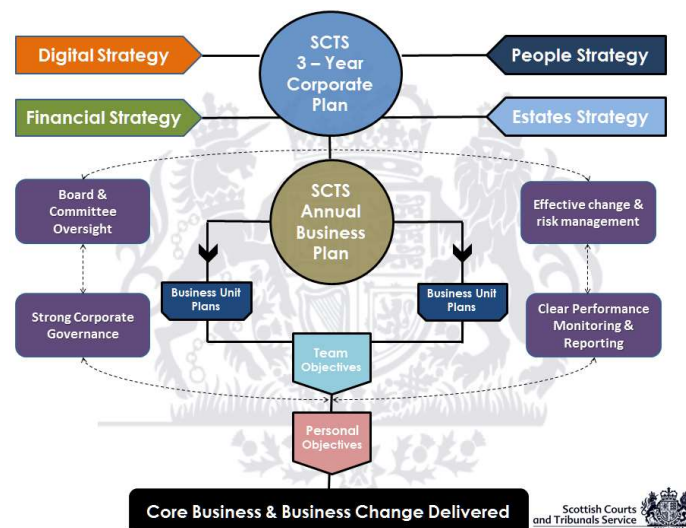
3. Indicator 8a – Expenditure profile – Budget reporting for quarters 1 and 2 indicated the potential for an

overspend on the annual budget – remedial action was taken to ensure this returned to green and end-year expenditure remained within budget, as detailed in the accounts.

Longer-term objectives and strategies

The annual performance reporting provided by our Business Plan Delivery Report and Board KPI Scorecard sits within a broader framework of the 29 strategic objectives set out in our Corporate Plan 2017-20. In addition to our annual work programme the delivery of these longer-term elements is informed by our four corporate strategies – these set out both the context and our medium term agenda across the key enabling areas of people, estates, digital and finance, as set out in the diagram below.

These performance measures will be reviewed in the course of the coming year – it is likely that COVID-19 will have a significant impact on operational performance in 2020-21 – a factor that will be taken into account as part of the review.



Summary of SCTS Key Performance Indicators

Performance against the KPI measures is monitored quarterly by the SCTS Board, using its Performance Scorecard, which assesses a range of measures relating to delivery of the SCTS Strategic Priorities. These are summarised below.

1. A WELL SUPPORTED JUDICIARY
1a. Judicial satisfaction levels. (Assessment of most recent judicial attitudes survey plus qualitative assessment by SCTS Executive Team.)
2. SATISFIED COURTS & TRIBUNALS USERS
2a. User satisfaction levels (based on SCTS Court Users Survey Data and rating provided in Independent Customer Service Excellence analysis).
2b. Percentage of summary criminal cases disposed of within twenty-six weeks (based on official justice system statistics).
3. SKILLED & MOTIVATED PEOPLE
3a. Employee engagement levels. (Indicator based around staff turnover, absence levels and survey data.)
3b. Delivery of staff development. (Indicator based around proportion of staff who have completed certain key areas of training and development.)
4. A WELL-MANAGED ESTATE
4a. Investment in the estate. (Assessment of investment levels to ensure that backlog maintenance is being managed effectively.)
4b. Sustainability and carbon reduction. (Assessment of whether the organisation is meeting carbon reduction targets set.)
5. EFFICIENCY & BEST VALUE
5a. Sheriff summary criminal waiting periods. (Assessment of the length of time between pleading and trial diets, based on court system data.)
5b. JP summary criminal waiting periods. (Assessment of the length of time between pleading and trial diets, based on court system data.)
5c. Summary trial adjourned with no evidence led. (Proportion of trials called where the substantive business cannot proceed, based on court system data.)
5d. Court business waiting times (non-summary). An analysis of twelve key waiting indicators across a broad range of court business, assessing whether waiting times in relation to that business remain within optimal levels.
5e. Effective Tribunals Operations – an assessment of 14 administrative targets monitored by Tribunals Operations Directorate, to ensure that tribunals are effectively administered.
5f. Delivering on our change programme – a summary of the delivery status on progress the SCTS is making towards meeting its outcomes.
6. DIGITAL INNOVATION
6a. Proportion of application transactions carried out online. (Measures to assess and drive greater use of online systems, such as online fines payment.)
6b. IT system resilience. Measure to report on the resilience of core SCTS systems – ensuring these are available for use when required.
7. PURPOSEFUL COLLABORATION WITH JUSTICE PARTNERS
7a. Assessment of collaboration with other justice bodies and through the Justice Board for Scotland.
FINANCIAL PERFORMANCE
8a. Managing expenditure. (Comparison of actual expenditure with profiled expenditure to the year end, to ensure robust budgeting.)
8b. Managing income. (Comparison of actual fines and fees income received with profiled income to the year end to ensure robust profiling.)

The Board Scorecard can be accessed from the SCTS Board page of the SCTS website:
<http://www.scotcourts.gov.uk/about-the-scottish-court-service/the-scottish-court-service-board>

1.2.2 Development & Performance 2019-20

A Well Supported Judiciary

STRATEGIC PRIORITY 1

We aim to ensure that the right technology, people, systems and processes are in place to assist the judiciary to dispense justice effectively

Our annual business plan¹² sets out the key activities and outcomes on which we focused in 2019-20. This was the final year of our Corporate Plan 2017-20¹³ in which we have delivered a range of improvements and innovations to support and modernise the justice system. The SCTS Board is judicially led and we work to support the judiciary in order that they can carry out their important constitutional role in the most effective way – ensuring they have the right support and resources to help them fulfill their purpose.

Civil Online

The introduction of **Simple Procedure** in 2016 provided an informal, modern and efficient route to resolve civil disputes up to a value of £5,000, replacing Summary Cause and Small Claims. **Civil Online** was introduced in 2018: a digital case management system which allowed users to track their case, access court documents and receive automatic notifications online. In April 2019, we extended that provision to **enable online submission of cases**, including the lodging

of documents, payment of fees and responding to claims – all online at any time. We can now provide a **fully end-to-end digital service** in simple procedure cases – a first for the Scottish justice system and a major step towards more active digital case management across the organisation.



Online case submission marks a step change for simple procedure

In August 2019 the **first fully digital hearing** took place in Aberdeen Sheriff and Justice of the Peace Court, with documents presented through a digital case file. Uptake for online case submission exceeded expectations over the course of the year, with over 3,500 claims submitted online. We will continue working with the judiciary and the Scottish Civil Justice Council to promote uptake of the online service.

As the level of serious criminal cases reaching court has continued to rise the effective management of **solemn procedure** in the sheriff court has remained a

key area of focus – with the goal of reducing “churn” and encouraging early engagement between parties – to increase efficiency and reduce inconvenience for victims, witnesses and jurors. In spite of a growing number of indictments being registered the number of trials proceeding has remained over 15% below the level experienced prior to the introduction of reforms under the Criminal Justice (Scotland) Act 2016.

Summary criminal business continues to represent the highest case load across the courts. As such we continue to work in partnership to address churn and inefficiency in the system wherever possible. **The Evidence and Procedure Review (EPR)**¹⁴ led by the SCTS acknowledged the potential for new technology and more active judicial case management to bring about significant improvements.

Building on the proposals set out at the beginning of this corporate planning period in **A New Model for Summary Criminal Procedure**¹⁵, we have led work with agencies across the justice system to

¹²<https://www.scotcourts.gov.uk/docs/default-source/aboutscs/reports-and-data/publications/scts-business-plan-2019-20.pdf?sfvrsn=2>

¹³<https://www.scotcourts.gov.uk/docs/default-source/aboutscs/reports-and-data/publications/corporate-plan-2017-20-publish.pdf?sfvrsn=6>

¹⁴<https://www.scotcourts.gov.uk/evidence-and-procedure-review>

¹⁵<https://www.scotcourts.gov.uk/docs/default-source/SCS-Communications/epr--a-new-model-for-summary-criminal-court-procedure.pdf?sfvrsn=7>

explore and develop new approaches with the potential to improve how the system operates. In January 2020 we commenced pilots of these new approaches in three locations – Dundee, Hamilton and Paisley Sheriff and JP courts, underpinned by a **Case Management Practice Note**¹⁶.

Led by the judiciary, and supported by our key justice partners the pilots increase judicial control of case progress and place responsibility on the parties to take steps to resolve cases early where appropriate; reduce the number of cases calling for trial where evidence will not be led and consequently the number of witnesses unnecessarily called. By doing so this preserves court time for those cases that genuinely require it, whilst reducing stress and inconvenience for victims and witnesses. An evaluation will be carried out at the end of the pilot, which is expected to last at least 18 months, although this period may need to be extended in light of the COVID-19 pandemic.

The **programme of Tribunals' reform** remains a key priority for SCTS. Over the past year we have supported the tribunals' judiciary through expansions in business and the assumption of new jurisdictions.

On 1 April 2020, despite the COVID-19 pandemic, the Parking and Bus Lanes Appeals Chamber transferred successfully into the General Regulatory

Chamber of the First Tier Tribunal for Scotland. Throughout the year the Social Security Chamber has made good progress – both in managing increasing case numbers for existing benefits within their jurisdiction and in preparation for a larger expansion that will take place as responsibility for a number of further benefits is devolved.

The **Mental Health Tribunal for Scotland** for Scotland is currently the largest of the devolved tribunals, with a growing caseload. Work to ensure the Chamber has sufficient resources and the most efficient infrastructure in place continued throughout the year. The planned transfer of the tribunal into the First Tier Tribunal for Scotland was delayed by the Scottish Government – we anticipate that it will now take place during 2020-21.

In October 2019 Laura Dunlop QC was appointed **President of the Mental Health Tribunal** following a 30 year career at the Bar and experience on the Pensions Appeal Tribunal for Scotland and as a Judge of the UK Upper Tribunal for Scotland.



Laura Dunlop QC

Proposed developments to devolve responsibility for the administration of **reserved**

tribunals in Scotland from Her Majesty's Courts and Tribunals Service to the SCTS have been monitored throughout the year. This transfer will require significant planning and resourcing should arrangements be agreed – we will continue to liaise with both the Scottish and UK governments to understand their intentions for further reform.

Ensuring that Scotland's judiciary have access to high quality learning is crucial. Our award winning **Judicial Institute** supports a programme of judge-devised and judge-delivered training. The Institute has a strong focus on outreach work and has formed a training partnership with the National Judicial Institute in Ottawa, Canada. Internationally representing Scotland's judiciary and its high standards of education has been a strategic focus in 2019-20 and in September the Institute was invited to present at the **International Organisation of Judicial Training** conference in Cape Town, where their training model was recognised globally for its good practice. During the year the Institute welcomed judicial members from across the world interested in learning more about the Scottish Justice system – including judges from Thailand, Sweden and the Ukraine and members of the Norwegian Justice Committee.

¹⁶http://www.scotcourts.gov.uk/docs/default-source/rules-and-practice/practice-notes/criminal-courts/summaryprocedurepn_final2019.pdf?sfvrsn=6

Satisfied Courts & Tribunals Users

STRATEGIC PRIORITY 2

We will consistently deliver high-quality customer service, inspiring confidence in those who use our services, promoting inclusiveness and developing our understanding of customer needs through ongoing feedback and quality assessment

To maintain trust and confidence in the justice system we must provide those using the courts, tribunals and OPG with a consistent and high-quality service. We rely on user insights to help us improve.



Over the past six years the annual independent **Customer Service Excellence (CSE)**¹⁷ assessment has been a key tool, allowing us to evaluate and continually improve the service we provide. We achieved re-accreditation in 2019-20 with our strongest ever results. Providing an annual assessment of how well we are delivering our services over a three-year rolling programme, CSE focuses on themes of timeliness, quality of service delivery and access to information.

Assessors undertake detailed assessment of our policies and procedures, and hold in-depth discussions with customers and staff at various SCTS locations, observing how we work and drawing on evidence to assess our performance

against the CSE programme's 57 elements. We were given the highest rating of "Compliance Plus" in 14 areas – up one from 2018-19. In 42 areas we were rated Fully Compliant, and one of the 57 elements was marked Partially Compliant. The assessors credited SCTS with excellent in-depth understanding of its different customer groups and recognised the knowledge and hard-work of staff, which demonstrated a genuinely caring, professional attitude.

These results echo the findings of our independently commissioned **Court Users' Survey 2019**¹⁸ which recorded its highest ever satisfaction levels since the survey began in 2005. Of the 2,500 respondents selected at random some 92% were either very satisfied or fairly satisfied with the service they received. The survey assesses areas including SCTS website usage, staff helpfulness and politeness, awareness of users' needs, user perceptions of service received while waiting to participate in proceedings or at a public counter and the overall standard of court facilities, including catering. Working from a varied, historic and diverse estate we were delighted to note that so many customers responded positively.

Whilst we strive to improve the experience of coming to court we recognise that, for many, appearing in a criminal court case can be a traumatic and distressing time – especially for children and vulnerable adults. In June 2019 the **Vulnerable Witness (Criminal Evidence) (Scotland) Act 2019**¹⁹ was given Royal assent.



Vulnerable Witnesses (Criminal Evidence) (Scotland) Act 2019

The Act provides that, in cases involving the most serious alleged offences, a child witness's evidence can be recorded in advance of a hearing, to reduce the risk of re-traumatisation, and help capture the most accurate, reliable and comprehensive evidence. The introduction of these arrangements represents the realisation of proposals advanced by the **Evidence and Procedure Review** which called upon the justice system to transform the way evidence from child and vulnerable witnesses is captured. We supported the Scottish Government throughout the Bill's passage and opened new **evidence taking facilities** at key sites in Glasgow and Inverness – providing state-of-the-art, digitally enabled environments where

¹⁷<https://www.scotcourts.gov.uk/docs/default-source/aboutscs/reports-and-data/publications/cse-final-report-2019.pdf?sfvrsn=2>

¹⁸<https://www.scotcourts.gov.uk/docs/default-source/scs---court-users/court-user-satisfaction-survey---summary-2019.pdf?sfvrsn=2>

¹⁹<http://www.legislation.gov.uk/asp/2019/8/enacted>

evidence can be given by vulnerable witnesses in a safe environment. Further sites in Aberdeen and Edinburgh are due for completion later in the year.

**Scottish Courts and Tribunals Service
Mainstreaming Equality Report 2019**

(Including Progress Report on Equality Outcomes 2015-19 and the set of new Equality Outcomes 2019-23)

Equality, inclusion and diversity for all people – staff and service users alike – is a priority for any progressive organisation, especially in relation to the justice system in which all people are regarded as equal before the law. The SCTS remains deeply committed to improving its approach to equalities – ensuring positive outcomes are achieved for everyone. Our

Mainstreaming Equalities

Report 2019²⁰ updates on the good progress made on the delivery of the Equality Outcomes set in our previous report, which covered the period between 2015 and 2019. The report recognises SCTS's level of commitment over the past two years to embed equality and diversity across the service and in partnership with other organisations across the justice system as a whole. The report also sets out new Equality Outcomes for the period from 2019 to 2023 – drawing on the SCTS *People Strategy*²¹, the SCTS British Sign Language Plan²², our Wellbeing initiative and Mental Health Awareness campaign.

Work and Wellbeing Passport



Supporting staff to be their best

As a good service provider it is important we deal with complaints in a timely and effective manner. Following a review of our complaints process with the Scottish Public Services Ombudsman, and taking account of lessons learned since the introduction of our handling process in 2014, we revised our approach to focus on providing quick, simple and streamlined complaints handling, with local early resolution of issues that address service users' dissatisfaction effectively.

The restrictions imposed by the COVID-19 pandemic highlight the importance of protecting and maintaining **human rights**. Our work is at the core of **Scotland's National Performance Framework**²³ which makes clear "we are a society which treats all people with kindness, dignity and compassion, respecting the rule of law and acting in an open and transparent way". Preserving the right to a fair hearing before an independent and impartial tribunal enshrined in Article 6 of the European Convention of Human Rights is as important now as ever. In doing so we promote the observance of other key rights, including:

- The right to recognition as a person before the law;
- The right to be treated as equal before the law;
- The right to an effective remedy for acts violating a person's human rights;
- The right to be presumed innocent until proven guilty in a public trial.



EUROPEAN COURT OF HUMAN RIGHTS
COUR EUROPÉENNE DES DROITS DE L'HOMME

Ensuring justice is both done and can be seen to be done remains central to our purpose. Maintaining access to justice during a pandemic is challenging – towards the end of March we moved to a consolidated working model to ensure that the most essential business could continue to be processed during "lockdown". As we move out of lockdown further innovation and investment will be required to maintain access to justice and to address case backlogs. We will work in partnership to address those backlogs, stressing the fundamental importance of a professional, impartial and adequately funded courts and tribunals system as part of our democratic society.

²⁰<https://www.scotcourts.gov.uk/docs/default-source/aboutscs/reports-and-data/equality-mainstreaming-report-2019.pdf?sfvrsn=2>

²¹<https://www.scotcourts.gov.uk/docs/default-source/default-document-library/people-strategy---14-02-18.pdf?sfvrsn=2>

²²[https://www.scotcourts.gov.uk/about-the-scottish-court-service/scs-news/2018/07/30/british-sign-language-\(bsl\)-plan](https://www.scotcourts.gov.uk/about-the-scottish-court-service/scs-news/2018/07/30/british-sign-language-(bsl)-plan)

²³<http://nationalperformance.gov.scot>

Skilled & Motivated People

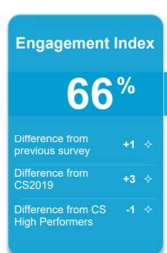
STRATEGIC PRIORITY 3

We will maintain a skilled and motivated workforce supporting the judiciary and providing excellent customer service across the tribunals, courts and Office of the Public Guardian

The SCTS employs over 1,800 staff across Scotland. Our people deliver a high quality public service, often supporting people at particularly important or anxious points of their lives. The breadth and complexity of our work requires a committed, flexible and resilient workforce in order to maintain a well-administered, fair and compassionate service for all. To maintain that level of service we recognise the need to support our staff – and to develop their skills and potential so that they can continue to achieve in a fast-paced and challenging environment.

Our vision for our people is to ensure that the SCTS is a great place to work, learn and develop. Our **People Strategy²⁴ 2018-23** set out four key themes which underpin how we will achieve that vision:

- *Valuing everyone's contribution*
- *Our Team*
- *Learning*
- *Realising potential*



The strong progress we made throughout the year is reflected in our annual **UK Civil Service People**

Survey²⁵ results. This year's

results saw in an increase in the top-line engagement index to 66% - up 1% from the previous year and one of the highest scores for a large organisation in Scotland. Key areas including wellbeing and leading and managing change reported increased scores compared to the previous year. Each year our staff are encouraged to participate in the survey and voice their opinions. This provides vital information which is used to inform further improvement throughout the year, across all parts of the organisation, in partnership with the PCS Union.

Consultation and dialogue between managers and staff is crucial to ensure that priorities are shared and concerns discussed. A programme of **Summer Engagement events** – led by the SCTS Executive Team – was held during the year. 108 events took place at 55 locations across the country giving staff the opportunity to share ideas, outline concerns and voice opinions first-hand with a member of the Executive Team.

We are committed to developing the SCTS as a learning organisation, ensuring our people have the opportunities, support and motivation to learn. In the course of 2019 we carried out **a Learning Needs Analysis Survey** allowing staff

to share views on individual and team needs. The analysis has been used to develop Learning Focus Sessions which will be open to all staff.



We also introduced a new Technical Training curriculum which is reviewed and updated quarterly – allowing us to address any technical skills gaps more dynamically, overseen by a Technical Training Committee composed of specialists from across the organisation.

Our digital learning platform, DELTA, continues to grow and now provides easy access to both the technical training curriculum and a resource bank of other training materials. New courses include training on accessibility needs for jurors, Modern Apprentices training, and our new **iLead online leadership portal**. The portal provides access to micro-learning and resources for existing and emerging leaders at all levels.

Face to face training continues to be an important element of our training programme. This year we delivered a bespoke First Line Leadership programme, and programmes for middle and more senior managers

²⁴<http://www.scotcourts.gov.uk/docs/default-source/default-document-library/people-strategy---14-02-18.pdf?sfvrsn=2>

²⁵<https://www.gov.uk/government/collections/civil-service-people-surveys>

commenced towards the end of 2019.

Our “Executive Leadership”, “Leadership for Now and the Future”, and bespoke “Tribunals Leadership” Programmes all progressed well during the year – supported by the roll-out of mentoring opportunities – aimed at harnessing the knowledge and experience of our senior managers.

Our annual **Celebration of Success** event brings together staff from across the organisation to celebrate their hard work and commitment. Some 40 members of staff collected awards following the successful completion of Vocational Qualifications, Institution of Learning Management certificates and further education qualifications.



The Lord President and “Learner of the Year” 2019

Each year we award Learner of the Year, and were delighted to receive 13 peer nominations for the award with the prize being jointly awarded to two staff from Dundee and Aberdeen. The SCTS was praised by the UK Civil Service Commission for the development of its pilot **Social Inclusion Modern Apprentice scheme**. Developed in partnership with Barnardo’s the new

scheme will provide opportunities for young adults from disadvantaged backgrounds to join SCTS as Modern Apprentices receiving: structured induction; the opportunity to study for qualifications whilst working; mentor support for both the apprentice and their line manager; and an assessor to guide and support them through the completion of qualifications. The first two apprentices will be based in Glasgow Sheriff Court and the Glasgow Tribunals Centre.

Our dedicated HR team carries out a number of, largely unseen but critical backroom functions. In order to improve the efficiency of this work planning is under way to develop and introduce a **new integrated HR system**, consolidating services in order to reduce the manual processing of a range of transactions. Following a detailed review and tender process a supplier has been appointed and a business case for development of the new system agreed. It sets out a phased approach, with phase one of the new system delivering core HR and Payroll systems due to come on stream in 2020-21.

To ensure our people have the support they need to deal with often challenging and distressing work, we trained more than 250 line managers in **Mental Health Awareness** and introduced a new **Work and Wellbeing Passport** – encouraging conversations between line managers and team

members on any issues which may affect their wellbeing.

A number of our staff are exposed to distressing and traumatic material through their work. As an employer we recognise the need to support them in managing the impact that may have. This year we held a successful Strengthening Resilience Training pilot on which we will build. Our **Trauma Support Service** now provides a crucial support mechanism, which is particularly important, in view of the fact that some 48% of people think it unlikely that a colleague with mental health issues would disclose them, for fear of losing their job²⁶.



The SCTS is committed to promoting good mental health and, during 2019, signed up to ‘**See Me at Work**’²⁷ – a national programme dedicated to ending mental health stigma and discrimination in the workplace. Staff were encouraged to participate in a short survey to share their views, helping us understand areas for development.

In January 2020, SCTS introduced **free supply of sanitary products** for staff in its buildings. Supported by the PCS this ensures equitable access to sanitary products and safe, hygienic places in which to use them.

²⁶<https://www.seemescotland.org/media/7391/150812-rights-for-life.pdf>, page 2.

²⁷<https://www.seemescotland.org/workplace/see-me-in-work/>

A Well-Managed Estate

STRATEGIC PRIORITY 4

We will develop and maintain our built and digital infrastructure to provide a high-quality, safe, secure and sustainable environment for everyone using our service

Spanning the mainland and islands, the SCTS has a presence in many Scottish communities where court and tribunal business is conducted daily. We are proud of the history and diversity of our estate – and work hard both to maintain its condition and to ensure it is used in the most efficient and effective way to support justice. The estate comprises of 71 buildings including courts, vulnerable witness suites, tribunals and offices. From Parliament House opened in 1639 to the Inverness Justice Centre opened this year we maintain some important elements of Scotland's architectural heritage whilst contributing to the landscape of the future. We care for 28 listed buildings and have a responsibility to ensure that all of our buildings are fit for purpose, safe and secure, sustainable, accessible, and future-proofed.

The map at Annex 2 shows our estate locations: there are sheriff and justice of the peace courts in **39 different locations** and the Office of the Public Guardian is based in Falkirk. Tribunal administrative centres are based in Glasgow, Edinburgh and Hamilton. In addition tribunal hearings take place in up to 70 further sites – often sitting in NHS or local authority premises across Scotland. We lease and make use of 14 further

premises nationally where vulnerable witnesses can give evidence to court by video-link.

The specialist nature of many of our buildings means open market valuation is not appropriate and instead the Depreciated Replacement Cost method is used. This was assessed as at 31 March 2019 with a total estate holding value of £505 million. Our next valuation is due in 2024.

Court and tribunal buildings are valuable and specialist assets. Locations can only be created, moved or closed by order of the Scottish Parliament. Alternative uses for the estate are, therefore, quite limited. Our Estates Strategy²⁸ sets out the approach we take to development, maintenance and investment – ensuring that our assets support the operation of a modern, innovative justice system.

In March this year we opened our most significant new estate investment – the **Inverness Justice Centre**.



Inverness Justice Centre

A state-of-the-art building it provides six modern court rooms and tribunal hearing facilities. It accommodates a range of justice and support organisations including Police

Scotland, the Crown Office and other services including criminal justice social work and Victim Support Scotland. This is the first purpose built Justice Centre in Scotland – built very much with the future of justice in mind. The court facilities offer an open and modern environment for cases that take place in the building – whilst the digital facilities integrated across the building will support the increased use of video links, the pre-recording of evidence in bespoke suites (removing the need for child and vulnerable witnesses to appear in person at court) and the increased use of virtual hearings and digital case management – an approach we accelerated following the outbreak of COVID-19. The centre was opened on 30 March to support our response to the pandemic during lockdown.

Glasgow Tribunals Centre – modern and digitally enabled



In collaboration with HM Courts and Tribunals Service, the new **Glasgow Tribunals Centre at Atlantic Quay** was officially opened on 13 May 2019 by the President of Scottish Tribunals, The Rt. Hon Lady Smith and the UK Senior President of Tribunals, The Rt. Hon Sir Ernest Ryder. The new

²⁸ Estates Strategy available at <http://www.scotcourts.gov.uk/aboutthe-scottish-court-service/reports-data>

centre provides accommodation for around 300 SCTS and HMCTS tribunal staff and offers 34 hearing rooms for tribunal hearings across both jurisdictions – providing an improved service for users and best value to the public.



New courtroom in Airdrie

In June 2019 **Airdrie Justice of the Peace Court** opened for business directly opposite the existing Airdrie Sheriff Court. The new facility replaces Coatbridge JP Court, offering improved facilities with a modern courtroom and an additional vulnerable witness suite. Feedback on the new facilities has been positive – reducing the need for travel between the sheriff court and the previous JP court.

Substantial refurbishments at **Peterhead Sheriff and Justice of the Peace Court** were completed in December 2019. In addition to an essential roof replacement a range of utility upgrades, improvements to vehicle access, external landscaping and the installation of cladding panels were undertaken.



Modernisation of facilities and façade in Peterhead

Work to extend facilities at **Kirkcaldy Sheriff and Justice of the Peace Court** was concluded this year. The new two-court complex will provide high quality facilities for additional sheriff and jury cases and custody cases – improving efficiency and flexibility in managing the day-to-day business.

Having responsibility for a large and predominantly older estate means that tackling outstanding backlog maintenance remains a priority. During 2019-20 we invested some £4.64m in backlog maintenance – whilst this fell some £400,000 short of our target of £5.07m this should be set against a reduction of £2 million that was achieved in 2018-19. Ongoing financial restraint presents challenges in continuing to bring down the backlog – but we will continue to focus our investment in this area on maintaining the safety and security of all properties within our care.

Sustainability and Environmental Performance

SCTS has a strong record on sustainability. As a

dedicated public sector “major player” on climate change we are required to submit detailed sustainability reports – setting out the progress we have made each year. These reports are published on the Sustainable Scotland Network website²⁹.

In 2019 we were delighted to be awarded the prestigious **Carbon Trust Triple Standard accreditation**³⁰. We are one of only three public bodies in Scotland to hold this accreditation. As an organisation, SCTS has been very conscious of the need to reduce building-related carbon emissions, reducing them by 33% since 2016-17.



Meeting the Scottish Government's ambitious carbon zero target by 2045 will be a significant task. We continue to investigate ways to improve energy efficiency in our buildings and reduce our carbon footprint. Key areas include: installing solar panel systems, identifying opportunities to improve insulation, efficient lighting systems and holding ‘out-of-hours green patrols’ to ensure equipment is powered down each evening.

²⁹<https://sustainablesotlandnetwork.org/reports/the-scottish-courts-and-tribunals-service>

³⁰<https://www.carbontrust.com/what-we-do/assurance-and-certification/the-carbon-trust-standard>

Efficiency and Best Value

STRATEGIC PRIORITY 5

We will keep our processes under review to make sure that we deliver business in an effective, reliable and economical way

The services we provide will always be needed to support a safe and just society. The way in which we provide that service should move with the times – meeting the changing needs and expectations of those using it; whilst ensuring good value for the resources invested.



Familiarisation video for potential jurors on the SCTS website

Jurors play an important role in our system, representing citizens' participation in the legal process. As an important civic duty we work to make it accessible to all who wish to participate. Over the past three years our simplified **one stage citation** process has allowed jurors the opportunity to respond to their citation online. This continues to be the preferred approach with participation levels of over 90% since its introduction. In 2018 the **Enabling Jury Service**³¹ report made recommendations intended to improve the accessibility of jury service to those with sight and hearing impairments. A working group took forward the implementation of the first phase of the report's recommendations during 2019-20. Dedicated Jury Liaison Officers (JLO), who have been trained with input

from the Royal National Institute for the Blind, are available to provide advance court visits and explore needs to ascertain suitable adjustments; such as easy-to-use magnifiers and hearing loops available in court and deliberation rooms. Jury Information Sheets are available in various formats – including a video with British Sign Language interpretation and subtitles on the SCTS website.

We have already supported a number of potential jurors under the new regime, and look forward to further progress.



Information for jurors – available by BSL with subtitles

In the High Court the majority of solemn trial business now relates to sexual offences. The number and complexity of these cases is growing, leading to longer case times. This is a trend that is expected to continue. A **judicially-led Review Group on the management of sexual offences** was established in April 2019, tasked with considering whether there was a better way cases of this nature could be dealt with to improve the experiences of all the participants in the

interest of justice. The group is chaired by Lady Dorrian, the Lord Justice Clerk, and comprises judicial members and representatives from SCTS, Police Scotland, the Crown Office, Faculty of Advocates, Law Society and a range of third sector organisations.

The review is anticipated to propose revised processes, for the benefit of complainers and witnesses that do not compromise the accused's rights. SCTS is supporting the work of the group as it develops its proposals. Significant progress was made during the year and the group is expected to report in 2020-21.

The importance of being able to communicate changes in plans and processes remotely has been starkly highlighted by the COVID-19 pandemic. Our principal **website**³² has been a valuable reference source to keep both the public and professionals up to date with rules, guidance and practice changes – informing over 5.7 million users with daily use ranging from around 3,000 to 21,000 users. SCTS provides high quality information and services across some 15 different websites – and we have commenced work to consolidate both the maintenance and development of these to ensure it can be delivered in the most efficient manner, as our reliance on digital

³¹<https://www.scotcourts.gov.uk/about-the-scottish-court-service/reports-data/enabling-jury-service>

³²www.scotcourts.gov.uk

communication continues to grow. In the course of 2019-20 improved websites for the Mental Health Tribunal and the Judiciary of Scotland, were developed – with full roll-out planned from the coming year.

Levels of business³³ across Scotland's courts have remained high in 2019-20, with solemn criminal case levels growing in particular. Waiting periods in summary criminal cases remained within the optimal timescale of 16 weeks between the first calling of the case and the date of its trial, with domestic abuse cases meeting the 8-10 week timescale agreed between justice agencies. COVID-19 had only a marginal impact on business this year, but is likely to create significant backlogs and challenges in 2020-21.

Marking a decade of official publication, we published our 40th **Quarterly Fines Report**³⁴ in 2019 reporting that over 90% of the value of sheriff and justice of the peace court fines imposed over a three year period have either been paid or are on track to be paid.



A very fine cake – celebrating 10 years of published fines statistics

Our team of dedicated **fines enforcement officers** rigorously pursue non-

payment. Our well-established remote fines payment services continue to grow in use, with over 190,000 transactions carried out this year, with a value of over £8.7m fully automated (collected via automated telephone or online payment channels). We continue to work with the Department for Work and Pensions to enhance data-sharing and improve collection rates. Remote payment methods have proved particularly useful since the outbreak of COVID-19 with the need to close public counters at which cash payments would normally be accepted.

Over the past year our procurement team have reviewed a range of contracts to ensure that we are achieving best value. Alongside the development of an e-procurement tool, our corporate contract coverage was extended across a range of areas delivering in-year **savings of over £1.5m**. Work to achieve further savings in 2020-21 is already under way.

We also continue to realise efficiencies through effective facilities management arrangements with justice partners. Our **shared services initiative** with the Crown Office and Procurator Fiscal Service (COPFS) continues to generate savings for both organisations. In 2019-20 COPFS saved £180,000 largely through a reduction in their building footprint supported by the initiative – with SCTS receiving an

annual shared service fee of £75,000.

One year on from introduction of the **General Data Protection Regulation** work has continued to ensure we meet our responsibilities as a Data Controller. The SCTS is trusted with a wide range of data and we take our responsibilities very seriously. Throughout the year data sessions continued to be delivered across the organisation focussing on key themes, to ensure staff are fully aware of their responsibilities – with tailored sessions available to suit distinct needs. Our guidance is regularly updated to ensure staff are able to make the appropriate decisions when handling data in their day-to-day duties.



SCTS – a responsible data controller

Data-sharing agreements also play an important role in ensuring information is transmitted safely and appropriately. The SCTS currently has 16 data sharing agreements, eight of which are fully-automated. This year we signed access agreements with HMRC and DWP Serious Crimes Investigating Teams. A three-year action plan has been developed to expand and formalise agreements that will help drive consistency in our approach to data sharing.

³³ A commentary and statistics on business levels across all the main jurisdictions supported by SCTS in 2019-20 (and the 2 preceding years) can be found at annex 1.

³⁴<https://www.scotcourts.gov.uk/official-statistics>

Digital Innovation

STRATEGIC PRIORITY 6

We will place digital innovation at centre of what we do and maximise the opportunities afforded by technology to improve processes, provide easy access to information, minimise physical appearance and support quicker outcomes

Developments in technology and people's changing expectations of how our services should be provided have informed further improvements over the past year – as we aim to increase the range of information and services that users can access online and improve our cyber-resilience.

The new state of the art **Evidence and Hearings Suite in Glasgow** opened in November 2019. Designed with input from children and vulnerable witnesses to create an environment that is safe, calm and supportive, the purpose built facilities showcase a range of technology including "live link" rooms for evidence to be given to court, support spaces and a sensory room – providing a calming environment, particularly for younger children.



The evidence and hearing suite sensory room

Thorough research and planning allowed us to develop the best space, where witnesses can give the most accurate, reliable and comprehensive evidence in a non-threatening environment. The suite has already received visits from colleagues across a range of

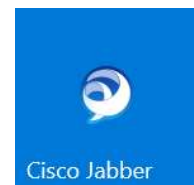
jurisdictions in view of the innovative facilities and approach. A number of upgrades have also been completed to our digital facilities to support the taking of evidence by commission in Aberdeen and Edinburgh.

The work completed through our **Courtroom Technology Refresh Programme** continues to ensure that our courts can meet the needs of a changing system. Criminal Justice Digital Transformation funding allowed us to upgrade the technology in a further 12 courts this year– expanding the range of venues from which business can be conducted and evidence recorded remotely.

This year also saw the completion of our **Court-to-Prison video links project**. All 39 Sheriff Courts in Scotland can now conduct hearings between courts and prison by video conferencing – a facility that has been well used since the onset of COVID-19. In addition to links between prisons and courts we have worked at pace with Police Scotland to allow custody hearings to be conducted by video link from a range of police custody centres – reducing the need for travel during the outbreak and ensuring that any individual displaying symptoms does not need to attend the court

in person for their case to call.

One of the most significant improvements to our digital infrastructure in recent years has been the move to a **Unified Communications** platform: a single digital solution replacing a range of communications systems that we had in place, many of which were end of service and costly to maintain.



The new functionality including telephony, instant messaging, screen-sharing and video calls has improved the resilience and reliability of our network, enhanced support for flexible and mobile working and generated long term savings – at a key time when more of the organisation has moved to remote working in response to physical distancing measures.

Throughout the year we continued with the structured deployment of Windows 10, with the majority of users now transferred. The new system improves resilience, end user experience and makes network maintenance and development more straightforward in future. During its deployment support was offered our by Digital Services team in the

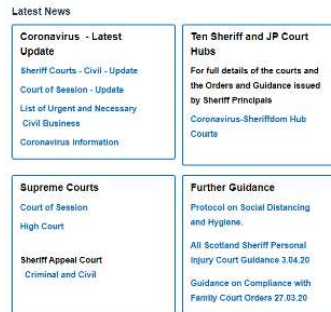
form of floor-walker and training drop-in sessions for staff – providing an effective transition. Given the large number of bespoke applications used by the organisation, extensive testing was required to identify and address compatibility issues with some legacy business applications. The majority of these issues were resolved during the year, but full deployment was not quite achieved due to a change of focus required in response to COVID-19.

To date over 20,000 users have registered for our **Criminal Online Portal**, including members of Police Scotland, Victim Support Scotland, COPFS, the Scottish Legal Aid Board, and Criminal Justice Social Work. The portal provides these unique users with access to specific case information which they have a legitimate reason to view – ensuring that they can be informed of case progress when they need to be.

The SCTS recognised the importance of being able to provide real-time communications and service updates to the public. With over 5,000 followers, **Twitter** has been a key source of communicating with the legal community in particular during the pandemic – allowing us to engage with our users on a daily basis, gain valuable insight and better support our key business areas. Information available via these accounts includes; support and guidance to service users, the latest

information on court business, SCTS announcements, and recruitment.

Our website was a key information source during lockdown



Phase 2 of Civil Online launched in April 2019, providing a fully digital on-line service for Simple procedure hearings. Feedback on performance of the fully digital case management system has been positive – providing benefits to staff in terms of workload and external users in terms of accessibility and convenience. Usage of the platform continues to exceed expectations – at year end over 3,500 online claims had been submitted.

We have continued to explore options for developing and improving our case management systems over the course of the year – as resources allow. The system used by the Office of the Public Guardian was identified as one that would benefit from development to improve its operation and accessibility. An eight-week “discovery phase” to explore new options was completed during the year, which will help shape a business case for investment. Development work is also under way to extend our integrated case management system to

cases within the Court of Session – with an initial focus on Personal Injury cases.

Information Security and Cyber resilience

As our reliance on conducting business digitally grows our need to take the risk of cyber-attacks seriously also increases. To mitigate that risk our Digital Services Unit continue to develop and assess the resilience and capability of our systems, conduct security reviews and penetration testing of key internal and external applications to drive improvements in security.



Following our annual **IT Health Check**, we took forward implementation of recommendations in order to maintain Cabinet Office **Public Services Network³⁵ (PSN)** accreditation in 2020 – which allows us to share sensitive data with justice partners and improves our resilience to potential cyber-attacks. The improvements were scheduled for completion in March, but this was delayed due to the COVID-19 outbreak and a need to focus on remote working options. Work to strengthen and maintain our cyber resilience will continue throughout 2020-21.

³⁵ Further info on PSN can be found at: <https://www.gov.uk/government/groups/public-services-network>

Purposeful Collaboration with Justice Bodies

STRATEGIC PRIORITY 7

We will work with justice bodies to deliver significant change and improvement to Scotland's justice system – through collaboration, communication and reform

At the time of writing the **COVID-19 pandemic** has highlighted the importance of collaborative working to the operation of Scotland's justice system. The pandemic has presented unique and major challenges – with the need to quickly strike a balance between maintaining those services essential to preserve public order and trust in the justice system, whilst seeking to reduce travel, physical attendance at court and interaction to the minimum level possible, in order to support the public health response.

Recognising the potential impact of the outbreak from early in 2020 reviews of existing business unit and sheriffdom business continuity plans were instructed in early February. As the situation escalated the organisation activated its **Strategic Incident Management Team (SIM)** in February – the group of senior managers charged with directing the overall response to a major incident on behalf of the SCTS Board.

Whilst these steps supported sound preparation in the early stages of the pandemic it became clear that the impacts would exceed the scenarios planned for in our established business continuity plans. SCTS quickly convened a **multi-agency workshop** in early March, bringing together partners from the Crown

Office, Police Scotland, Scottish Prison Service, Scottish Legal Aid Board and the Scottish Government, to agree a set of shared strategic priorities for the system-wide response and to consider contingency options across the criminal justice system.

This work proved timely as the announcement of lockdown took place soon thereafter – and we were able to move to a 10 sheriff court operating model – consolidating resources and business to ensure compliance with public health guidance whilst ensuring that the most essential business could continue to be processed. As the pandemic progressed we have continued to work closely with our partners through the **Justice Board COVID-19 sub-group** – ensuring a shared understanding of the situation and an agreed approach to response. The most significant challenges for SCTS are likely to arise in the coming year, as lockdown (and subsequent physical distancing measures) have created significant case backlogs and are likely to constrain our normal operating capacity for some time to come.

Prior to the COVID outbreak SCTS continued to support the agenda and work of the **Justice Board for Scotland** which brings the main justice agencies together to ensure that their collective work

supports delivery of the **Vision and Priorities**³⁶ for justice set by the Scottish Government. SCTS also provides support to Sheriffs Principal, who bring partners involved in the day-to-day management of the system across the country together through the six **Local Criminal Justice Boards**. We are also members of Scotland's Community Justice Partnerships³⁷ which aim to prevent and reduce offending and re-offending by joint-agency working across the country.

The desire to improve both the operation of the system and the support available to victims and witnesses is at the centre of the **Victims Taskforce**³⁸. SCTS are represented on the taskforce alongside the Scottish Government, Crown Office, Police Scotland and a range of third-sector organisation's including Rape Crisis Scotland, Scottish Women's Aid and Victim Support Scotland. We welcome the opportunity to develop new approaches in this environment and have worked throughout the year to ensure that the Lord Justice Clerk's review of sexual offence cases is well-connected with the taskforce and that overlap between the two is minimised.

SCTS provides the staff and resources to support the work of the **Scottish Civil Justice**

³⁶<https://www.gov.scot/publications/justice-scotland-vision-priorities/>

³⁷ <https://communityjustice.scot/justice-partners/>

³⁸<https://www.gov.scot/groups/victims-taskforce/>

Council³⁹. The Council is responsible for preparing draft rules of procedure for the Court of Session and for civil proceedings in the sheriff court. The secretariat team have supported the Council's ongoing reform programme throughout the year.

SCTS also supports the **Scottish Sentencing Council**⁴⁰ which is an independent advisory body with the primary function of preparing sentencing guidelines for the Scottish courts, publishing guideline judgments and information about sentences imposed. They also carry out research into sentencing and provide general advice and guidance on sentencing matters.

During 2019-20 the Council consulted on a range of sentencing-related issues including on the Sentencing Process draft guidelines⁴¹ and the Sentencing of Young People draft guideline. Their most significant activity was a **national survey** on overall attitudes to sentencing, including views on sentencing for some of the most serious offences such as causing death by dangerous or careless driving; rape and historical sexual assault. The report was published in September 2019⁴².

Following the UK's **departure from the European Union** (EU) on 31 January, the SCTS, like other organisations, has continued to monitor and respond to developments during the transition period, which runs until 31 December.



Work conducted over the past year means that the organisation is well-placed to manage the impacts of the situation as it develops. A full assessment of the potential impact on court rules and the broader corporate impact of Brexit was completed prior to the exit date. We will continue to assess the potential impact of any negotiations with other justice agencies, to identify any challenges to the courts and tribunals system or the justice system as a whole. This activity includes our continuing participation in the multi-agency Justice Board EU Sub-group led by the Scottish Government.

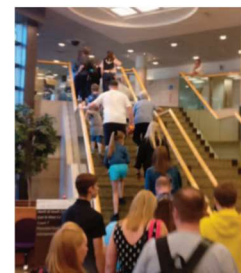
Whilst collaboration with Government and our justice partners is important we understand that the courts are an important part of Scottish society. Collaboration and outreach with the public is a key part of our role. The justice system can come across as quite imposing to those who have no contact with it – once more our staff have gone the extra mile this year to explain, to support and to welcome.

Doors Open Day⁴³ is Scotland's largest free festival offering access to over a thousand Scottish venues in celebration of activities to educate and entertain the public. It gives us the opportunity to welcome the public to our courts and



other buildings. Some 9,000 visitors took part across 16

venues, with events including a mock trial about social media and a virtual reality road traffic accident demonstration. This year staff from Glasgow were invited to a Civic Reception on behalf of the Lord Provost as a mark of gratitude for their long-standing support.



Visitors flocked to the Saltmarket in Glasgow for "Doors Open Day"

The public benches of Scotland's courts are normally open every day and court familiarisation visits are common. Events such as these are valuable to supporting the openness of our system – where justice is both done and can be seen to be done. Throughout the year we supported over **450 community events**, welcoming school pupils, students and professionals from across Scotland and beyond for tours, debates and research – all to ensure that we deliver our purpose to the full: Supporting Justice.

³⁹<https://www.scottishciviljusticecouncil.gov.uk/>

⁴⁰<https://www.scottishsentencingcouncil.org.uk/>

⁴¹<https://consultations.scottishsentencingcouncil.org.uk/ssc/the-sentencing-process/>

⁴²<https://www.scottishsentencingcouncil.org.uk/media/1996/20190902-public-perceptions-of-sentencing-report.pdf>

⁴³ <http://www.doorsopendays.org.uk/>

Supplementary Statutory Reporting

Bribery Act 2010 – Dealing with bribery or corruption

SCTS has proportionate and effective systems and processes in place to prevent, control and, if necessary, deal with allegations or incidences of bribery and corruption.

The structures established within the Scottish justice system are designed to minimise the potential for acts of bribery or corruption. Parties to a case are separate, and seek legal advice and representation independently. Court administrators are independent of the parties. The judiciary are entirely independent of both the parties and the SCTS.

Where bribery or corruption is identified in the justice process it is taken very seriously. There are clear and robust legal processes in place to investigate any allegations and significant penalties available to the judiciary should it be established. Such cases are, thankfully, very rare, although there has been at least one example in Scotland in recent years in which a juror, who had accepted a bribe, was jailed for a number of years.

As an organisation SCTS has a well-developed control environment in place that aims to prevent and minimise the impact of any incidences of bribery or corruption. This includes:

- **A register of staff interests** – ensuring that any connections between staff

(or their immediate family members) and companies, charities or other bodies that may have an actual or potential interest in, or connection with, SCTS are declared and appropriately managed.

- **Procurement Policies** which ensure that those staff involved in the procurement of goods or services do so with honesty, fairness and impartiality when dealing with potential suppliers; that suitable due diligence is carried out in respect of those whom we contract with; and that relationships with suppliers are managed professionally with regard to ethics and propriety.
- **A well-established second jobs policy** – ensuring that individuals do not take on roles that could lead to actual or perceived conflicts with their SCTS role.
- A rigorous **gift registration policy** which ensures that external parties cannot seek to gain privilege or differential treatment through offering members of staff incentives outwith the formal system.
- An **Anti-Fraud policy** which emphasises the zero tolerance approach to fraud and corruption. This follows a review of our current approach to Anti-Fraud and Corruption with advice from Police Scotland. Our **Conduct and Discipline Policy** states that all instances of fraud and bribery will be treated as gross misconduct.

- A **whistleblowing policy** that explains clearly how concerns can be raised; provides direct reporting lines to both an identified Director of the SCTS and a member of the SCTS Board. The policy and any instances of whistleblowing are reviewed by the Audit and Risk Committee.
- **Clear separation** of roles, responsibilities, system and software privileges and approval levels – designed to minimise the potential for misuse of finances.

Finally, our policies and procedures are backed up by a **comprehensive peer-review assessment processes** where good practice and regularity in each court is cross-checked by staff independent of that court on an annual basis.

Equalities Act 2010 – The Fairer Scotland Duty

The Fairer Scotland Duty, contained in part 1 of the 2010 Act, came into force in Scotland in April 2018. It is one of several duties placed on the public sector to tackle socio-economic disadvantage – which can be defined as living in less favourable social and economic circumstances than others in the same society.

The duty requires that public authorities ensure their strategic decision making takes into account those who experience such disadvantage, to ensure that, where possible, the actions of public authorities minimise both the incidence and impact of such disadvantage.

As a public body with a significant presence in communities across Scotland, the SCTS adopts a progressive stance, seeking to tackle inequality both for its people and its surrounding communities where possible. This, however, must be achieved within the statutory duties placed upon SCTS as an independent non-ministerial department by the Judiciary and Courts (Scotland) Act 2008. Our founding legislation limits our functions to the provision of the property, services, officers and other staff necessary for the administration of justice in Scotland's courts and devolved tribunals; the judiciary of those courts and tribunals and the Office of the Public Guardian.

Our services are for all those who seek redress before the law. We have no control over those who use or access our services. The participants in criminal cases are determined by the Crown based on reports submitted to them. Civil and tribunal business is commenced by the parties. The scope for SCTS to interact with defined socio-economic groupings is, therefore, limited – compared to organisations with universal service delivery duties. In relation to the majority of our activity it is not possible to give precedence to the Fairer Scotland Duty, as our focus must be on the provision of a fair and impartial environment for court and tribunal business. In delivering that we ensure that Scotland demonstrates compliance with certain key ECHR rights – such as the Article 6 right to a fair trial.

Over the course of the year the SCTS has actively considered its

duty in strategic decision-making processes where it can. We have maintained Living Wage Employer accreditation from the Poverty Alliance, which ensures not only that SCTS staff receive the Scottish Living Wage but that those with whom we contract do so also. Where we engage in major procurement activity we ensure it engages positively with local communities; and throughout development of our three-year corporate plan we had due regard to the duty, ensuring that the key outcomes it contains would not adversely impact on those already suffering from socio-economic disadvantage.

Community Empowerment Act 2015

During the year we have continued to work with the Arbroath Community Court House Trust to progress the transfer of Arbroath Sheriff Court, which was closed in 2014. The Trust was formed to acquire the building as a multi-faceted community asset. We look forward to continued close engagement in 2020-21. At the end of the financial year the former Duns Sheriff Court, Cumbernauld JP Court and Arbroath Sheriff Court remain surplus buildings.

Island Communities Act 2018

Under s.7 of this Act the SCTS is obliged to have regard to island communities in the delivery of its functions. The SCTS is present in five island locations across Scotland which form part of a long heritage of supporting justice in the Islands of Scotland – providing local people with access to justice without having to travel to the mainland. The investments we

have made in improved technology extend to all our Island locations, ensuring that these communities benefit from advances that, for example, may reduce the need to travel to give evidence.

Over the past 12 months there have been no policy, strategic or service developments pursued by the SCTS, the effect of which would be significantly different for island communities, and which would have required the SCTS to prepare an island communities impact assessment.

The Civil Litigation (Expenses and Group Proceedings) (Scotland) Act 2018

Part 3 of this act came in to force on 30 January 2019. From that date the SCTS has responsibility for the appointment of new staff to the offices of the Auditor of the Court of Session, the Auditor of the Sheriff Appeal Court, and the Auditors of the Sheriff Courts. On 1 April 2020 a temporary Auditor to the Court of Session, All Scotland Personal Injury Court and Sheriff Appeal Court was appointed for a 12 month period to assist with the transition of the Auditor's role in implementation of recent reforms. The Report on taxation carried out by (and the fees charged by) the auditors SCTS employs can be found in the business volumes section of this report (Annex 1).



Eric McQueen
Chief Executive
17 August 2020

2. Accountability Report

2.1 Corporate Governance Report

2.1.1 Directors' Report

Membership of the SCTS Board

The Lord President of the Court of Session, the Rt. Hon. Lord Carloway, is Chairman of the SCTS Board. The Board includes 13 other members – seven members selected from the judiciary and six non-judicial members.

Members of the SCTS Board 2019-20

Judicial Members

- The Rt. Hon. Lord Carloway
Lord President
- The Rt. Hon. Lady Dorrian
- The Rt. Hon. Lady Smith
- Sheriff Principal Craig Turnbull
- Sheriff Aisha Anwar
- Sheriff Grant McCulloch
- Mrs Morna Rae, JP
- Mrs Anne Scott

Non-judicial members

SCTS Chief Executive

Mr Eric McQueen

Advocate Member

Dr Kirsty J Hood QC

Solicitor Member

Mr Simon Catto

Members external to the justice system

Professor R Hugh MacDougall
(until 31 December 2019)

Mr Joe Al-Gharabally

Col. David McIlroy

At the end of 2019-20, 13 of the 14 Board positions were filled (a recruitment exercise for the vacancy was successfully completed in February, with the new member taking up their role from 1 May 2020).

Board Meetings & Operations

The SCTS has made Standing Orders⁴⁴ under which it conducts its business and has established Standing Committees to provide specific assurance and scrutiny of performance and advice to the full SCTS Board. Over the course of 2019-20 these committees were:

- **People Committee**
- **Estates, Health & Safety, Fire and Security Committee**
- **Audit and Risk Committee**
- **Remuneration Committee**

The SCTS Board met on six occasions in 2019-20, meeting on one occasion by teleconference in light of the COVID-19 pandemic.

Committees met quarterly, with the exception of the Remuneration Committee which met once to review the remuneration of SCTS members who are not salaried public servants. Copies of the minutes of Board and Committee meetings can be found at:

www.scotcourts.gov.uk

⁴⁴ SCTS Standing Orders available at: <http://www.scotcourts.gov.uk/about-the-scottish-court-service/the-scottish-court-service-board>

The SCTS Board (as at December 2019)



Top row (left to right) – Rt. Hon. Lady Smith, Joe Al-Gharabally, Rt. Hon. Lady Dorrian, Eric McQueen, Col. David McIlroy, Sheriff Grant McCulloch, Professor R Hugh MacDougall

Bottom row (left to right) – Sheriff Aisha Anwar, Sheriff Principal Craig Turnbull, Anne Scott, Rt. Hon. Lord Carloway (Chair), Dr. Kirsty J Hood QC, Simon J D Catto, Morna Rae JP

Board Members' Register of Interests

The following offices and interests were registered by members who served on the Board in 2019-20.

Name	Directorship	Appointments ex officio	Trusteeships	Other Appointments & Interests
Lord President – The Right Hon. Lord Carloway	None	Trustee for the Faculty of Advocates Abbotsford Collection Trust The Royal Society for Home Relief to Incurables (President)	None	None
Lord Justice Clerk – The Right Hon. Lady Dorrian	Glenside Court Ltd. Franco-British Lawyers Society	Commissioner of the Honours of Scotland Senior Commissioner, Queen Victoria School, Dunblane	Faculty of Advocates 1985 Trust	None
Rt Hon. Lady Smith	None	None	None	Chair – Scottish Child Abuse Enquiry Honorary Bencher – Gray's Inn

Name	Directorship	Appointments <i>ex officio</i>	Trusteeships	Other Appointments & Interests
Sheriff Principal Craig Turnbull	None	None	Friends of Plockton Music School	None
Sheriff Aisha Anwar	None	None	None	None
Sheriff A Grant McCulloch	None	None	None	<p>Chair Relationship Scotland – Couple Counselling, Fife</p> <p>Committee Member Cammo Residents Association</p> <p>Chair – Discipline Committee ICAS</p> <p>Chair – East and West Fire Education Trusts</p>
Morna Rae JP	None	Justice of the Peace	None	<p>Employee North Ayrshire Council</p> <p>Elder within Church of Scotland</p>
Anne Scott	None	None	Roland Sutton Academic Radiology Trust	<p>President, First-tier Tribunal for Scotland, Tax Chamber</p> <p>Temporary President, First-tier Tribunal for Scotland, Social Security Chamber</p> <p>Legally Qualified Member, Mental Health Tribunal for Scotland</p> <p>Legally Qualified Member, Council Tax Reduction Review Panel,</p> <p>Judge United Kingdom First-tier Tribunal Tax Chamber</p> <p>Judge United Kingdom First-tier Tribunal Social Entitlement Chamber</p>

Name	Directorship	Appointments <i>ex officio</i>	Trusteeships	Other Appointments & Interests
Dr Kirsty J Hood QC	Scottish Universities Law Institute Ltd.	The Stair Society's Council	Trustee, Clark Foundation for Legal Education	<p>Self-employed Advocate</p> <p>Regular <i>ad hoc</i> employment with University of Edinburgh and University of Glasgow</p> <p>Member of the Scottish Committee of Franco-British Lawyers Society</p> <p>Guernsey Financial Services Commission's Panel of Senior Decision Makers</p> <p>Contributor to "Scottish Family Law Service" (LexisNexis Publishers)</p> <p>Content Provider for LexisPSL Dispute Resolution (online services – LexisNexis)</p>
Simon J D Catto	None	None	None	<p>Member of Cornerstone Exchange LLP</p> <p>Member of XT Property LLP</p> <p>Member of Addleshaw Goddard LLP (Head of Litigation, Scotland)</p>
Professor R Hugh MacDougall	None	None	<p>Cunningham Trust</p> <p>Cross Trust</p> <p>Sc. Columba's Hospice</p>	Elder of St. Giles Cathedral, Edinburgh
Joe Al-Gharabally	Ernst & Young	None	None	None
Col. David Mcilroy	None	None	None	None
Eric McQueen	None	Member of the Scottish Civil Justice Council	None	None

The SCTS Executive Team

The SCTS Board has responsibility for directing and controlling the major activities of the SCTS. Delivery of business in accordance with agreed plans is delegated to the Chief Executive and the SCTS Executive Team which, in 2019-20 had the following membership:

- **Chief Executive** – Eric McQueen
- **Chief Operations Officer** – David Fraser
- **Chief Finance Officer** – Richard Maconachie
- **Chief Development and Innovation Officer** – Kay McCorquodale
- **Executive Director, Judicial Office for Scotland** – Tim Barraclough.⁴⁵

SCTS Executive Team 2019-20



⁴⁵ The Judicial Office for Scotland was established to support the Lord President in fulfilling his responsibilities under Part 2 of the Judiciary and Courts (Scotland) Act 2008, as formal head of the Scottish judiciary. For more information see <http://www.scotland-judiciary.org.uk/23/0/Judicial-Office-for-Scotland>

Information Security

The proper management of information remains a key area of focus for the SCTS. The loss of personal or sensitive data is a key corporate risk managed and overseen by the SCTS Board, the Audit and Risk Committee and the Executive Team. All courts, tribunals and business units maintain **Information Asset Registers** that are reviewed regularly, and assurance is sought annually from Directors on the effectiveness of relevant controls.

The National Sheriff Court Record Survey, carried out in conjunction with the National Records of Scotland (NRS), concluded in June 2018. A number of key recommendations such as improved and additional secure storage have been implemented and the programme of recommendations to enhance our information security arrangements will continue to be implemented during 2020 –21.

The risks associated with information management are mitigated proportionately through appropriate certification of key systems and regular reviews of current and emerging issues. The SCTS Executive Team receives regular updates on information management risks and potential breaches are reported to them quickly.

The SCTS remains committed to enforcing robust information management standards, ensuring compliance with data protection and related provisions. The law on data protection changed on 25 May 2018 with the introduction of the General Data Protection Regulation and the Data Protection Act 2018. We continue to provide direct training to staff in addition to updating and expanding guidance and this will continue in 2020-21. Updated data protection e-learning for all staff is being developed and will be made available in 2020-21. Privacy Notices have been revised to encompass additional aspects highlighted during the year and Data Protection Impact Assessment (DPIA) guidance and templates have been developed to assist staff when undertaking a DPIA. Data sharing agreements are being discussed with a number of organisations with a view to establishing a number of formal agreements in 2020-21.

Update on Data Breaches

Date	Data Incident	Information	Outcome
February 2019 ICO self-referral closed July 2019	Photographs of two court documents appeared on social media site. It was not clear where they had originated from as the documents are available to a number of organisations as part of the administration of justice process.	Personal and criminal charges data	ICO concluded no formal enforcement action required; satisfied with steps taken by SCTS to liaise with Police Scotland and Facebook to remove the postings and to fully review practices and implement new procedures in relation to the documents.
May 2019 ICO self-referral	Unauthorised access by member of staff to record held on case management system	Personal data (address of data subject)	ICO concluded no formal enforcement action was required; took into account views of data subject; noted that policies would be reviewed and communicated clearly to staff.

July 2019 ICO self-referral	Letter incorrectly enclosed along with another letter.	Personal data (address and contact details)	ICO concluded no formal enforcement action was required; satisfied that it was as a result of human error; satisfied that feedback to staff had been given and that additional training was scheduled to take place.
August 2019 ICO self-referral	Documents emailed to incorrect email address	Personal data (court case and special category data)	ICO concluded no formal enforcement action was required; email address may have been a previous address provided by the data subject; satisfied that steps had been taken to issue guidance on removal of email autofill function.
August 2019 complaint received by ICO	Historical court registers presumed destroyed	Personal data (criminal cases information)	ICO concluded no formal enforcement action was required; due to minimal information contained in the registers, risk deemed to be minimal; satisfied with steps taken to improve practices.
August 2019 ICO self-referral	Letter intimating court disposal sent to incorrect recipient who knew the data subject	Criminal conviction data	ICO concluded no formal enforcement action was required; satisfied that in part the breach was as a result of incorrect information having been provided by another; satisfied that reminder had been issued to staff to check through all documentation for changes.
August 2019 ICO self-referral	Request for a report required as part of consideration of sentencing of an accused person was emailed to an unidentifiable incorrect recipient.	Personal and criminal conviction data	ICO concluded no formal action was required: it appeared to be an isolated incident and the SCTS had appropriate procedures and guidance in place and steps had been taken to avoid a recurrence.
October 2019 ICO self-referral	Letter showing address of pursuer was disclosed to defender in court action	Personal data (address and contact details)	ICO concluded that no formal enforcement action was required; satisfied that it was as a result of human error; satisfied with steps taken to mitigate risk to the data subject; satisfied that feedback to staff had been given and that steps have

			been taken to improve the processes.
October 2019 ICO self-referral	Theft of a suitcase from a vehicle which contained clerks notebooks which held records of court proceedings. Images appeared on a social media site.	<i>Personal data (court cases)</i>	ICO concluded that no formal enforcement action was required; the breach was caused by criminal action and the notebooks were handed into the police; satisfied that the risk to data subjects was low as no personal data was published on social media; satisfied with steps taken by SCTS ensure images were removed from social media and deleted by administrator of social media account.

2.1.2 Statement of Accountable Officer's Responsibilities

Statement of the Disclosure of Information to Auditors –

So far as the Accountable Officer is aware:

- there is no relevant audit information of which the SCTS's auditors are unaware.
- the Accountable Officer has taken all steps that he ought to have taken to make himself aware of any relevant audit information, and to establish that the entity's auditors are aware of this information.

Statement of Corporate Body's and Chief Executive's Responsibilities

Under section 19(4) of the Public Finance & Accountability (Scotland) Act 2000, the Scottish Ministers have directed the SCTS to prepare a statement of accounts for each financial year in the form and on the basis set out in the direction on page 80 at the end of these accounts.

The accounts are prepared on an accruals basis and must give a true and fair view of the SCTS's state of affairs at the year-end and of its income and expenditure, recognised gains and losses and cash flows for the financial year.

In preparing accounts the Accountable Officer is required to comply with the requirements of the Government Financial Reporting Manual and the Scottish Public Finance Manual and in particular to:

- observe the accounts direction issued by the Scottish Ministers, 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 Government Financial Reporting Manual have been followed and

disclose and explain any material departures in the financial statements.

- prepare the financial statements on a going concern basis.

The Principal Accountable Officer of the Scottish Administration has designated the Chief Executive of the SCTS as the Accountable Officer for the SCTS. The relevant responsibilities as Accountable Officer, including responsibility for the propriety and regularity of the public finances, for the keeping of proper records and safeguarding the SCTS's assets, are set out in the Accountable Officers' Memorandum issued by the Principal Accountable Officer of the Scottish Administration.

2.1.3 Governance Statement

Scope of Responsibility –

As Accountable Officer, I have responsibility for maintaining a sound system of governance that supports the achievement of SCTS policies, aims and objectives, whilst safeguarding the public funds and assets for which I am personally responsible, in accordance with the responsibilities assigned to me.

The corporate body is referred to less formally as the Board of the SCTS and is chaired by the Lord President, who is also Head of the Scottish Judiciary. The SCTS is established as a part of the Scottish Administration but outside of Scottish Government.

A Framework Agreement exists between the SCTS and the Scottish Ministers. This makes clear the requirement that the SCTS is to follow the principles contained in the Scottish Public Finance Manual.

Governance Framework

The governance framework comprises the systems and processes, culture and values by which the SCTS is directed and controlled. It enables the SCTS to monitor the achievement of its strategic objectives and to consider whether those objectives have led to the delivery of appropriate, cost-effective services.

The system of internal control is a significant part of that framework and is designed to manage risk to a reasonable level. It cannot eliminate all risk of failure to achieve policies, aims and objectives

and can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the SCTS's policies, aims and objectives to evaluate the likelihood of those risks being realised, the impact should they be realised, and to control and manage them efficiently, effectively and economically.

The governance framework has been in place across the SCTS for the full year ending 31 March 2020 and up to the date of approval of the statement of accounts.

Details of the overarching Governance arrangements can be found in the Director's Report, pages 30-37. These structures are supported by the Risk Management Framework in place across the organisation.

The governing board of the SCTS is the SCTS Board – further information on the operation, meetings and membership of the Board during 2019-20 can be found in the Directors' Report, pages 30-37.

Risk Framework

The Executive Team reviews corporate risks at each of their formal meetings. The Audit and Risk Committee independently reviews the appropriateness of the risk control arrangements and reports to the Board at least annually. The Board and the Audit and Risk Committee jointly review and assess

corporate risks and controls annually at a workshop session (the most recent session took place in February 2020).

Further detail on key issues and risks including a summary and mapping of the corporate risk profile can be found at section 1.1.4 of the Performance Report, pages 8-10.

Risk management is embedded in our operational activities as follows:

Risk owners identify risks relating to their functions/business plan objectives and manage their risks through the use of the corporate risk management framework. Risk registers are reviewed regularly through agreed corporate processes to ensure that assessments and mitigations are current and appropriate. Part of this regular review entails identifying risks that should be escalated to corporate level. All Business Unit risks are provided to the Planning, Projects and Risk team at least quarterly, and are then collectively reviewed in parallel with the Corporate Risk Register.

Project and programme risks are managed through formal project management disciplines under the aegis of the SCTS Project Guidance, which is maintained by the Planning, Projects and Risk team.

SCTS revised the governance arrangements for programmes and projects during 2018-19 a component of which was the establishment of the SCTS

Change Board which co-ordinates delivery of all projects featured in the SCTS Portfolio of Change. The Change Board has continued to operate throughout 2019-20, ensuring that the programmes (and the projects within them) deliver their intended benefits, that those benefits align with the purpose, vision and priorities of the SCTS, and that the appropriate governance underpins their development to provide assurance of best practice. Roles and responsibilities of the Change Board include reviewing the organisational risk exposure through consideration of the Corporate Risk Register, developing proposals for mitigation / resolution and defining the acceptable risk profile and thresholds for programmes and projects, and approving core project documentation that enables activity. In delivering these important assurance functions the Change Board is supported by distinct programmes in the following key areas:

- Tribunals Reform
- Criminal Justice Reform
- Civil Justice Reform

Significant internal development activities are also categorised as “corporate projects” which report to the SCTS Change Board and have dedicated project Boards established to oversee their delivery and maintain control.

Assurance Framework

As Accountable Officer, I have responsibility for reviewing the effectiveness of the governance system. My review is informed by:

- **Executive Directors**, who have responsibility for the development and maintenance of the governance system. They provide me with a certificate of assurance covering risk management and control, business planning, financial management, procurement, people management, security and health and safety. Executive Directors have provided me with assurance that controls were operating effectively.
- **Corporate Systems**, which are in place relating to financial management, risk management, performance management and people management. These systems provide ongoing assurance of risk management and internal controls.
- **The Audit & Risk Committee**, which provides an annual report to the Accountable Officer and the Board summarising its evaluation of the SCTS’s risk management, governance and internal control arrangements. The Committee has submitted its annual report based on the work it conducted during 2019-20 and is of the opinion that SCTS has effective risk management, governance and internal control arrangements in place that are sufficient to give me, as the Accountable Officer, the necessary assurance in relation to the preparation of this governance statement.
- **Internal Audit**, who attend all SCTS Audit and Risk Committee meetings. They provide regular reports including the Head of Internal Audit’s independent and objective opinion on the adequacy and effectiveness of the organisation’s systems of internal control together with recommendations for improvement. On the basis of the work completed and the related management responses, they provided reasonable assurance in overall terms.

During the year Internal Audit conducted four audits providing substantial assurance on *Benefit Realisation* and on *Financial Management Controls and Succession Planning*. Limited assurance was given on their audits of *Learning and Development* and *Cash Management in Courts*. Robust and detailed action plans, to address concerns raised in these audits, have been put in place and will be monitored by the Audit & Risk Committee.

- **External Audit** who report to the Audit and Risk Committee on significant matters relating to risk and internal control as part of their work.

The above review provides assurance of the effectiveness of the SCTS’s system of governance and internal control arrangements and compliance with generally accepted best practice principles and relevant guidance. That guidance

includes the Scottish Public Finance Manual and the Scottish Government 'On Board' guidance for Board Members of Public Bodies in Scotland – which is provided to all Board and Committee members as part of their induction and is used by the organisation to ensure that the principles of good governance are observed.

Whistleblowing Arrangements

SCTS has arrangements in place that set out the way in which employees can raise any concerns they have about fraud, misconduct or wrongdoing by employees and/or management of the SCTS – and how those concerns will be dealt with. SCTS maintains an annually reviewed whistleblowing policy which is accessible to all staff.

No instances of whistleblowing were reported in the financial year 2019-20.

Information Security Framework

SCTS has effective governance arrangements in place for the security of information. The Information Assurance Group has overall responsibility for the SCTS's response to legislation and for oversight of SCTS policies, staff awareness and training. SCTS has an agreed Information Security Framework and is continuing to review its current policies to ensure they comply with the General Data Protection Regulations.

Data breaches reported to the Information Commissioner's Office during the year to March 2020 are

detailed in the table on pages 35-37

Significant control issues

In late March 2020 COVID-19 was the driver for significant but swift and decisive changes to our business and operating model with a significant move to home working as many of our buildings were temporarily closed in response to Scottish Government direction. As a result of an event like this there is an inherent increased risk of fraud, data integrity compromise and inadequate internal controls built into new working practices.

In response, SCTS has seen a move to centralisation of some functions and, where this involves financial controls, the Finance and Procurement Unit have been involved in the decision-making and supporting these roles. A Policy on Working from Home is being enhanced and formalised to take account of new practices and the increased risks. SCTS has developed a COVID-19 Risk Register and associated Risk Assessment tool in compliance with Public Health Scotland guidance and each building has been assessed and risk mitigation put in place. The process is ongoing with risks and compliance being regularly reviewed.

We continue to identify areas where we can improve our governance and internal control frameworks in response to COVID-19. There have been no significant control issues identified during the year in relation to the overall governance framework.

2.2 Remuneration and Staff Report

Remuneration Report

Remuneration Policy

The remuneration of senior civil servants is set in accordance with the Civil Service Management Code (available at www.civilservice.gov.uk) and with independent advice from the Senior Salaries Review Body (SSRB)⁴⁶.

In reaching its recommendations, the Review Body has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- regional and local variations in labour markets and their effects on the recruitment and retention of staff;
- government policies for improving the public services, including the requirement on departments to meet the output targets for the delivery of departmental services;
- the funds available to departments as set out in the Government's departmental expenditure limits, and the Government's inflation target.

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations⁴⁷.

The remuneration of staff below senior civil service level is determined by the SCTS. In determining policy, account is taken of the need for pay to be set at a level which will ensure the recruitment, retention and motivation of staff. Also taken into account are the Government's policies on the Civil Service and public sector pay and the need to observe public spending controls.

Performance is managed through the Individual Performance Review (IPR) process. The process is designed to ensure an individual's objectives and behaviours are linked to those of the SCTS as a whole. Progression within the SCTS pay framework is dependent on successfully meeting the requirements of the IPR process.

Policy on the remuneration of Non-Executive Directors is set by the Scottish Ministers, taking into account their roles and responsibilities and remuneration levels for comparable public appointments. Final decisions on the remuneration of Non-Executive members of the SCTS, including those SCTS Board members and Committee members who are not otherwise salaried public servants, are taken

by the SCTS Remuneration Sub-Committee.

Service Contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit on the basis of fair and open competition. The recruitment principles published by the Civil Service Commission specify the circumstances when appointments may be made otherwise.

Unless otherwise stated below, the officials covered by this report hold appointments which 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 Commission can be found at <https://civilservicecommission.independent.gov.uk/>

Appointments to the SCTS Board and Sub-Committees, other than for the ex officio members (the Lord President, Lord Justice Clerk, President of the Scottish Tribunals and SCTS Chief Executive) are for a time limited period, as set out within each individual's appointment letter.

⁴⁶ <https://www.gov.uk/government/organisations/review-body-on-senior-salaries>

⁴⁷ Further information on Senior Civil Service pay and performance can be found at <http://www.civilservice.gov.uk/recruitment/working/pay-and-reward/scs-pay>

Remuneration (Salary and Pension Benefits) – subject to audit

Board Members	Salary		Pension Benefits ⁴⁸		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	£'000	£'000	£'000	£'000	£'000	£'000
Mr Eric McQueen	100 - 105	95 - 100	41	24	140 - 145	120 - 125
Professor Hugh MacDougall (until 31 Dec 2019) ⁴⁹	0 - 5	0 - 5	-	-	0 - 5	0 - 5
Dr Kirsty J Hood	0 - 5	0 - 5	-	-	0 - 5	0 - 5
Mr Simon J D Catto	0 - 5	0 - 5	-	-	0 - 5	0 - 5
Mr Joe Al-Gharabally	0 - 5	0 - 5	-	-	0 - 5	0 - 5
Col. David McIlroy	0 - 5	0 - 5	-	-	0 - 5	0 - 5
Mrs Morna Rae JP	0 - 5	0 - 5	-	-	0 - 5	0 - 5
Mrs Anne Scott (from 1 May 2019) ⁵⁰	0 - 5	-	-	-	0 - 5	-

Executive Directors	Salary		Pension Benefits		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
	£'000	£'000	£'000	£'000	£'000	£'000
Mr Richard Maconachie	80 - 85	70 - 75	30	29	110 - 115	100 - 105
Mr David Fraser	80 - 85	70 - 75	51	22	130 - 135	95 - 100
Mr Tim Barraclough	80 - 85	70 - 75	44	32	120 - 125	105 - 110
Mrs Kay McCorquodale	75 - 80	70 - 75	29	29	105 - 110	100 - 105

Salary

Salaries in the above tables relate to SCTS employment only and do not include any other earnings from positions elsewhere in the Civil Service. Salary includes gross salary and any allowances. There

were four members of Committees out with the Board who each received remuneration of £1,296 in 2019-20 (£1,272 in 2018-19) and one who received remuneration of £1,620 (2018-19, £1,590). The judicial Board members are

remunerated by Scottish Government.

Bonus Payments and Benefits in Kind

No bonus payments or benefits in kind were paid during the year

⁴⁸ 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 or any increase or decreases due to a transfer of pension rights.

⁴⁹ Full year equivalent £0 to £5,000

⁵⁰ Full year equivalent £0 to £5,000

	Accrued pension at pension age as at 31/03/20 & related lump sum	Real increase in pension & related lump sum at pension age
	£'000	£'000
Mr Eric McQueen	50 – 55 plus a lump sum of 130 – 135	0 – 2.5 plus a lump sum of 0 - 2.5
Mr Richard Maconachie	10 - 15	0 - 2.5
Mr David Fraser	35 - 40 plus a lump sum of 100 - 105	2.5 – 5 plus a lump sum of 2.5 - 5
Mr Tim Barraclough	25 - 30 plus a lump sum of 65 - 70	0 - 2.5 plus a lump sum of 0 - 2.5
Mrs Kay McCorquodale	20 - 25 plus a lump sum of 5 - 10	0 - 2.5 plus a lump sum of 0 - 2.5

	CETV at 31/03/20	CETV at 31/03/19	Real increase in CETV
	£'000	£'000	£'000
Mr Eric McQueen	1,057	983	26
Mr Richard Maconachie	161	128	22
Mr David Fraser	811	737	39
Mr Tim Barraclough	584	525	31
Mrs Kay McCorquodale	401	360	17

The Civil Service Pension Scheme

Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme (CSOPS) or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher).

From that date all newly appointed civil servants and the majority of those already in service joined alpha. Prior to that date, civil servants participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65. These statutory arrangements are unfunded with the cost of

benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into alpha sometime between 1 June 2015 and 1 February 2022. All members who switch to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate.

Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their

benefits in the two schemes.) Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a 'money purchase' stakeholder pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% of pensionable earnings for members. Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial 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. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium.

In nuvos a member builds up a pension based on his pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3% of their pensionable earnings in that scheme year and the accrued pension is uprated in line with Pensions Increase legislation.

Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004. 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 from a panel of providers.

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 from 1 October 2015 to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic

plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages.)

Further details about the Civil Service pension arrangements can be found at the website www.civilservicepensionscheme.org.uk

The PCSPS and CSOPS are unfunded multi-employer defined benefit schemes but Scottish Courts and Tribunals Service is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2016. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation here: <http://www.civilservicepensionscheme.org.uk/about-us/resource-accounts/>

For 2019-20, employers' contributions of £11,752k were payable to the PCSPS (2018-19 £8,210k) at one of four rates in the range 26.6% to 30.3% of pensionable earnings, based on salary bands. The Scheme Actuary reviews employer contributions, usually every four years, following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2019-20 to be paid when the member retires and not the benefits paid during this period to existing pensioners. Employees can opt to open a partnership pension account, a stakeholder pension with an employer contribution.

Employers' contributions of £71k (2018-19 £73k) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% of pensionable earnings. Employers also match employee contributions up to 3% of pensionable earnings. In addition, employer contributions of 0.5% of pensionable pay, £2k (2018-19 £3k) were payable to PCSPS to cover the cost of the future provision of lump sum benefits on death in service or ill health retirement of these employees.

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 figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member

as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to 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 that is 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.

Fair Pay Disclosure (subject to audit)

Public sector bodies are required to disclose the relationship between the remuneration of the highest paid director in their organisation and the median remuneration of the organisation's workforce. 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 SCTS in the financial year 2019-20 was £100,000 - £105,000 (2018-19, £95,000 - £100,000). This was 4.60 times (2018-19, 4.59) the median remuneration of the workforce, which was £22,065 (2018-19, £21,315). The

median remuneration does not include any additional allowances or overtime due to data availability. In 2019-20, remuneration (excluding the highest paid director) ranged from £19,320 to £80,808 (2018-19 £18,400 to £74,200). In 2019-20, no employees (2018-19: nil) received remuneration in excess of the highest paid director.

Staff Report

As at 31 March 2020 there were 1836 Staff in post and 12 Non-Executive Directors. The split across grades, gender and business areas is detailed in the tables below. This information is subject to audit.

Headcount by Grade	Number of Staff	Female	Male
CEO & Executive Directors	5	1	4
Director	14	6	8
Senior Manager	55	36	19
Senior Executive Officer	137	84	53
Higher Executive Officer	188	121	67
Executive Officer	470	324	146
Administrative Officer & Clerk/Typist	620	468	152
Typists	3	3	0
Administrative Assistants & Support Grades	344	182	162
Sub-total	1836	1225	611
Non-Executive Director ⁵¹	12	5	7
Total	1848	1230	618
Percentage of total	100%	66.6%	33.4%

Area of Business	2019 – 20 Ave WTE	2018 – 19 Ave WTE
Headquarters and support units	197	180
Supreme Courts	161	159
Judicial Office	38	38
Office of the Public Guardian & Accountant of Court	82	84
Sheriff & JP Courts & Tribunals	1165	1134
Total	1643	1595

⁵¹ Definition of non-executive directors (board and committee members) as set down in the Gender Representation on Public Boards (Scotland) Act 2018 and associated regulations

Staffing costs	2019-20 £'000	2018-19 £'000
Wages and salaries	45,343	41,971
Social security costs	4,329	3,953
Other pension costs	11,827	8,522
Sub-total	61,499	54,446
Inward secondments	1,101	1,128
Agency, temporary and contract staff	892	2,070
Other staff costs	809	452
Total	64,301	58,096
Less recoveries of outward secondments	(67)	(4)
Total Staff Costs	64,234	58,092

Employer Contributions	2019-20 £'000	2018-19 £'000
Contributions paid to PCSPS	11,752	8,210
Contributions paid to partnership pensions	71	73
Contributions paid to Judicial pensions ⁵²	14,985	11,256

Sickness Absence Data

In 2019-20 a total of 29,571 days (2018-19: 24,409 days) were lost through absence equating to a lost time rate of 4.9% (2018-19: 4.2%).

Exit packages

There was one exit packages of between £0 and £5k agreed under the Civil Service Compensation Scheme in 2019-20 (2018-19, nil).

Ill-health retirement

There was one early retirements due to ill-health grounds in 2019-20 (2018-19, nil).

SCTS Employment Policies

SCTS is an equal opportunities employer. Our Employee Resourcing Policy and recruitment practices are consistent with the requirements of the Civil Service Commissioners and during 2019 we were upgraded to be a Disability Confident Employer due to

increased diverse advertising approaches and appointing people to roles on the basis of merit. We promote the guaranteed interview scheme for candidates who meet the minimum essential criteria for an advertised vacancy. We are also an Age positive employer and a Stonewall Diversity Champion. During 2019 we achieved a "Gold" rating in the Employers Network for Equality and Inclusion (ENEI) Talent Inclusion and Diversity Evaluation for our Diversity and Inclusion practices.

SCTS is a Carer Positive Exemplary Employer. We recognise that a substantial number of our people have significant caring responsibilities, and that their role as a carer may make a work/life balance difficult to achieve so we have an established carers register. In addition to our Carers Policy, we have a Carers Advisory Group that represents the interests of those with significant caring responsibilities and a Carers

Contact Team which comprises of both past and present carers designed to offer support to individuals.

SCTS continues to be an accredited real living wage employer (initial accreditation was received in March 2017) which reflects our work to ensure that not only SCTS staff receive the living wage but that contract staff we engage under a range of contracts also pay employees working for SCTS the real living wage. Our Pay Award date is 1 April. Our principles of fairness, transparency, consistency and motivation underpin our pay and reward strategies acknowledging that we will operate aligned to, and in accordance with, the Scottish Government's Public Sector Pay Policy to deliver an affordable and appropriate total reward package for our employees. As required by the Equality Act 2010 we publish our gender pay gap annually and our 2019 mean gender pay gap was 3.4% and the median gender pay gap was 0% and in November we

⁵²SCTS was responsible for making employer contributions to the Judicial Pension Scheme with effect from 1 April 2016.

published our Equal Pay Statement and Report. Since 2015 we have recruited 23 Modern Apprentices and the majority of these have stayed with us in permanent posts and a small number have already successfully been promoted. We are committed to be a socially responsible employer and during 2019 we engaged with Barnardo's to create a pathway to employment for Modern Apprentice appointments.

The Civil Service Commission (CSC) endorsed the resultant Modern Apprenticeship Scheme as a 'Life Chances Scheme' and we successfully appointed to two SCTS sites. The CSC have recognised SCTS' contribution as one that fully supports the Civil Service Diversity and Inclusion Strategy.

As part of our People Strategy 2018 – 2023 and its key theme of "Valuing Everyone's Contribution" we launched our Wellbeing Initiative helping our staff to function to their maximum capacity in a supportive environment and our wellbeing strapline is, "supporting you to be your best". We provide a variety of wellbeing advice, guidance and support for managers and employees. We have worked in collaboration with See Me, the mental health charity to develop our Mental Health at Work Place. Our employees have access to a Trauma Support Service and we have progressed with our commitment to train all our line managers in mental health awareness and 70% of our managers have now attended the training. We have piloted mental health

awareness training for all colleagues and also strengthening resilience training for our frontline operational court roles recognising that these colleagues may need additional support given the work they carry out. Our organisational commitment to wellbeing is firmly established.

Our policies and procedures for occupational health mean that for staff with a disability we carry out workplace assessments and make reasonable and practicable adjustments to enable individuals to make a full contribution at work.

We also provide our employees with access to a free and confidential Employee Assistance Programme. SCTS is committed to providing a safe and healthy working environment for all our employees as well as those who use our services. We have our own dedicated Health and Safety Team incorporating health and safety, fire and security.

Our People Strategy sets out our strong and powerful commitment to develop as a learning organisation and we strive to ensure that all our people have a variety of opportunities to learn and to achieve this our digital learning portfolio continues to grow. We have launched two new leadership development programmes to ensure we are developing our future leaders.

We take a collaborative approach to make our organisation a great place to work, working with PCS our

recognised trade union. We remain committed to working in partnership to deliver the Fair Work Agreement which we signed in 2018 and which confirms fair work principles around five key themes of effective voice, opportunity, security, fulfilment and respect enhancing our working environment further.

Trade Union Facility Time

During the year there were 17 employees (WTE 16.89) (2018-19, 17 WTE 16.89) who were relevant union officials. The total cost of facility time was £111k (2018-19, £105k) from a total pay bill of £61,499k (2018-19, £54,446k) which equates to 0.2% (2018-19, 0.2%).

Percentage of time spent on facility time - Number of employees who were relevant union officials employed during the year and the percentage of their working hours spent on facility time:

Percentage of time	Number of employees
0%	0
1-50%	15
51-99%	0
100%	2

Paid trade union activities - As a percentage of total paid facility time hours, the number of hours spent by employees who were relevant union officials during the year on paid trade union activities:

Time spent on paid trade union activities as a percentage of total paid facility time hours	9.87%
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2.3 Parliamentary Accountability Report

Losses and special payments

There were no material losses or special payments made during the year.

Gifts

No gifts were made during the year.

Remote Contingent Liabilities

There are no remote contingent liabilities to disclose.

Fees and Charges

It is a legislative requirement for the SCTS to charge court fees at various stages of proceedings including, but not exclusively, registration, lodgement of motions, legal debates and proofs in the Court of Session and the Sheriff Court as well as Commissary lodgements.

Fees are also charged for work undertaken by the Office of the Public Guardian which includes, but not exclusively, issuing of Powers of Attorney and

Guardianship and by the Accountant of Court.

Fees are also charged by the Lands Tribunal for appeals.

Scottish Government policy is to set fees so as to move towards full cost recovery (including judicial costs).

The Fee Memorandum Trading Account shows the cost of delivering business in the Civil Courts. Full details of all chargeable fees are found at www.scotcourts.gov.uk/taking-action/court-fees.

Fees memorandum trading account

	Sheriff Courts £'000	Supreme Courts £'000	OPG £'000	2019-20 Total £'000	*2018-19 Total £'000
Gross Fees Raised	24,393	5,365	7,286	37,044	36,645
Less: Fee Exemptions	(2,196)	(736)	(346)	(3,278)	(3,430)
Net Fee Income	22,197	4,629	6,940	33,766	33,215
Total Costs Allocated	40,069	10,534	3,829	54,432	48,675
Less Subsidy	(3,693)	(1,570)	(44)	(5,307)	(5,160)
Net Costs to be recovered	36,376	8,964	3,785	49,125	43,515
Shortfall from full cost Recovery	(11,983)	(3,599)	3,501	(12,081)	(6,870)
% Cost Recovery <i>(Gross Fees Raised divided by Net Recoverable Costs)</i>				75%	84%

* 2018-19 corrected for a prior year analysis error

Note:

- The subsidy and exempt fees line includes an element of notional cost of capital charges attributable to civil business that are currently not intended to be recovered through court fees.



Eric McQueen
Chief Executive
17 August 2020

2.4 Independent Auditor's Report to the Scottish Courts and Tribunals Service, the Auditor General for Scotland and the Scottish Parliament

Report on the audit of the financial statements

Auditors opinion on financial statements

We have audited the financial statements in the annual report and accounts of Scottish Courts and Tribunals Service for the year ended 31 March 2020 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Statement of Financial Position, the Statement of Comprehensive Net Expenditure, the Statement of Cash Flow, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the European Union, and as interpreted and adapted by the 2019/20 Government Financial Reporting Manual (the 2019/20 FReM).

In our opinion the accompanying financial statements:

- give a true and fair view in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers of the state of the body's affairs as at 31 March 2020 and of its net

expenditure for the year then ended;

- have been properly prepared in accordance with IFRSs as adopted by the European Union, as interpreted and adapted by the 2019/20 FReM; and
- have been prepared in accordance with the requirements of the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Basis for opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Auditor General on 31 May 2016. The period of total uninterrupted appointment is 4 years. We are independent of the body in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited

by the Ethical Standard were not provided to the body. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – Property valuations

We draw attention to Note 2 Accounting policies, 2.14. 'Accounting estimates and assumptions' of the financial statements, which describes the effects of a material uncertainty, caused by Covid-19, on the valuation report. Our opinion is not modified in respect of this matter.

Conclusions relating to going concern basis of accounting

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

- the use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the body has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about its ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Risks of material misstatement

We have reported in a separate Annual Audit Report, which is available from the [Audit Scotland website](#), the most significant assessed risks of material misstatement that we identified and our conclusions thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of the Accountable Officer Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Accountable Officer is responsible for using the going concern basis of accounting unless deemed inappropriate.

Auditor's responsibilities for the audit of the financial statements

Our 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 an auditor's report that includes [my/our] 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.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved. We therefore design and perform audit procedures which respond to the assessed risks of material misstatement due to fraud. A further description of the auditor's 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 our auditor's report.

Other information in the annual report and accounts

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises

the information other than the financial statements, the audited part of the Remuneration and Staff Report, and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on matters prescribed by the Auditor General for Scotland to the extent explicitly stated later in this report.

In connection with our audit of the financial statements, our responsibility is to read all the other information in the annual report and accounts and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Report on regularity of expenditure and income

Opinion on regularity

In our opinion in all material respects:

- the expenditure and income in the financial statements were incurred or applied in

accordance with any applicable enactments and guidance issued by the Scottish Ministers, the Budget (Scotland) Act covering the financial year and sections 4 to 7 of the Public Finance and Accountability (Scotland) Act 2000; and

- the sums paid out of the Scottish Consolidated Fund for the purpose of meeting the expenditure shown in the financial statements were applied in accordance with section 65 of the Scotland Act 1998.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. We are responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Report on other requirements

Opinions on matters prescribed by the Auditor General for Scotland

In our opinion, the audited part of the Remuneration and Staff Report has been properly prepared in accordance with the Public Finance and Accountability

(Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers.

Matters on which we are required to report by exception

We are required by the Auditor General for Scotland to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to our responsibilities for the annual report and accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in our Annual Audit Report.

Use of our report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Gary Devlin

Gary Devlin (for and on behalf of Scott-Moncrieff Audit Services)
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

Date 03 September 2020

3. Financial Statements

The Statements of Comprehensive Net Expenditure, Financial Position, Cash Flows and Changes in Taxpayers Equity, as well as details of accounting policies and supporting notes.

The outturn against the DEL and AME budget is shown at page 7.

Scottish Courts and Tribunals Service
Statement of Comprehensive Net Expenditure
For the year ended 31 March 2020

		2019-20	2018-19
Expenditure	Note	£'000	£'000
Staff costs	3	64,234	58,092
Other administration costs	4	43,007	42,982
Depreciation and amortisation	6,7	17,239	14,966
Impairment	6	6,916	3,615
Operational costs	4	32,068	28,039
Total Expenditure		163,464	147,694
Income			
Operating Income	5	6,869	4,691
Income from fees and retained fines	5	38,513	37,650
Total Income		45,382	42,341
Net outturn		118,082	105,353
Items that will not be reclassified to profit or loss			
(Loss)/Gains on property revaluation	6	8,000	56,551
		8,000	56,551
Other comprehensive income for the year, net of tax		8,000	56,551

The notes on pages 59 to 71 form part of these accounts.

Scottish Courts and Tribunals Service
Statement of Financial Position
As at 31 March 2020

	Note	2020 £'000	2019 £'000
Non-current assets			
Property, plant and equipment	6	510,142	504,912
Intangible assets	7	11,156	9,919
Trade and other assets due in more than one year	8	20	33
Total non-current assets		521,318	514,864
Current assets			
Receivables and other current assets	8	11,207	7,229
Cash and cash equivalents	9	16,859	44,554
Assets classified as held for sale	6c	400	-
Total current assets		28,466	51,783
Total assets		549,784	566,647
Current liabilities			
Payables and other current liabilities	10	(12,739)	(22,488)
Provisions for liabilities and charges due within one year	11	(696)	(971)
Total current liabilities		(13,435)	(23,459)
Total assets less current liabilities		536,349	543,188
Non-current liabilities			
Payables and other liabilities	10	(2,329)	(2,011)
Provisions for liabilities and charges due in more than one year	11	(4,355)	(3,611)
Total non-current liabilities		(6,684)	(5,622)
Assets less liabilities		529,665	537,566
Taxpayers' equity			
General fund	SOCTE	357,682	369,965
Revaluation reserve	SOCTE	171,983	167,601
Total taxpayers' equity		529,665	537,566



Eric McQueen
Chief Executive
17 August 2020

The Accountable Officer authorised these financial statements for issue on 3rd August 2020.

The notes on pages 59 to 71 form part of these accounts.

**Scottish Courts and Tribunals Service
Cash Flow Statement
For the year ended 31 March 2020**

	Note	2020 £'000	2019 £'000
Cash flows from operating activities			
Net outturn	SCNE	(118,082)	(105,353)
<i>Adjustments for non-cash transactions:</i>			
Depreciation and amortisation	SCNE	17,239	14,966
Impairment	SCNE	6,916	3,615
Other adjustments	9	(2,489)	1,332
Notional audit fee	4	96	92
Loss/(Profit) on disposal of property, plant and equipment	4,5	-	-
<i>Movements in working capital:</i>			
(Increase)/decrease in receivables and other current assets		(3,965)	(1,578)
Increase/(decrease) in trade and other payables		(2,337)	4,369
Increase/(decrease) in provisions		469	1,892
Net cash flow from operating activities		(102,153)	(80,665)
<i>Cash flows from investment activities</i>			
Purchase of property, plant and equipment	6	(27,997)	(19,430)
Purchase of intangible assets	7	(2,119)	(2,227)
Proceeds of disposal of property, plant and equipment	4,5,6	-	-
Net cash flow from investment activities		(30,116)	(21,657)
Cash flows from financing activities			
From Scottish Consolidated Fund	SOCTE	104,574	129,914
Cash flows from financing activities		104,574	129,914
Net Increase in cash and cash equivalents		(27,695)	27,592
Cash and cash equivalents at beginning of period	9	44,554	16,962
Net increase on cash and cash equivalents		(27,695)	27,592
Cash and cash equivalents at end of period	9	16,859	44,554

The notes on pages 59 to 71 form part of these accounts.

Scottish Courts and Tribunals Service
Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2020

	Note	General Fund £'000	Revaluation Reserve £'000	Total £'000
Balance at 1 April 2019		369,965	167,601	537,566
Total comprehensive expenditure for the year ended 31 March 2020		(118,082)	8,000	(110,082)
Non-cash charges				
Non-cash charges - auditor's remuneration	4	96	-	96
Non-cash charges - other		-	-	-
Total non-cash charges - auditor's remuneration	4	96	-	96
Other reserve movements				
Transfer of fixed assets (to)/from other bodies		-	-	-
Other adjustments	9	(2,489)	-	(2,489)
Transfers between reserves		3,618	(3,618)	-
Total other reserve movements/adjustments		1,129	(3,618)	(2,489)
Funding				
Parliamentary funding		104,574	-	104,574
Net parliamentary funding drawn down		104,574	-	104,574
Balance at 31 March 2020		357,682	171,983	529,665
Net increase/ (decrease) during the year		(12,283)	4,382	(7,901)

The notes on pages 59 to 71 form part of these accounts.

Scottish Courts and Tribunals Service
Statement of Changes in Taxpayers' Equity
For the year ended 31 March 2019

	Note	General Fund £'000	Revaluation Reserve £'000	Total £'000
Balance at 1 April 2018		342,152	112,878	455,030
Total comprehensive expenditure for the year ended 31 March 2018		(105,353)	56,551	(48,802)
Non-cash charges				
Non-cash charges - auditor's remuneration	4	92	-	92
Non-cash charges - other		-	-	-
Total non-cash charges - auditor's remuneration	4	92	-	92
Other reserve movements				
Transfer of fixed assets (to)/from other bodies		-	-	-
Other adjustments	9	1,332	-	1,332
Transfers between reserves		1,828	(1,828)	-
Total other reserve movements/adjustments		3,160	(1,828)	1,332
Funding				
Parliamentary funding		129,914	-	129,914
Net parliamentary funding drawn down		129,914	-	129,914
Balance at 31 March 2019		369,965	167,601	537,566
Net increase/ (decrease) during the year		27,813	54,723	82,536

The notes on pages 59 to 71 form part of these accounts.

NOTES TO THE ACCOUNTS

1. Basis of Accounts

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted and interpreted by the 2019-20 Government Financial Reporting Manual (FRoM) issued by HM Treasury and the Accounts Direction issued by Scottish Ministers (Annex 3). The Board and Accountable Officer have considered the budget and associated grant in aid allocation for 2020-21 and consider that the SCTS has adequate resources to continue in operational existence in the foreseeable future. The accounts are therefore prepared on a going concern basis.

An assessment of liquidity risk is shown in Note 15 and the budget allocation for 2020-21 can be seen at: <http://www.scotcourts.gov.uk/docs/default-source/aboutscs/reports-and-data/publications/scts-business-plan-2020-21.pdf?sfvrsn=2>. These accounts have been prepared under the historical cost convention, modified to account for the revaluation of property, plant and equipment.

2. Accounting Policies

Where the FRoM permits a choice of accounting policy, the accounting policy which is judged to be most appropriate to the particular circumstances of the Scottish Courts and Tribunals Service (SCTS) for the purpose of giving a true and fair view has been selected. The particular policies adopted by the SCTS are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

2.1 Property, plant and equipment

The threshold for capitalising assets is £5,000 for all categories apart from information technology equipment (networked and grouped) which is all capitalised, irrespective of value. On initial recognition, property, plant and equipment are measured at cost including any costs such as installation directly attributable to bring them into working condition. All property, plant and equipment are carried at fair value. Operational assets and those that are not held for their service potential (i.e. investment properties and assets held for sale), including operational assets which are surplus to requirements where there are no restrictions on disposal which would prevent access to the market, are measured subsequently at Fair Value as follows:

Specialised SCTS land, buildings, equipment, installations and fittings are stated at Depreciated Replacement Cost (DRC), as a proxy for Fair Value as specified in the SPFM. DRC assessments are subject to an assumption of ongoing future use by SCTS for operational purposes. Non-specialised land and buildings are stated at Fair Value which is broadly correlated with Market Value. The assessment of Fair Value for operational non-specialised assets is subject to an assumption of ongoing use for the existing purposes thereby reflective of Market Value for Existing Use.

Valuations of all land and building assets are reassessed by our valuers (currently Avison Young) on a 5 year cycle of professional valuations. In the intervening years to take account of movements in prices since the latest valuation indexation is applied. Building Cost Information Service (BCIS) indices are used for cost based assessments (DRC) otherwise for market based elements indexation figures will reflect observed movements in the property market over the relevant period. The valuations are carried out in accordance with the Royal Institution of Chartered Surveyors (RICS) Valuation Standards insofar as these terms are consistent with the agreed requirements of the SPFM.

Where significant redevelopment of a property has been completed outwith the valuation cycle the relevant property will be subject to a specific valuation at the appropriate point in accordance with SPFM guidance. For the year end 2019-20, despite COVID-19 restrictions physical inspection valuations were undertaken by Avison Young for the completion of the new-build project at Inverness Justice Centre and following significant developments at Dumbarton Sherriff Court and Peterhead Sherriff Court to ascertain if any impairments were required.

Land and buildings were fully revalued by the valuers as at 31 March 2019 on the basis of Fair Value (Market Value or Depreciated Replacement Cost where appropriate). The valuations were undertaken by RICS Registered Valuers and prepared under the RICS Valuation – Global Standards 2017 and the SPFM. Property details provided by SCTS were supported by site visits/inspections by the valuer and the valuations were prepared reflecting the specific classification of each of the subjects. Specialised operational assets have been assessed to DRC. A Modern Equivalent Asset (MEA) approach has been adopted with the resulting Gross Replacement Cost assessment adjusted, as appropriate, for physical, functional and

economic/external obsolescence. Land held in association with specialised operational sites has been valued to Market Value for Existing Use as part of the wider DRC calculations. Non specialised operational assets have also been valued to Market Value for Existing Use with surplus/non-operational properties valued on a Market Value basis. Market related assessments have been prepared through the use of comparable market transaction evidence. DRC valuations are subject to an assumption of future ongoing use by SCTS for operational purposes.

Increases in the carrying amount arising on revaluation of property, plant and equipment are credited to the revaluation reserve in taxpayers' equity. Decreases arising from fluctuations in market conditions are first charged directly to revaluation reserve to offset any previous increases for the same asset. Amounts in excess of previous increases are expensed to the Statement of Comprehensive Net Expenditure. Decreases arising from other factors are expensed directly to the Statement of Comprehensive Net Expenditure.

Depreciation is provided on a straight line basis on all property, plant and equipment (other than freehold land) at rates calculated to write down the cost or valuation of each asset over its estimated useful life.

Buildings	
<i>Sub & super structure</i>	not exceeding 80 years
<i>Fittings & furnishings</i>	not exceeding 50 years
<i>Other Buildings</i>	not exceeding 40 years
Vehicles	3 years
Information Technology Equipment	3 years
Equipment	not exceeding 10 years
Fixtures & Fittings	not exceeding 10 years

Assets under construction are carried at the costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Assets under construction are transferred to the appropriate property, plant and equipment category when completed and ready for use. No depreciation is charged until the asset is operational.

We have consulted with Avison Young on the impact of COVID19 on asset valuations. They have supplied SCTS with a "material valuation uncertainty" advice letter. It advised that they could attach less weight to previous market evidence for comparison purposes to inform opinions of value. They advised that their valuation advice was reported on the basis of 'material valuation uncertainty' as per VPS 3 and VPGA 10 of the RICS Valuation – Global Standards effective from 31 January 2020.

Consequently, less certainty – and a higher degree of caution – should be attached to the valuation advice than would normally be the case. Avison Young also highlighted that for the avoidance of doubt, the inclusion of the 'material valuation uncertainty' declaration does not mean that the valuation cannot be relied upon. Given the unknown future impact that COVID-19 might have on the real estate market, Avison Young recommended that SCTS keep the valuation of assets under frequent review and SCTS will undertake a mid-year review during 2020-21.

2.2 Non-current assets classified as held for sale

The SCTS classify a non-current asset as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is met when the asset is being actively marketed by management, it is available for immediate sale in its present condition, the sale is considered to be highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification. Assets classified as held for sale are measured at the lower of their carrying amount immediately prior to their classification as held for sale and their fair value less costs to sell. Depreciation or amortisation for such assets is not charged from the date they are classified as an asset held for sale.

2.3 Intangible assets

Both purchased software licenses and internally generated software/IT systems are valued at depreciated replacement cost. Amortisation is applied at rates calculated to write off the value of the software by equal instalments over the shorter of the term of the license and their estimated useful life. Software and main intangible systems (e.g. Integrated Case Management System, ICMS) are amortised over a 3 and 10 year life respectively. Due to the lack of active market ICMS is shown at cost net of amortisation as a proxy for fair value. A management review of the bespoke system was undertaken and confirmed that the useful life and valuation is appropriate. No impairment was necessary following this assessment.

2.4 Cash and cash equivalents

Cash represents cash in hand, cash held with the Government Banking Service and cash in commercial bank accounts

2.5 Financial instruments

The SCTS does not hold any complex financial instruments. The only financial instruments included in the accounts are receivables, cash and cash equivalents and payables (notes 8, 9 and 10).

Trade and other receivables are recognised at fair value less any impairment for any amounts assessed as irrecoverable. An impairment of debt for irrecoverable amounts is made where there is evidence that the SCTS will be unable to collect an amount due in accordance with agreed terms. The SCTS have adopted IFRS 9 in its treatment on the impairment of trade receivables. During 2019-20 a review of impairment based on a lifetime Expected Credit Losses was completed and the bad debts impairment figure was adjusted. The prior year has not been restated. A further review of the bad debt impairment will be undertaken in 2020-21 to estimate the possible impact of COVID-19 on the Expected Credit Losses. Trade and other payables are recognised at fair value.

2.6 Income and Expenditure recognition

The SCTS is not a trading organisation. Income primarily comprises court fees for civil cases. SCTS collects fines on an agency basis. Sheriff Court fines are paid over to the Scottish Consolidated Fund and are not accounted for as part of the income of the SCTS. An element of Justice of the Peace Court fines, Police and Fiscal fixed penalty fines are retained by the SCTS in line with The Scotland Act 1998 (Designation of Receipts) Order issued by HM Treasury. The remainder is paid over to the Scottish Consolidated Fund. Income and expenditure is accounted for in the year to which it relates and not when cash payments are made or received. Where income and expenditure has been recognised but cash has not been received or paid, a receivable or payable for the corresponding amount is recorded in the Statement of Financial Position.

2.7 Value added tax (VAT)

Revenues, expenses and assets are recognised net of the amount of VAT except where the VAT incurred on a purchase of assets or services is not recoverable from HM Revenue and Customs (HMRC), in which case the VAT is recognised as part of the cost of acquisition of the asset or as part of the expenses item as applicable. The net amount of VAT recoverable from, or payable to, HMRC is included as part of receivables or payables in the Statement of Financial Position.

2.8 Operating leases

All SCTS leases are leases where substantially all the risk and benefits of ownership of the asset have not transferred to the SCTS and are therefore classified as operating leases. Rentals payable under operating leases are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the lease term. The SCTS recognises the aggregate benefit of incentives as a reduction of rental expense over the lease terms, on a straight line basis. The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset.

2.9 External auditor remuneration

External auditor's remuneration for non-audit services is charged on a notional basis to the SCTS. It is charged to the Statement of Comprehensive Net Expenditure and credited as a movement on the general fund.

2.10 Provisions

Provisions are recognised when the SCTS has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense relating to any provisions is presented in the Statement of Comprehensive Net Expenditure net of any reimbursement.

Following a review of the dilapidations provisions during 2018-19, SCTS revised the methodology for the recognition of dilapidations provisions and now recognises the reinstatement element at the start of a lease with the wear and tear element spread across the life of the lease. This is also best practice and complies with IAS 37. Given the unknown future impact that COVID-19 might have on dilapidations, SCTS will commission a mid-year review from Avison Young during 2021-21.

2.11 Employee benefits pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) and the Civil Service and Other Pension Scheme (CSOPS). The defined benefit schemes are unfunded and are non-contributory except in respect of dependant's benefits. SCTS accounts for the schemes as defined contribution plans and recognises the expected cost of these elements on a systematic and rational basis over the period during which it benefits from employee's services by payment to the PCSPS/CSOPS of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS/CSOPS. In respect of the defined contribution schemes, SCTS recognises the contributions payable for the year. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

2.12 Judicial Pension Scheme

Members of the judiciary are covered by different Judicial Pension Schemes (JPS). Which include, 1981 Scheme, 1993 JUPRA, 2015 Judicial Pensions Scheme and 2017 Fee-Paid Judicial Pension Scheme. The JPS is an unfunded multi-employer defined benefit scheme which prepares its own Accounts. Effective from 1 April 2016, the SCTS became responsible for the employer contributions to the JPS. Contributions from 2016 to 31 March 2019 were paid at a rate of 38.45% and from April 2019 that rate increased to 51.35%. The amount of these contributions is included in the Staff Report from page 42. Although the JPS is a defined benefit scheme, in accordance with FReM 6.2, the SCTS accounts for the scheme as a defined contribution scheme and recognises employer contributions payable as an expense in the year they are incurred.

As part of the changes to judicial pension arrangements, a new governance framework was established to secure the confidence in the Judicial Pension Schemes of both the scheme members and the tax payers. The Lord Chancellor is the Responsible Authority and Scheme Manager for the Schemes. Furthermore, there is an established Judicial Pensions Board. Further information on the Judicial Pensions Board and relevant publications, such as judicial; pension scheme accounts, scheme guidance and valuation reports can be found here: <https://www.gov.uk/government/groups/judicial-pension-board>

2.13 Other employee benefits

A liability and an expense are recognised for untaken holiday days, holiday pay, and flexi balances at 31 March 2020. As a result an accrual has been made for time earned but not taken.

2.14 Accounting estimates and assumptions

SCTS makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the actual results. Other than estimates and assumptions relating to Property Plant & Equipment, Intangibles and Provisions, stated in accounting policies at 2.1, 2.3 and 2.10 above, there are no material estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Given the unknown potential impact of the COVID-19 pandemic; SCTS has not amended estimates and judgements in respect of Property Plant & Equipment, Intangibles and Provisions for any impact of COVID-19.

2.15 Disclosure of accounting standards not yet applied

A number of new accounting standards have been issued or amendments made to existing standards, but have not yet been applied to these financial statements. The standard that is considered relevant and the anticipated impact is as follows:

IFRS 16 Leases – The standard was published by the International Accounting Standards Board in January 2016. In March 2020, HM Treasury determined that entities which prepare their accounts in accordance with the FReM will now adopt this standard in 2021/22. IFRS 16 replaces IAS 17 Leases and introduces a new single accounting approach for all leases (with limited exceptions); therefore, there will no longer be a distinction between operating and finance leases. Lessees will recognise, in the Statement of Financial Position, a liability to make lease payments and an asset representing the right to use the underlying asset during the lease term. The accounting for leases by lessors will remain largely unchanged. Significant preparations for the implementation of the standard are underway and baseline modelling has been conducted; however, a quantification of the impact on SCTS has not yet been finalised as we await further verification data from external advisors.

3. Staff Numbers and costs

Due to changes in the required reporting format all relevant disclosures relating to staff are included in the Remuneration and Staff Report (pages 42 to 48).

4. Non-staff expenditure

4a. Other administration expenditure

Rent and Rates	13,787	11,892
Accommodation	9,602	9,280
Building maintenance and impairment	8,031	7,436
Computer Maintenance	3,382	3,294
Office running costs	1,736	1,858
Publications – Sheriff Courts	1,476	1,538
Other	1,083	2,154
Postage	1,075	1,631
Contracted Services	1,042	833
Travel, subsistence and hospitality	952	854
Provision movements	745	2,120
External auditor remuneration - Audit fee	96	92
Total	43,007	42,982

	2019-20 £'000	2018-19 £'000
Rent and Rates	13,787	11,892
Accommodation	9,602	9,280
Building maintenance and impairment	8,031	7,436
Computer Maintenance	3,382	3,294
Office running costs	1,736	1,858
Publications – Sheriff Courts	1,476	1,538
Other	1,083	2,154
Postage	1,075	1,631
Contracted Services	1,042	833
Travel, subsistence and hospitality	952	854
Provision movements	745	2,120
External auditor remuneration - Audit fee	96	92
Total	43,007	42,982

During the year SCTS purchased non-audit services from its external auditor totaling £19k (2018-19: £1k).

4b. Operational costs

Judicial costs	9,602	9,338
Judicial pension costs	14,985	11,256
Payments to jurors	3,784	3,782
Interpreters' costs	1,221	1,106
Other	2,476	2,557
Total	32,068	28,039

	2019-20 £'000	2018-19 £'000
Judicial costs	9,602	9,338
Judicial pension costs	14,985	11,256
Payments to jurors	3,784	3,782
Interpreters' costs	1,221	1,106
Other	2,476	2,557
Total	32,068	28,039

5. Income

5a. Operating income

Shared service income from other government departments	4,466	3,106
Profit on disposal of non-current assets	-	-
Income from rent receivable and court hire	29	1,547
Stakeholder capital contribution *	2,273	-
Other income	101	38
Total	6,869	4,691

	2019-20 £'000	2018-19 £'000
Shared service income from other government departments	4,466	3,106
Profit on disposal of non-current assets	-	-
Income from rent receivable and court hire	29	1,547
Stakeholder capital contribution *	2,273	-
Other income	101	38
Total	6,869	4,691

*Includes £2,273k contribution from Highland Council for Inverness Justice Centre.

5b. Income from fees and retained fines

Fees charged	33,815	33,260
Retained fines	4,698	4,390
Total	38,513	37,650

	2019-20 £'000	2018-19 £'000
Fees charged	33,815	33,260
Retained fines	4,698	4,390
Total	38,513	37,650

6. Property, plant and equipment

6a. Property, plant and equipment current year

Purchases of total property, plant and equipment in the schedule of £20,468k (2018-19: £24,236k) appear in the cash flow statement as £27,997k after adjustment for opening and closing property, plant and equipment accruals in trade and other payables.

Cost or valuation	Land £'000	Buildings £'000	Vehicles £'000	Equipment £'000	ICT systems £'000	Fixtures and fittings £'000	Assets under construction £'000	2019-20 Total £'000
Opening balance at 1 April 2019	30,745	742,402	224	1,849	15,566	4,914	22,922	818,622
Additions	-	3,021	-	-	2,996	349	14,082	20,448
Transfers	1,310	35,694	-	-	-	-	(37,004)	-
Transfers to/from assets classified as held for sale	(26)	(374)	-	-	-	-	-	(400)
Disposals	-	-	-	(290)	(1,103)	(128)	-	(1,521)
Revaluation	311	8,334	-	-	-	-	-	8,645
Downward Revaluation to Statement of comprehensive net expenditure	-	(6,916)	-	-	-	-	-	(6,916)
As at 31 March 2020	32,340	782,161	224	1,559	17,459	5,135	-	838,878
Depreciation								
Opening balance at 1 April 2019	-	300,074	150	1,243	9,494	2,749	-	313,710
Charged in year	-	12,352	74	108	2,959	409	-	15,902
Disposals	-	-	-	(290)	(1,103)	(128)	-	(1,521)
Revaluation	-	645	-	-	-	-	-	645
Downward Revaluation to Statement of comprehensive net expenditure	-	-	-	-	-	-	-	-
Balance as at 31 March 2020	-	313,071	224	1,061	11,350	3,030	-	328,736
Net book value current year	32,340	469,090	-	498	6,109	2,105	-	510,142
Net book value prior year	30,745	442,328	74	606	6,072	2,165	22,922	504,912

All assets are owned by the Scottish Courts and Tribunals Service Corporate Body. All land and buildings are held freehold. No assets are held under finance leases or PFI/PPP contracts.

6b. Property, plant and equipment prior year

Cost or valuation	Land £'000	Buildings £'000	Vehicles £'000	Equipment £'000	ICT systems £'000	Fixtures and fittings £'000	Assets under construction £'000	2018-19 Total £'000
Opening balance at 1 April 2018	33,765	645,950	224	2,005	12,877	4,493	10,011	709,325
Additions	-	6,556	-	52	4,105	612	12,911	24,236
Disposals	-	-	-	(208)	(1,416)	(191)	-	(1,815)
Revaluation	(3,020)	94,718	-	-	-	-	-	91,698
Downward Revaluation to Statement of Comprehensive net expenditure	-	(4,822)	-	-	-	-	-	(4,822)
As at 31 March 2019	30,745	742,402	224	1,849	15,566	4,914	22,922	818,622
Depreciation								
Opening balance at 1 April 2018	-	255,562	75	1,340	8,256	2,555	-	267,788
Charged in year	-	10,572	75	111	2,654	385	-	13,797
Disposals	-	-	-	(208)	(1,416)	(191)	-	(1,815)
Revaluation	-	35,147	-	-	-	-	-	35,147
Downward Revaluation to Statement of Comprehensive net expenditure	-	(1,207)	-	-	-	-	-	(1,207)
Balance as at 31 March 2019	-	300,074	150	1,243	9,494	2,749	-	313,710
Net book value as at 31 March 2019	30,745	442,328	74	606	6,072	2,165	22,922	504,912
Net book value prior year (31 March 2018)	33,765	390,388	149	665	4,621	1,938	10,011	441,537

6c. Assets classified as Held for Sale

The following assets have been presented for sale by the Scottish Courts and Tribunals Service. The completion date for sale is expected to be within 12 months. Assets classified as held for sale are measured at the lower of their carrying amount immediately prior to their classification as held for sale and their fair value less costs to sell. Assets classified as held for sale are not subject to depreciation or amortisation.

	Property £'000	Intangible Assets £'000	Total £'000
Cost or valuation			
Balance at 1 April 2019	-	-	-
Transfers from Non-Current Assets	400	-	400
As at 31 March 2020	400	-	400

7. Intangible assets

7a Intangible assets current year

Purchases of total intangible assets in the schedule of £2,574k (2018-19: £2,097k) appear in the cash flow statement as £2,119k after adjustment for opening and closing intangible asset accruals in trade and other payables.

	Software licences £'000	ICT software £'000	Assets under development £'000	Total £'000
Cost or valuation				
Balance at 1 April 2019	4,625	12,859	2,699	20,183
Additions	488	1,161	925	2,574
Disposals	(172)	(160)	-	(332)
Transfers	-	3,624	(3,624)	-
As at 31 March 2020	4,941	17,484	-	22,425
Amortisation				
Balance at 1 April 2019	2,782	7,482	-	10,264
Charged in year	299	1,038	-	1,337
Disposals	(172)	(160)	-	(332)
As at 31 March 2020	2,909	8,360	-	11,269
Net book value as at 31 March 2020	2,032	9,124	-	11,156
Net book value as at 31 March 2019	1,843	5,377	2,699	9,919

The intangible assets include the ICMS system which is an internally generated case management system which has a carrying amount of £6,578k with a remaining amortisation period of 79 months.

7b. Intangible assets prior year

	Software licences £'000	ICT software £'000	Assets under development £'000	Total £'000
Cost or valuation				
Balance at 1 April 2018	4,461	13,013	970	18,444
Additions	227	141	1,729	2,097
Disposals	(63)	(295)	-	(358)
At 31 March 2019	4,625	12,859	2,699	20,183
Amortisation				
Balance at 1 April 2018	2,548	6,905	-	9,453
Charged in year	297	872	-	1,169
Disposals	(63)	(295)	-	(358)
At 31 March 2019	2,782	7,482	-	10,264
Net book value as at 31 March 2019	1,843	5,377	2,699	9,919
Net book value as at 31 March 2018	1,913	6,108	970	8,991

8. Trade receivables and other assets

Amounts falling due within one year

	2019-20 £'000	2018-19 £'000
Trade receivables	4,407	302
VAT	1,573	992
Other receivables	611	520
Prepayments	2,078	2,855
Accrued income	2,538	2,560

Total as at 31 March 2020

11,207 **7,229**

Amounts falling due in more than one year

Other receivables	20	33
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Total as at 31 March 2020 **20** **33**

Total as at 31 March 2020

11,227 **7,262**

9. Cash and cash equivalents

	2019-20 £'000	2018-19 £'000
Balance at 1 April 2019	44,554	16,962
Net change in cash and cash equivalent balances*	(27,695)	27,592
Balance as at 31 March 2020	16,859	44,554

The following balances at 31 March 2020 were held at:

Commercial banks and cash in hand*	13,580	32,228
Government Banking Service*	3,279	12,326
Balance as at 31 March 2020	16,859	44,554

* In 2019-20 a one off adjustment was made to remit legacy cash balances due to Scottish Government. 2018-19 cash balances were higher than other years which reflected the in-year transfer of the cash management & treasury responsibilities from SG to SCTs. The cash balances are required to ensure sufficient funds were in place to support the SCTs payment and payroll runs. Also, during the year a one off adjustment was applied in 2018-19 to resolve long standing historic balances.

10. Payables and other current liabilities

Amounts falling due within one year

Trade payables	
Other payables	
Accruals	
Deferred income	
Corporate balance with the Scottish Government	
Total payables due within one year	

2019-20 £'000	2018-19 £'000
19	1,752
1,899	1,772
9,413	15,615
14	14
1,394	3,335
12,739	22,488

Amounts falling due in more than one year

Other payables	
Deferred income and accruals	
Total payables due in more than one year	

2019-20 £'000	2018-19 £'000
2,106	1,773
223	238
2,329	2,011

Total at 31 March 2020

15,068	24,499
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11. Provisions for liabilities and charges

11a Provisions for liabilities and charges current year

	Property and dilapidations £'000	President pension costs £'000	Compensation costs £'000	2019-20 Total £'000
Balance as at 1 April 2019	2,529	1,013	69	3,611
Add: element reported as due within one year	878	30	63	971
Total as at 1 April 2019	3,407	1,043	132	4,582
Provided for in year	817	26	65	908
Provisions not required written back	(234)	-	(57)	(291)
Provisions utilised in year	-	(97)	(51)	(148)
Total as at 31 March 2020	3,990	972	89	5,051
Payable within one year	(563)	(45)	(88)	(696)
As at 31 March 2020	3,427	927	1	4,355

Analysis of expected timing of any resulting outflows of economic benefits:

	Property and dilapidations £'000	President pension costs £'000	Compensation costs £'000	2019-20 Total £'000
Payable in 1 year	563	45	88	696
Payable between 2 and 5 years	80	180	1	261
Payable between 6 and 10 years	507	226	-	733
Thereafter	2,840	521	-	3,361
Total as at 31 March 2020	3,990	972	89	5,051

11b Provisions for liabilities and charges prior year

	Property and dilapidations £'000	President pension costs £'000	Compensation costs £'000	Early departure costs £'000	2018-19 Total £'000
Balance as at 1 April 2018	1,183	709	86	-	1,978
Add: element reported as due within one year	667	20	15	10	712
Total as at 1 April 2018	1,850	729	101	10	2,690
Provided for in year	2,096	335	83	-	2,514
Provisions not required written back	(473)	-	(28)	-	(501)
Provisions utilised in year	(66)	(21)	(24)	(10)	(121)
Total as at 31 March 2019	3,407	1,043	132	-	4,582
Payable within one year	(878)	(30)	(63)	-	(971)
At 31 March 2019	2,529	1,013	69	-	3,611

Analysis of expected timing of any resulting outflows of economic benefits:

	Property and dilapidations £'000	President pension costs £'000	Compensation costs £'000	Early departure costs £'000	2018-19 Total £'000
Payable in 1 year	878	30	63	-	971
Payable between 2 and 5 years	92	202	69	-	363
Payable between 6 and 10 years	357	252	-	-	609
Thereafter	2,080	559	-	-	2,639
Total as at 31 March 2019	3,407	1,043	132	-	4,582

11c Details of Provisions

Property and dilapidations

This represents the impact of the periodic revaluation exercises along with estimated amounts due on the expiry of property leaseholds held by the SCTS, to return the properties to their original condition. The amounts due and the timing of payments depends on the terms and conditions of each lease, reinstatement works requires, general wear and tear and the extent of alternations carried out by the SCTS over the period of the lease.

President Pension

This relates to the pension contributions for the Presidents of the Mental Health Tribunal.

Compensation

Amounts have been provided for material claims for compensation against the SCTS from service users. The amounts provided are based on an assessment of the amounts claimed and the likelihood of a payment being required. Where a settlement is considered unlikely to be required no provision is made.

12. Capital commitments

As at 31 March, contracted capital commitments for which no provision has been made were as follows:

	2020 £'000	2019 £'000
Property, plant and equipment		
Inverness Justice Centre	-	8,100
Kirkcaldy Sheriff Court	-	2,700
Other	83	1,293
Intangible Assets		
Integrated Case Management System (ICMS)	1,201	1,012
Other Digital	951	-
Total	2,235	13,105

As at 31 March, authorised but not contracted capital commitments for which no provision has been made were as follows:

	2020 £'000	2019 £'000
Intangible Assets		
Integrated Case Management System (ICMS)	158	-
Other Digital	6	-
Total	164	-

13. Commitments under operating leases

As at 31 March, total future minimum lease payments under operating leases are given in the table below:

	2019 - 20 £'000	2018 - 19 £'000
Buildings		
Within one year	5,867	5,609
Between two and five years (inclusive)	20,293	18,782
After five years	52,663	45,978
Total	78,823	70,369

14. Related Party Transactions

The SCTS is a Non Ministerial Departmental Body in the Scottish Administration. During the year, SCTS has had various material transactions with the Scottish Government and the Crown Office.

The SCTS has also had a number of transactions with other government departments, central government bodies, local government and other non-departmental public bodies.

During the financial year, SCTS received a number of civil court fees from Addleshaw Goddard LLP, a legal firm conducting business in Scotland. The level of these fees, for the processing and transacting of civil court business carried out by the firm, are set independently of the SCTS by the relevant Scottish Statutory Instrument (referred to as a Fee Order). Mr Simon Catto, the solicitor member of the SCTS Board was a partner of Addleshaw Goddard LLP until June 2017.

During the year no Board or Executive Team members have undertaken any material transactions with the SCTS.

15. Financial Instruments

The SCTS resource requirements are met from Scottish Government via the annual grant-in-aid provision and from other income generated from activities. The SCTS has no power to borrow funds and all surplus funds are

held in interest bearing deposit accounts. Other than financial assets and liabilities which are generated by day-to-day operational activities, the SCTS holds no financial instruments. Because of the nature of its activities and the way in which the SCTS is financed, the SCTS is not exposed to the degree of financial risk faced by business entities.

Liquidity risk

Scottish Ministers make provision for the SCTS's use of resources, for revenue and capital purposes, in its budget for each financial year. Resources and accruing resources may be used only for the purposes specified and up to the amounts specified in the budget. The SCTS is not therefore exposed to significant liquidity risks.

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices that could affect the SCTS are interest rate risk. As noted above, the SCTS has no power to borrow and all surplus funds are held in interest bearing deposit accounts or the Government Banking Service. The SCTS has no other investments and therefore there is limited exposure to interest rate risk.

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or contract, leading to a financial loss. The SCTS is exposed to credit risk from its operating activities (primarily for trade and other receivables) but the level of risk is not deemed significant. Credit risk related to trade and other receivables is managed through established procedures relating to the monitoring and follow up of outstanding balances.

Fair values

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

Cash and cash equivalents, trade receivables, trade payables, and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. There is no difference between the book value and fair value for the cash and cash equivalents shown in note 9.

16. Losses

During the financial year there were 13 instances of cash handling losses totaling £1k (2018 -19: £1k).

17. Third Party Assets

Cash balances of £27,106k (2018 -19: £30,948k) are held on behalf of third parties. This is mainly money consigned into court in respect of liquidations, cautions, expenses in civil actions and unclaimed dividends. These third party assets are not the property of the SCTS and are not included in the SCTS's accounts

18. Contingent Assets/Liabilities disclosed under IAS 37

At the 31 March 2020 there were no material contingent assets/liabilities.

19. Post Balance Sheet Events

In line with IAS 10, the SCTS consider the COVID-19 pandemic to be a material non-adjusting event; the financial effect of which cannot yet be estimated. As highlighted under Note 2, the main areas where we foresee possible impact on the financial statements will be in relation to our property, plant and equipment valuations and estimates made in relation to dilapidation provisions. Given the unknown impact that COVID-19 might have on real estate values, SCTS will undertake a mid-year review of these areas during 2020-21.

Annex 1 – SCTS Business Levels

Impact of COVID-19 pandemic on the court data in this annex

In order to keep court staff and users safe, 29 of SCTS' 39 court buildings were closed from late March 2020, with only essential business maintained in the remaining 10 "hub" courts during the lockdown period. The decision to close courts means that it has not been possible to complete data checks for the year with the usual degree of rigour ahead of the production of this annex. **Consequently business levels are considered 'provisional' on 2019/20 figures in this report.** The data provided represents the most accurate available for the financial year at the time of writing. As courts re-open data checks will be completed – should this necessitate any amendments to figures the revised version will be captured in the most up to date version of SCTS Official Statistics published on our website at: <https://www.scotcourts.gov.uk/about-the-scottish-court-service/reports-data>

High Court

	2019-20	2018-19	2017-18
Indictments registered	1,118	999	792
Trials (evidence led)	498	507	461
High Court criminal appeals lodged	630	594	541
High Court judge days	3,486	3,676	3,585

First Instance Criminal Business

The number of indictments registered in 2019-20 increased by over 10% compared with the previous year, continuing the upward trend evident in registrations in the past three years. Around 45% of cases registered proceeded to trial, which reflects the fact that plea rates in more serious cases involving sexual offences in which tend to be lower.

Average trial duration remains high at around six days: a feature of both increasing case complexity and the number of longer running trials. This trend is expected to continue. The number of judicial days available for the High Court reduced last year which, coupled with the continued increase in the number of indictments and trials assigned, resulted in an increase to trial waiting times from 18 weeks in the previous year to 23 weeks for 2019-20.

All preliminary Hearings are held in Saltmarket, Glasgow and the baseline average has been reduced to 1.3 hearings per case during 2019-20.

Criminal Appeal Business

End to end times for the Criminal Appeal Court remain healthy and continue to be monitored closely by the Criminal Appeals Administrative Judge.

Court of Session

	2019-20	2018-19	2017-18
Ordinary civil actions registered	975	987	954
Civil petitions (registered)	1,185	1,279	1,341
Civil appeals / reclaiming motions	229	180	183
Proofs proceeding	58	58	76
Court of Session judge days	1,328	1,424	1,557

Outer House

The number of civil court actions registered now appears to have stabilised at a new reduced level following the exclusive jurisdiction of the sheriff court increasing to £100K from September 2015. The number of proofs proceeding also appears to have stabilised at a new reduced level as the civil court reforms have bedded in.

Inner House

The average period for marking a reclaiming motion or lodging an appeal to the Court of Session to disposal of the merits has remained comfortably within target at 28 weeks. The number of appeals lodged has seen a noticeable increase in 2019-20 compared to the previous year. This is due primarily to a change in practice in how permission for judicial review is considered, with an increase in oral hearings leading to an increase in appeals registered when permission has been refused.

Court Days

The further 7% reduction in Court of Session judge days in 2019-20 is indicative of the continuing shift of business to the lower courts – a key intention of the Civil Court Reform Programme.

All-Scotland Courts

	2019-20	2018-19	2017-18
Sheriff Appeal Court: criminal appeals lodged	701	723	747
Sheriff Appeal Court: civil appeals lodged	290	266	286
Personal Injury Court: registrations	3,222	3,591	3,281

In their third full year of operation, case levels in both the All-Scotland Personal Injury court and the Sheriff Appeal Court are now well-established. Both courts are achieving the desired effect of freeing up court and judicial resource in the High Court and Court of Session.

Sheriff Court

Sheriff Courts: Summary Criminal	2019-20	2018-19	2017-18
Complaints Registered	65,225	59,777	65,646
Trials (Evidence Led)	6,946	7,731	8,245

Sheriff Courts: Solemn Criminal	2019-20	2018-19	2017-18
Indictments Registered	5,452	5,182	4,979
Trials (Evidence Led)	1,134	1,119	1,041

Justice of the Peace Courts	2019-20	2018-19	2017-18
Complaints Registered	33,271	36,955	38,538
Trials (Evidence Led)	1,543	1,785	2,032
Sitting Days	3,477	4,081	4,301

Sheriff Courts: Civil	2019-20	2018-19	2017-18
Ordinary Cases (OC) Registered	23,081	22,776	22,620
OC Proofs and Debates (Which Proceeded) ⁵³	543	563	529

Summary Cause, Small Claims & Simple Proc.	2019-20	2018-19	2017-18
Cases Registered	45,963	43,465	53,003
Proofs Proceeding	368	379	434

Commissary	2019-20	2018-19	2017-18
Inventories Recorded	24,518	25,283	25,104

Sheriff Court Sitting Days	2019-20	2018-19	2017-18
Number of days	26,981	26,884	28,238

The Criminal Justice (Scotland) Act 2016 brought about significant improvements to the efficiency of case management at the sheriff and jury level, and continued to benefit the system. In 2019-20 the number of indictments registered sustained the upward trend of recent years – increasing around 5% on last year, but this still remains over 15% lower than before introduction of the reforms (2015-16 year-end registered indictments was 6460). These continue to be monitored at a national level to inform best practice and effective resource use.

In contrast to 2018-19, the number of summary complaints registered increased by over 8% in the sheriff courts, whilst the proportion of cases proceeding to trial dropped from 12.9% to 10.6% from last year – indicative of improved case management and strong partnership work. In the Justice of the Peace Court the downward trend in case numbers continued – with around 10% fewer cases registered than last year. This pattern reflects both fewer recorded lower level crimes, and police and prosecutors adopting alternative approaches to formal prosecution,

In relation to civil business following an overall decline in 2018-19, 2019-20 saw a slight increase in the number of cases registered by 4%: this was a rise in both registered Ordinary and simple procedure actions. The slightly higher rise comes from simple procedure – consistent with the introduction of

Office of the Public Guardian

	2019-20	2018-19	2017-18
Powers of Attorney	64,166	60,778	78,080
Guardianship Orders	2,778	2,764	2,863

With 2018-19 being the second busiest on record for powers of attorney registered, levels recorded in 2019-20 in the Office of the Public Guardian remained high, with over 64,000 Powers of Attorney and over 2,700 guardianship orders registered. This reflects the continuing recognition by people across Scotland of the importance of registering a Power of Attorney in order to ensure their financial affairs can be effectively managed should they become unable to manage them, coupled with the ability to easily apply for a Power of Attorney on-line. Further information and statistics on the work of the OPG can be found on its website, <http://www.publicguardian-scotland.gov.uk>

Devolved Tribunals

Following the Scottish Tribunals Service (STS) merger with the Scottish Court Service on 1 April 2015 to create the Scottish Courts and Tribunals Service (SCTS), the significant programme of restructuring Scotland's devolved tribunals continued this year.

Business levels across Scotland's devolved tribunals are generally on an upward trend, with a continuing year on year increase in Mental Health Tribunal applications, which carry the largest caseload. These workloads continue to be monitored closely given the increasing demand and the tight statutory deadlines the Tribunal operates within. Business levels within the Housing and Property Chamber have remained high following the transfer of jurisdiction for certain case types from the sheriff court – a change which appears to have encouraged more people to seek redress through the system.

DEVOLVED TRIBUNALS	2019-20	2018-19	2017-18
Upper Tribunal for Scotland			
Receipts	53	35	-
Disposals	51	16	-
Hearing Days	22	8	-

First-tier Tribunal for Scotland (Housing and Property Chamber)			
Property Factor	2019-20	2018-19	2017-18
Receipts	187	225	196
Disposals	208	169	164
Hearing Days	74	125	114.5
Rent & Repairs			
Receipts	151	163	205
Disposals	178	230	217
Hearing Days	157.5	241	172
Third Party			
Receipts	49	44	38
Disposals	25	34	33
Hearing Days	96	29	26
Right of Entry			
Receipts	79	72	61
Disposals	75	73	58
Hearing Days*	n/a	n/a	n/a
Letting Agents			
Receipts	151	66	10
Disposals	135	32	0
Hearing Days	43	30	0
Private Rented Sector			
Receipts	3507	3,212	684
Disposals	3551	2,656	27
Hearing Days**	230	176	6
First-tier Tribunal for Scotland (Health & Education Chamber)			
Additional Support Needs			
Receipts	146	113	100
Disposals	132	83	101
Hearing Days	47	61	53

*There are no hearing days for this jurisdiction, number of decisions issued: 45.

** Majority of decisions are made through Case Management Days. Number of Case Management Days: 1195.

First-tier Tribunal for Scotland (Tax Chamber)			
Tax	2019-20	2018-19	2017-18
Receipts	24	17	6
Disposals	18	6	7
Hearing Days	25	1	0
First-tier Tribunal for Scotland (General Regulatory Chamber)			
Charity Appeals			
Receipts	1	3	0
Disposals	1	1	0
Hearing Days	2	4	0
First-tier Tribunal for Scotland (Social Security Chamber)			
Social Security			
Receipts	67	6	-
Disposals	60	0	-
Hearing Days	17	0	-
Other Tribunals			
Mental Health Tribunal for Scotland			
Receipts	4600	4,576	4,459
Disposals	4509	4,397	4,385
Hearing Days	3370	3,451	3,385
Mental Health Tribunal for Scotland (Excessive Security)			
Receipts	29	32	28
Disposals	26	33	29
Hearing Days	22	33	33
Lands Tribunal for Scotland			
Receipts	335	273	174
Disposals	331	299	889
Hearing Days	80	43	71
Pensions Appeals Tribunal for Scotland			
Receipts	280	350	241
Disposals	272	300	201
Hearing Days	64	75	55
Council Tax Reduction Review Panel			
Receipts	57	61	69
Disposals	60	63	65
Hearing Days	14	13	12

Annual Report for the Office of Auditor of Court

(in accordance with section 19(2) of the Civil Litigation (Expenses and Group Proceedings) (Scotland) Act 2018).

Part 3 of this Act came into force on 30 January 2019. From that date, the SCTS has the responsibility for appointments to the offices of Auditor of the Court of Session, Auditor of the Sheriff Appeal Court, and Auditor of Sheriff Courts. SCTS must report on the number of taxations carried out and the fees charged by these auditors. Transitional provisions were put in place to permit the continuation of the current service, offered by the existing Auditor of the Court of Session and independent auditors, as private businesses, until they retire or demit office. The transitional arrangements excuse the SCTS from reporting on the work carried out by these private auditors.

In the course of the 2019-20 financial year SCTS employed four Auditors of the Sheriff Court, for the Sheriffdoms of: Glasgow and Strathkelvin; Tayside, Central and Fife; North Strathclyde, and; Grampian, Highland and Islands. On 1 April 2020 a temporary Auditor of the Court of Session was appointed.

The SCTS employed Auditors of Court are restricted to carrying out judicial taxations, although this may be extended to extra judicial taxations in the future. The information provided below is therefore limited to judicial taxations carried out by the SCTS employed Auditors of Court during the period 1 April 2019 to 31 March 2020.

Audits Undertaken

Judicial Taxations⁵⁴	2019-20	2018-19
Auditor of the Sheriff Court (appointed by SCTS)	607	64

Value of Fees Raised

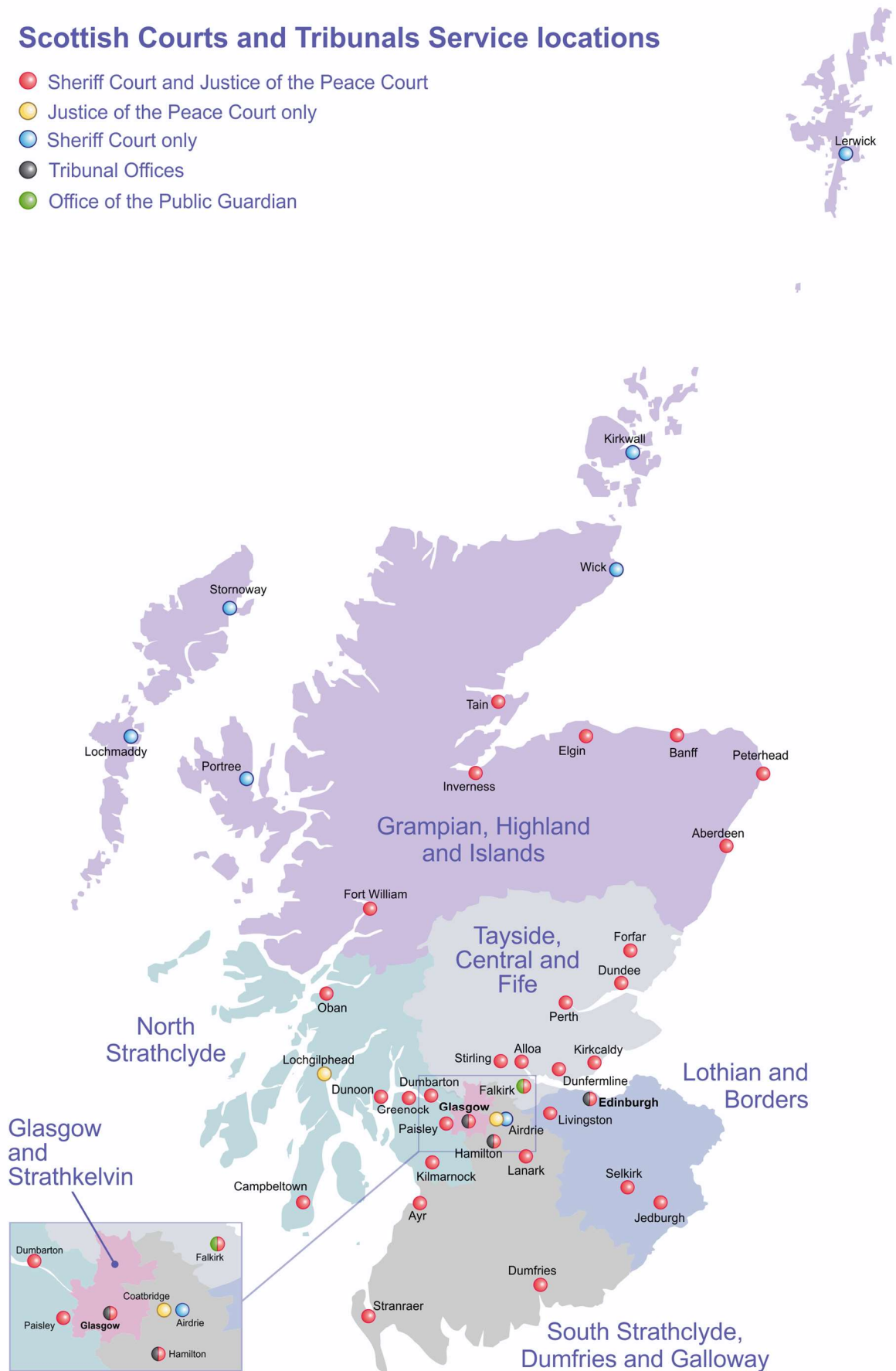
Judicial Taxations	2019-20	2018-19
Auditor of the Sheriff Court (appointed by SCTS)	£137,505	£19,973

⁵⁴ An account of expenses remitted to an auditor of court by a court or tribunal

Annex 2 –SCTS Locations

Scottish Courts and Tribunals Service locations

- Sheriff Court and Justice of the Peace Court
- Justice of the Peace Court only
- Sheriff Court only
- Tribunal Offices
- Office of the Public Guardian



Annex 3 –Accounts Direction from Scottish Ministers

DIRECTION BY THE SCOTTISH MINISTERS

In accordance with section 19(4) of the Public Finance and Accountability (Scotland) Act 2000

- 1. The statement of accounts for the financial year ended 31 March 2006 and subsequent years shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FREM) which is in force for the year for which the statement of accounts are prepared.*
- 2. The accounts shall be prepared so as to give a true and fair view of the income and expenditure, recognised gains and losses, and cash flows for the financial year, and of the state of affairs at the end of the financial year.*
- 3. This direction shall be reproduced as an appendix to the statement of accounts. The direction given on the 29 March 2001 is hereby revoked.*

A handwritten signature in blue ink, appearing to read 'Alyson Stelfox', is written over a faint, light blue circular watermark or seal.

Signed by authority of the Scottish Minister

Dated 17 January 2006

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