



SCOTTISH COURT SERVICE

Annual Report
and Accounts
2013-14

SCOTTISH COURT SERVICE

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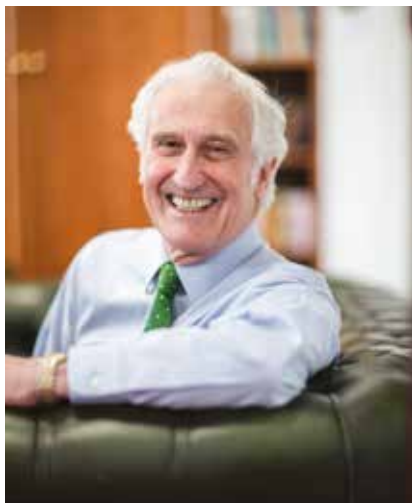


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Lord President's Foreword



The Annual Report and Accounts of the Scottish Court Service (SCS) for 2013-2014 demonstrate our continued commitment to the Making Justice Work programme. The SCS has an important role to play in the maintenance of an efficient court service.

The reform of the civil courts, so long discussed and debated, will soon become a reality. The SCS will co-operate fully with the Scottish Government and with the legal profession in ensuring a smooth transition to the new structure of courts and the new procedures by which justice will be delivered in Scotland.

The members of the SCS Board are committed to the aim of building a stronger court service in Scotland. I am grateful to them for their enthusiasm and their support. Our Corporate Plan sets us demanding targets, but I am certain that we will achieve them.

I am grateful to the staff of the SCS for their hard work and dedication in providing a court service of such quality throughout Scotland.

Rt. Hon. Lord Gill
Lord President and Chairman
of the SCS Board



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Chief Executive's Foreword



Managing change is something that we all do in our personal and professional lives. Scotland finds itself in a period of intense change – and its justice system is no exception. While we are focused on making a success of that change as an organisation, we must never lose sight of the fact that Scotland's Courts exist to support justice – the provision of which is a crucial constant in the face of change.

The Scottish Court Service (SCS) plays a critical part in ensuring that the courts and the Office of the Public Guardian support justice through their effective operation. It is people who make the courts work. I am proud that we are well served by committed and professional people, who understand not just the operation of the courts, but the impact that attending court can have on people. In turn we recognise the need to support our people by making sure they have the skills and technology to support change.

Our focus has been on continuing to provide a high quality service to court users against a backdrop of high levels of business, reducing levels of funding and an ambitious reform programme. Our levels of service have once again been externally verified through reaccreditation to the Customer Service Excellence standard. Overall levels of satisfaction amongst court users rose to 89% in 2013.

Innovation and continuous improvement have allowed us to achieve these results. In the nine months to December 2013 more than 180,000 fines payment transactions were fully automated with a further 61,000 handled by a central team – freeing up front-line staff to focus on other priorities. The online registration system for powers of attorney, introduced in 2012, has been well-received – with 45% of all powers of attorney now being submitted using this service.

Effective management of our resources has helped us to live within our means. The five year £55m redevelopment of Parliament House has been completed on time and within budget. And we are the first public sector organisation to achieve the Carbon Trust Water Standard – for reducing our water use by 20% in the past two years.

We face further significant change over the coming years – and face it with confidence. Reforms to Scotland's civil courts present a once in a generation opportunity to improve the system. Our long term vision in relation to court structures, set out in 'Shaping Scotland's Courts', will continue to be implemented; and our merger with the Scottish Tribunals Service will result in the creation of a new body, providing support to courts and tribunals alike. We have put in place plans and processes to ensure these changes are a success and will work in partnership across the justice system to ensure that all we do continues to support justice.

Eric McQueen
Chief Executive

Scotland finds itself in a period of intense change – and its justice system is no exception. While we are focused on making a success of that change as an organisation we must never lose sight of the fact that Scotland's courts exist to support justice – the provision of which is a crucial constant in the face of change.

Strategic Report

Introduction

The Scottish Court Service (SCS) is a Non-Ministerial Department established on 1 April 2010 by the Judiciary and Courts (Scotland) Act 2008. The SCS Board has a judicial majority and oversees the administrative arrangements that support the judiciary in the delivery of justice.

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

- the Scottish courts and the judiciary of those courts
- 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
- the Court of Session, criminal courts and Sheriff Court Rules Council.¹

Membership of the SCS Board

The Lord President of the Court of Session, the Rt. Hon. Lord Gill, is Chairman of the SCS Board. The Board includes 12 other members – six members selected from the judiciary and six non-judicial members.

Members of the SCS Board 2013-14

Judicial Members

- The Rt. Hon. Lord Gill, Lord President (Chairman)
- The Rt. Hon. Lord Carloway, Lord Justice Clerk (Deputy Chairman)
- The Hon. Lord Bannatyne
- Sheriff Principal R Alastair Dunlop, QC
- Sheriff Grant McCulloch
- Sheriff Iona McDonald
- Mrs Johan Findlay OBE, JP

Non-judicial Members

SCS Chief Executive

- Mr Eric McQueen

Advocate Member

- Mr Robert Milligan, QC (until 31 December 2013)
- Dr Kirsty J Hood (from 1 January 2014)



The members of the SCS Board are committed to the aim of building a stronger court service in Scotland. I am grateful to them for their enthusiasm and their support.

Lord Gill



¹ Sections 61 & 62 of the Judiciary and Courts (Scotland) Act 2008

Strategic Report

Solicitor Member

- Mr Mark Higgins
(until 31 December 2013)
- Mr Simon Catto
(from 1 January 2014)

Members external to the justice system

- Mr Anthony McGrath
- Mrs Elizabeth Carmichael CBE
(until 31 December 2013)
- Professor Hugh MacDougall (from 1
January 2014)
- Mrs Deborah Crosbie (until 31
December 2013)
- (vacancy for remainder of 2013/14
financial year)

The SCS published its first full three-year Corporate Plan for the period 2011-14 in April 2011. For each year of the Corporate Plan an annual business plan is produced detailing the specific activities that the SCS will undertake. This Annual Report details how the SCS carried out its functions in 2013-14, as required by section 67 of the Judiciary and Courts (Scotland) Act 2008.

The SCS Board



Lord Gill



Lord Carloway



Simon Catto



Sheriff I McDonald



Tony McGrath



Eric McQueen



Kirsty Hood

Sheriff Principal A
Dunlop

Sheriff G McCulloch



Professor MacDougall



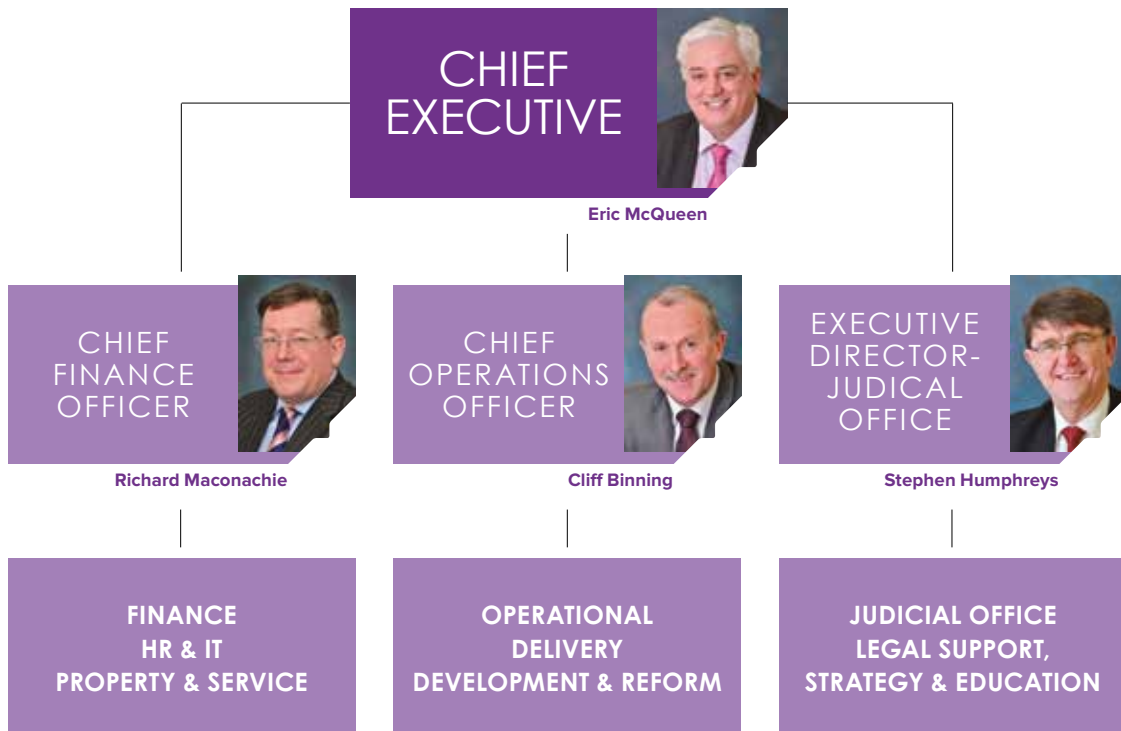
Johan Findlay OBE JP



Lord Bannatyne

There was one vacancy on the SCS Board as of January, 2014

Strategic Report



Governance

The SCS has made Standing Orders under which it conducts its business and has established Standing Committees to provide specific assurance and scrutiny of performance and advice to the full SCS Board. These committees are:

- People Committee
- Estates, Health and Safety, Fire and Security Committee
- Audit Committee
- Remuneration Committee.

The SCS Board met on seven occasions in 2013-14. The Remuneration Committee - which reviews the remuneration of SCS members who are not salaried public servants - met once. The other three committees each met on four occasions. Copies of the minutes of these meetings can be found at www.scotcourts.gov.uk.

The day to day management of the SCS functions is the responsibility of the Chief Executive, Eric McQueen, and the Executive Team. In addition to the Chief Executive, the Executive Team at the end of 2013-14 was Cliff Binning (Chief Operations Officer) and Richard Maconachie (Chief Finance Officer). The Executive Director, Judicial Office for Scotland, Stephen Humphreys, is also a member of the Executive Team. He has overall responsibility for the management of the Judicial Office for

Scotland² and is accountable to the Lord President for the functions of that office. Richard Maconachie was recruited in February 2014, to succeed Neil Cook as Interim Chief Finance Officer.

² The Judicial Office for Scotland was established to provide support to 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>

Strategic Report

Purpose, Vision and Values

The **purpose** of the SCS is '**supporting justice**'. The SCS fulfils this purpose by providing the people, buildings and services needed for the work of Scotland's courts, members of the judiciary, and the Office of the Public Guardian and Accountant of Court. In delivering its purpose, the SCS must take account of the needs of the judiciary, the people involved in court proceedings and the wider public.

Our **vision** is to **build a stronger SCS**.

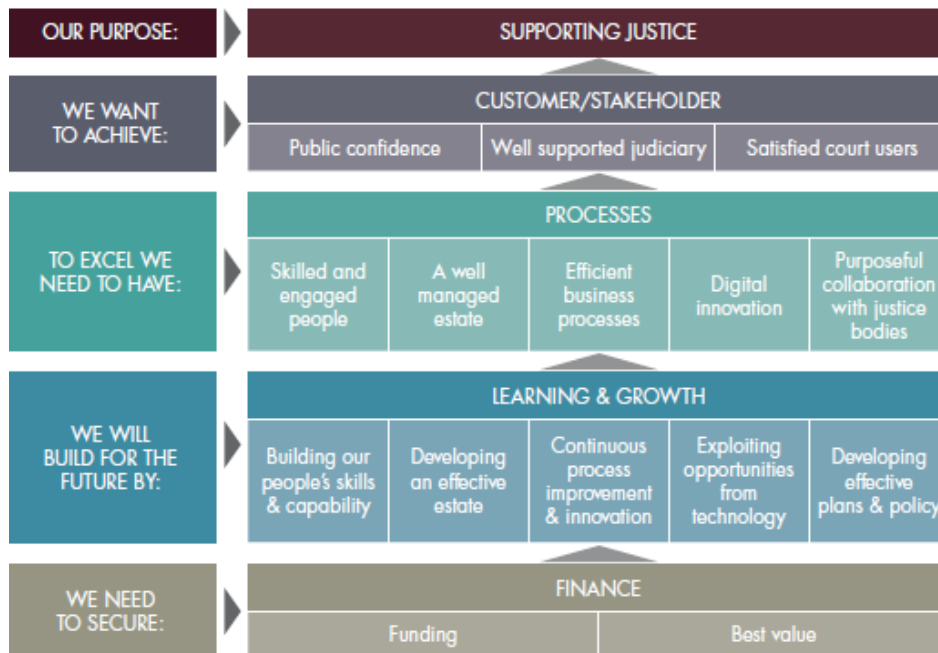
Our **strategy map** sets out what we will focus on in order to successfully deliver our vision and purpose.

The core **values** that we observe and seek to promote in others are:

- commitment and professionalism
- providing a high quality service
- integrity and impartiality
- working to improve the justice system
- using resources effectively.

Alongside its direct responsibilities, the SCS strives for continuous learning and improvement in its operations and applies best value principles in the delivery of its functions and use of public funds.

SCS Strategy Map



Strategic Report

SCS Performance

The SCS Board provides strategic leadership for the organisation. It sets out the overall priorities to be achieved for this period in the 2011-14 Corporate Plan. These were organised around the following strategic themes:

- Meeting the Needs of Judiciary and Court Users
- Skilled, Engaged and Motivated Workforce
- A Well Managed Estate
- Clear and Efficient Business Processes
- Efficient ICT
- Collaboration with other Justice Organisations.

The Board monitors overall performance through a scorecard of key performance indicators that it reviews quarterly³. More detailed statistics and commentary on operational performance are contained in Annex 1. Under the leadership of the Board, the SCS has taken forward a range of actions in support of the key themes set out in the Corporate Plan. A summary of performance and key progress during 2013-14 is provided under each of the strategic themes.

Meeting the Needs of Judiciary and Court Users

We will seek to understand the needs and views of members of the judiciary and our service users of all types, and use this information to challenge and improve how we deliver our services.

The SCS continues to use **Customer Service Excellence (CSE)** accreditation⁴ as the foundation for its approach to understanding and managing the expectations that court users and judicial office holders have of the services that the SCS provides. This offers an externally accredited view of the customer focus and quality of the SCS service delivery and ensures that the SCS has a thorough understanding of the needs and satisfaction levels of its customers. Following the award of CSE accreditation in 2012 to all sheriffdoms, the OPG, Supreme Courts and HQ, a hybrid accreditation for the organisation as a whole was sought during 2013. This was successfully achieved.

A national **court user satisfaction** survey was conducted by independent consultants in 2013 with the results published on the SCS website. The results from both the 2011 and 2013 surveys were generally positive, with overall satisfaction having increased from 81% in 2009 to 83% in 2011 and 89% in 2013.

The 2013 results⁵ showed particular improvement, with the proportion of respondents who said they were 'very satisfied' overall having increased from 51% in 2011 to 61% in 2013. Other areas where overall satisfaction was high included accuracy of information given to court users on their arrival; safety and security of court rooms and waiting areas within courthouses; cleanliness of court facilities; and service in cafeterias.

Following the award of CSE accreditation in 2012 to all sheriffdoms, the OPG, Supreme Courts and HQ, a hybrid accreditation for the organisation as a whole was sought during 2013. This was successfully achieved.

³ The scorecard outlines quarterly performance in respect of the KPIs for the full financial year. It is published and can be accessed at <http://www.scotcourts.gov.uk/docs/default-source/scs-board/boardscorecard.xls?sfvrsn=4>

⁴ <http://www.customerserviceexcellence.uk.com/>

⁵ http://www.scotcourts.gov.uk/docs/default-source/scs---court-users/2013-scs-court-user-satisfaction-survey_final-report.pdf?sfvrsn=2

Strategic Report

The SCS has continued to progress its **equalities** agenda and the commitments made to mainstream equality in its Equality Statement Outcomes and Guidance⁶. As required under the Equality Act 2010 and associated regulations, the SCS has published a Mainstreaming Equality Report⁷ which details its equality objectives and outlines the considerable progress that has been made in this area. The SCS Equality Advisory Group continued to meet throughout 2013-14 and our equality action plan⁸ outlines activities currently under way to deliver further progress in this area. In 2013 an important agreement was reached with the Sikh community to permit ordained Sikhs attending court to retain the Kirpan on court premises.

Over the course of 2013-14 a new **complaints handling** process has been developed which is supported by investment in a new IT system. The new system was completed by the end of the financial year and will be rolled-out in 2014-15. It will lead to earlier resolution of complaints and greater opportunities for the SCS to analyse the causes of dissatisfaction and improve services as a result.

The courts play a fundamental role in upholding **human rights** by providing the framework through which a number of fundamental rights⁹ can be asserted – 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 a fair and public hearing by an independent and impartial tribunal and the right to be presumed innocent until proved guilty according to law in a public trial.

Article 6 of the European Convention on Human rights makes it clear that the right to a fair and public hearing includes (amongst other rights) a right that such a hearing should be held within a reasonable time and in a place that is open to the public. Our work to improve business processes and ensure the provision of an effective court estate supports the delivery of that fundamental right across Scotland. We measure and publish data on the disposal of cases within set timescales, to provide an assurance that the justice system as a whole is providing access to justice within a reasonable time. We provide facilities that are open and accessible to the public and the media – ensuring that justice is seen to be done.



An important agreement was reached with the Sikh community to permit ordained Sikhs attending court to retain the Kirpan. Pictured above is Lord Carloway with representatives from the Sikh community.

6 http://www.scotcourts.gov.uk/docs/default-source/aboutscs/equality_statement_outcomes_and_guidance.pdf?sfvrsn=2

7 <http://www.scotcourts.gov.uk/docs/default-source/equality/mainstream-equality-report.doc?sfvrsn=0>

8 <http://www.scotcourts.gov.uk/docs/default-source/aboutscs/equalityactionplan.xls?sfvrsn=4>

9 Universal Declaration of Human Rights – Articles 6-11

Strategic Report

Skilled Engaged and Motivated Workforce

We will maintain a skilled, engaged and motivated workforce which is able to deliver our core functions across the courts and the OPG, whilst ensuring that costs are proportionate with the resources available to the organisation.

In 2013-14 a range of activities were pursued in support of the SCS People Strategy's four main themes:

- leadership and management capability
- flexible and adaptive workforce
- skills assurance
- reward and recognition

Our focus on developing leadership through **coaching** has continued to deliver real benefits in the way that staff are managed and empowered to deliver the best possible service. By February 2014, all staff with any people management responsibilities had engaged in at least three days of coaching development training to ensure that they have the skills and knowledge to support their teams in delivering the best possible service. The benefits can be reflected in improved staff engagement and a greater ability within the SCS to manage change. The coaching programme was recognised at the 2013-14 National Training Journal Awards where it achieved the silver award for best coaching programme in the UK¹⁰.

The Executive Team continued its series of **engagement** events at both sheriffdom and court levels in line with its commitment to ensure that all staff have an opportunity to meet a member of the Executive Team at least once a year. This supplemented a wide variety of local engagement, planning and training events – alongside SCS-wide communications through the Intranet, staff briefings, news items and the SCS staff circular.

The SCS took part in the annual **staff survey** administered by the UK Cabinet Office. The engagement index score achieved in 2013 was 62% - this matched the rate for Civil Service high performers across the UK and is a 4% increase on the 2012 figure. The level of positive response increased across all the key drivers of engagement identified in the survey over the past year.

A **skills online tool** was implemented during 2013 to assist staff in the creation of personal development plans and to offer assurance about the capability of the organisation as a whole to deliver the business whilst managing the significant change programme under way in both civil and criminal justice.

Over the course of 2013-14 the SCS also took concerted action to ensure that its use of **zero hours contracts** was responsible and proportionate. Guidance on the use of such contracts has been developed and managers with authority to employ individuals on this basis have been trained on the proper use of such contracts. On the basis of the new guidance, the majority of staff previously employed on zero hours contracts were offered other contracts stipulating guaranteed periods of work. A number of these contract offers were accepted, whilst others have elected to remain on zero hours contracts as it suits them. These arrangements are kept under regular review.

Key statistics in regard to SCS people are included in Annex 2. The SCS also publishes its HR Annual People Scorecard – providing more detailed information on the workforce, learning and reward, employee relations and overall performance trends.

¹⁰ <https://www.trainingjournal.com/sites/www.trainingjournal.com/files/images/TJ%20AWARDS%202013%20supplement%20low.pdf>

Strategic Report

A Well Managed Estate

We will have a well-managed estate that makes the best use of our buildings, minimising our running and capital costs, whilst ensuring continuing appropriate access to our services, including those in rural and island areas, and accommodation that is secure and fit for purpose. We will demonstrate best practice in reducing our carbon emissions, consistent with achieving the targets for the public sector set in the Climate Change (Scotland) Act 2009.

Estates development projects are overseen by the SCS Board's Estates, Health and Safety, Fire and Security Committee. A significant concern for the Board was the level of outstanding backlog **maintenance** and statutory compliance work required on the court estate. At the beginning of 2011-12 this totalled £60M. The SCS Board lobbied successfully for additional funding (£1.5m in 2012-13 and £6.5m in 2013-14). By the end of 2013-14 the level of backlog maintenance had reduced to £43m – a £10m reduction over the course of the financial year.

The five year £55m **redevelopment of Parliament House** has been completed successfully on time and to budget. The Lord President held a formal reopening ceremony in June 2014 to mark this significant achievement – which will ensure that Scotland's Supreme Courts remain in their historic location, but are capable of providing a high quality service into the future.

The SCS has continued to make significant improvements to **access** provision across the court estate. This has included, for example, new ramped access to Paisley Sheriff and Justice of the Peace Court and lifts to allow access to the court room at Tain Sheriff and Justice of the Peace Court. To enable people in custody to have access to a confidential interview with their solicitor, the SCS completed a programme of works to provide secure and confidential interview accommodation at courts including Edinburgh, Hamilton, Falkirk and Dunfermline.

We have continued to explore the potential of **shared services** to deliver savings. The SCS has taken responsibility for providing the Crown Office and Procurator Fiscal Service with the delivery of a number of estates and health and safety services. These have led to annual staff savings of £180,000 per year, shared between each organisation. In addition, the transfer of contracted facilities management services this year will provide a saving of more than £100,000 per year, and a new cleaning contract has been agreed that is expected to deliver annual savings of more than £50,000 per year from 2014.

The SCS response to the *Shaping Scotland's Court Services*¹¹ consultation (published in April 2013) set out our long term vision in relation to **future court structures**. Its recommendations include High Court cases being heard predominately in three dedicated centres, the closure of a number of sheriff and justice of the peace courts (on a phased basis from 2013 -15) and a move towards 16 specialist jury centres over a 10 year period. These proposals present a significant change for Scotland's courts in the coming years – but one that is necessary to

manage within the resources available, to support access to justice and to realise our vision to build a stronger Court Service.

The recommendations were scrutinised by the Scottish Parliament's Justice Committee and approved in June 2013. The first phase of court closures was successfully managed in November 2013. Implementation of the proposals will allow a greater level of funding to be devoted to improving the standards of accommodation at the remaining sites and offer better value for money.

Sustainability and Environmental Performance

The Scottish Government is committed to supporting the transition to a low carbon Scottish economy, necessary to meet Climate Change Act targets, to reduce emissions by 42% by 2020, and by 80% by 2050. In support of this, the SCS is committed to reduce its CO2 emissions by 25% between 2009-10 and 2014-15. The SCS has already reduced its CO2 emissions by around 19% from their 2009-10 baseline level.



The five year £55m redevelopment of Parliament House has been completed successfully on time and to budget.

¹¹ <http://bit.ly/1qnFQuT>

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The SCS was recertified by the Carbon Trust Standard in 2013. The Standard represents the world's first carbon certificate for organisations measuring, managing and reducing their carbon emissions year-on-year. The certification recognises significant carbon reductions and a commitment to continued progress. Once the Standard is met, an organisation must show an on-going commitment to continued reductions in order to recertify. The SCS was one of the first 14 organisations to gain certification in 2008 and has retained it since then. Reductions in emissions have been achieved by investing in new energy efficient services or attaching energy saving devices to older systems. Recent investments include:

- fluorescent and LED lighting
- energy saving inverter drive electric motors
- high efficiency heating boilers
- double and secondary glazing
- additional insulation in lofts and walls
- draught proofing works.

New controls have also been put in place including:

- lighting that automatically switches off in corridors and court rooms
- programmed systems that control heating and ventilation
- investment in more fuel efficient vehicles.

The SCS recently became the first public sector body to be awarded the new Carbon Trust Water Standard. This accreditation, like the Energy Accreditation, recognises significant reductions in water consumption (20% over the past two years) and our commitment to additional improvements in water consumption across the estate, including:

- water monitoring systems
- conservation measures such as urinal controls
- push operated taps
- tap flow restrictors.

Clear and Efficient Business Processes

Our business processes will be clear and efficient, responding to the needs of the judiciary and court users, and able to progress business through the courts and the OPG in ways that are reliable and economical and avoid inappropriate delays.

Ensuring that business processes are efficient, effective and get things right first time is essential at all times – but particularly so when budgets are under considerable pressure. The SCS has continued to assess, change and improve processes in order to balance the need for continuing efficiency and effectiveness.

Despite experiencing business pressures in excess of projected levels in 2013-14 we have met our commitment to retain **sheriff court sitting days** at 28,000 per year. The considerable increases in summary criminal business experienced during the year have led us to consider a number of measures in order to ensure that waiting times do not reach unacceptable levels during 2014-15. Joint work with the judiciary secured efficiencies in programming and a reduction in reliance on part-time shrieval assistance. We have also introduced a comprehensive guide to court programming for all sheriff clerks, and developed a complementary training module.

The SCS recently became the first public sector body to be awarded the new Carbon Trust Water Standard.



Strategic Report

A business case for an automated telephone system for **finer payments** has been approved and the process of tendering for a supplier has commenced. Work to move business to automated processes has continued. In the nine months to December 2013, more than 180,000 payment transactions were fully automated with a further 61,000 handled by a central team established to handle submission of fines by post. This equates to more than 43% of all payment transactions processed by the SCS.

We have also worked in collaboration with Police Scotland to reduce the delays in receiving **fixed penalty tickets**. The benefits of this work are already being seen with reductions in the volume of tickets that cashier staff require to register manually – down from a high of 4,000 per month to around 1,000 per month.

The **Scottish Civil Justice Council**¹² was established in May 2013. Its introduction marks the beginning of the implementation of a wide range of reforms intended to improve the operation of civil justice in Scotland. It replaces the Court of Session Rules Council and the Sheriff Court Rules Council and is responsible for preparing draft rules of procedure for the civil courts and advising the Lord President on the development of the

civil justice system in Scotland.

The creation of a single Civil Rules Council was one of the recommendations of Lord Gill's Review of Civil Justice in Scotland¹³. Many of the review's recommendations will need new rules of court and the Council, which will have oversight of the entire civil justice system, will be responsible for taking these forward. It will also be responsible for keeping the civil justice system under constant review. The introduction of the Courts Reform Bill to the Scottish Parliament in February 2014 will enable further significant changes to be introduced towards the end of 2014-15 – planning for these is already well under way.

In the second half of 2013-14, the SCS Board and Executive Team invested a significant amount of time in the development of a new three year Corporate Plan¹⁴ for 2014-2017. This plan confirms the core vision and purpose of the SCS, whilst setting out the key priorities and objectives that will be delivered over the coming three-year period. Ensuring that these are well understood by staff and

key partner organisations will be a priority in 2014-15. Effective delivery of programmes and projects is also crucial for the organisation during this period of change and reform. The portfolio of projects and programmes is kept under continual review and is regularly scrutinised by the Executive Team and the SCS Board in order to ensure that adequate controls are in place, risk is effectively managed and progress is on track.

The introduction of the Scottish Civil Justice Council marks the beginning of the implementation of a wide range of reforms intended to improve the operation of civil justice in Scotland.

¹³ For more information on the implementation of the Civil Courts Reform agenda see <http://www.scotcourts.gov.uk/about-the-scottish-court-service/the-scottish-civil-courts-reform>

¹⁴ http://www.scotcourts.gov.uk/docs/default-source/corporate-scs-library/scottish-court-services-interactive_corporate-plan_a.pdf?sfvrsn=2

¹² <http://www.scottishciviljusticecouncil.gov.uk/>

Strategic Report

Efficient ICT

We will make effective use of technology to improve the efficiency and speed of our key business processes and communications, enhance access to our services, and reduce costs and environmental impact.

In anticipation of major reforms that will take place over the coming years, 2013-14 has seen the SCS consolidate a number of its **core systems** and assess their readiness for further change and improvement. That work will continue in 2014-15 to ensure that our ambitions for digital innovation can be successfully implemented over the period of the new Corporate Plan.

A **technology refresh** strategy has ensured that courts with older IT equipment were prioritised for upgrades. Work to improve the internal infrastructure of the IT system has been progressed – allowing a number of older servers to be retired. Digital recording systems in courts have also been consolidated, allowing secure centralised storage of recordings to be fully implemented. An extensive review of backups, licensing and the resilience of key systems has been carried out over the year, which will inform further improvements intended to increase levels of business continuity and disaster recovery capability.

The use of **video links** between courts and prisons has been further developed – reducing the need for prisoners to attend court in person in appropriate circumstances.

This project, commenced in 2012, successfully proved the concept of using video links between courts and prisons for solemn sentence and solemn conviction and sentence appeal hearings. It was expanded to include Cornton Vale Prison in November 2013.

The **online registration system for powers of attorney**, introduced in July 2012, has continued to grow in its use. The system permits applicants to submit their power of attorney application online. Applicants benefit from the fact that powers of attorney can be registered within a matter of days when submitted online, as opposed to within several months if submitted manually. Use has increased steadily over the 18 months since its introduction and currently 45% of all powers of attorney are submitted using this service.

There has also been a significant rise in the number of **online fine payments in 2013-14**. In the first nine months of the year, the amount collected through the use of online payment options had increased by 47% compared to the same period in 2012-13.

Digital innovation will be at the heart of reforms and improvements to the operation of Scotland's courts over the coming three years – the work carried out this year helps to provide a stable platform for that innovation.

Collaboration with other Justice Organisations

We will work with other justice bodies on collaborative initiatives to reduce costs and to drive improvement in the efficient delivery of justice.

Through its membership of the **Justice Board for Scotland**¹⁵ and regular contact with a range of justice partners, the SCS has been able to lead on and influence a range of key policies. This collaborative approach has helped shape the significant reforms that have already been implemented and those that we face over the coming years. Collaborative working is fundamental to the success of our change programme; to the implementation of wider reforms; and to living within a reduced funding settlement.

A significant programme of **legislation** that will have an impact on the SCS has either been passed or was in progress during 2013-14 including:

- the Victims and Witnesses (Scotland) Act 2014 – which will increase the support available for victims and witnesses when they attend court

Digital innovation will be at the heart of reforms and improvements to the operation of Scotland's courts over the coming three years.

¹⁵ <http://www.buildingsafercommunities.co.uk/justice-board.html>

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- the Courts Reform (Scotland) Bill – which will implement many of the recommendations of the Scottish Civil Courts Review, including:

- **creation of a new tier of judiciary**
- **establishment of a national Sheriff Appeal Court**
- **establishment of a national Personal Injury Court**
- **introduction of changes to Judicial Review procedures**
- **a shift of court business from the Court of Session to sheriff courts**
- **modernisation of civil court rules**
- **creation of the Scottish Courts and Tribunals Service from April 2015**

- the Criminal Justice (Scotland) Bill – which will implement the recommendations of Lord Carloway's Review of Scottish Criminal Law and Practice, and Sheriff Principal Bowen's Independent Review of Sheriff and Jury Procedure.

Alongside these legislative proposals, the overarching **Making Justice Work** programme aims to deliver efficiencies and improvements in the operation of Scotland's justice system, for example:

- **measures to tackle waste, or 'churn', in the use of court time**
- **better attendance at court by witnesses and victims**
- **enhancing the use of video links**
- **encouraging the sharing of technology and information between justice bodies**
- **exploring alternative methods for resolving disputes.**

The SCS has the lead role in implementation of the Courts Reform (Scotland) Bill. That work, amongst a range of other reforms, is being taken forward within the Making Justice Work Programme – which is led by the SCS with involvement from a broad range of justice partners. Over the course of the year, significant multi-agency planning and development has taken place to ensure that legislative proposals are sound and that planning for the implementation of change is robust and inclusive.

Legislation to merge the Scottish Court Service with the **Scottish Tribunals Service**¹⁶ to create the Scottish Courts and Tribunals Service was introduced to the Scottish Parliament in February 2014. This will create a new body, fully independent of Government, with a Board chaired by the Lord President as head of the courts and tribunals judiciary.

The merger is being managed as part of the Making Justice Work programme – ensuring that the specialisms of courts and tribunals continue to be supported by their specialist staff in a merged organisation. The provisional date for completion of the merger is April 2015.

16 <http://www.scotland.gov.uk/Topics/Justice/legal/Tribunals>

Strategic Report

Financial Performance

Gross revenue expenditure increased by £8m to £108m. In 2013-14 there was a full revaluation of the estate which resulted in an impairment of £7m and the remainder reflects the net effect of cost increases.

Overall the SCS underspent by £0.2m against its DEL budget and overspent on AME by £0.6m (see page 59). The AME overspend is covered by additional provision for AME in the overall Scottish Government budget.

Total non-current assets at the year-end decreased to £422m from £425m. A notional charge of £81k was made by Audit Scotland for audit services. No non-audit work was carried out in the year.

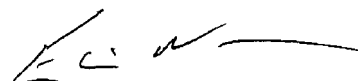
The SCS observed the principles of the Government-backed Better Payment Practice Group, www.payontime.co.uk. In line with Treasury guidance the SCS's policy was to pay all invoices not in dispute within 10 days or on the agreed contractual terms if otherwise specified. For the year to 31 March 2014, 97.1% (2012-13: 95.7%) of invoices were paid within 10 days of the presentation of a valid invoice.

Financial Performance Summary

	2013-14		2012-13
	Budget	Outturn	Outturn
	£'000	£'000	£'000
Capital	13,450	15,915	11,123
Revenue – DEL	67,716	65,018	67,360
	81,166	80,933	78,483
Capital – AME	6,100	6,626	–
Revenue – AME	–	73	–
TOTAL	87,266	87,632	78,483

Personal Data Related Incidents

The SCS is committed to the safe keeping of data with which it is entrusted. The SCS has a comprehensive Information Risk Management Policy and all staff undertake mandatory online training on data handling and data protection. Managers undertake additional online training on data management. The one data loss incident is available in the Governance Statement on page 28.



Eric McQueen
Chief Executive
4 September 2014

Remuneration Report

Remuneration Policy

The remuneration of senior civil servants is set by the Prime Minister following independent advice from the Review Body¹⁷ on senior salaries.

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
- the Government's inflation target.

The Review Body takes account of the evidence it receives about wider economic considerations and the affordability of its recommendations¹⁸.

The remuneration of staff below senior civil service level is determined by the SCS. 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 SCS as a whole. Progression within the SCS 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 SCS, including those SCS Board members and Committee members who are not otherwise salaried public servants, are taken by the SCS 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.

¹⁷ www.ome.uk.com

¹⁸ 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 Report

Further information about the work of the Civil Service Commission can be found at www.civilservicecommission.org.uk.

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

Remuneration (Salary and Pension Details)

Board members	Salary		Pension benefits ¹⁹		Total remuneration	
	2013-14	Restated 2012-13	2013-14	2012-13	2013-14	2012-13
	£'000	£'000	£'000	£'000	£'000	£'000
Ms Eleanor Emberson (until 30 September 2012)	-	45-50 (90-95 full year equivalent)	-	6	-	50-55 (95-100 full year equivalent)
Mr Eric McQueen (from 1 October 2012)	110-115	65-70 (115-120 full year equivalent)	152	107	260-265	170-175 (220-225 full year equivalent)
Mrs Johan Findlay OBE JP	0-5	0-5	-	-	0-5	0-5
Mr Robert Milligan QC (until 31 December 2013)	0-5	0-5	-	-	0-5	0-5
Mr Mark Higgins (until 31 December 2013)	0-5	0-5	-	-	0-5	0-5
Mrs Deborah Crosbie (until 31 December 2013)	0-5	0-5	-	-	0-5	0-5
Mr Anthony McGrath	0-5	0-5	-	-	0-5	0-5
Mrs Elizabeth Carmichael CBE (until 31 December 2013)	0-5	0-5	-	-	0-5	0-5
Professor Hugh MacDougall (from 1 January 2014)	0-5	-	-	-	0-5	-
Dr Kirsty J Hood (from 1 January 2014)	0-5	-	-	-	0-5	-
Simon J D Catto (from 1 January 2014)	0-5	-	-	-	0-5	-

¹⁹ 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.

Remuneration Report

Remuneration (Salary and Pension Details) continued

Executive Directors	Salary		Pension Benefits		Total Remuneration	
	2013-14	Restated 2012-13	2013-14	2012-13	2013-14	2012-13
	£'000	£'000	£'000	£'000	£'000	£'000
Mr Eric McQueen (until 30 September 2012)	-	45-50 (90-95 full year equivalent)	-	-	-	45-50 (90-95 full year equivalent)
Mr Neil Rennick (until 2 September 2012)	-	25-30 (65-70 full year equivalent)	-	4	-	30-35 (70-75 full year equivalent)
Mr Alan Malone (from 8 October 2012 and until 21 July 2013)	20-25 (65-70 full year equivalent)	30-35 (65-70 full year equivalent)	11	24	30-35 (75-80 full year equivalent)	55-60 (90-95 full year equivalent)
Mr Stephen Humphreys	65-70	65-70	-	-	65-70	65-70
Mr Cliff Binning (from 1 October 2012)	70-75	30-35 (70-75 full year equivalent)	-	10	70-75	40-45 (80-85 full year equivalent)
Mr Neil Cook (from 22 April 2013 until 31 March 2014)	95-100	-	-	-	95-100	-
Mr Richard Maconachie (from 3 February 2014)	10-15 (65-70 full year equivalent)	-	2	-	10-15 (65-70 full year equivalent)	-
Band of Highest Paid Director's Total Remuneration (£'000)	110-115	115-120				
Median Total Remuneration (£)	18,840	18,590				
Ratio	5.98	6.32				

Salary

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

Bonus Payments and Benefits in Kind

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

Median Pay

The banded remuneration of the highest-paid Director in the SCS in the financial year 2013-14 was £110,000 - £115,000 (2012-13, £115,000 - £120,000). This was 5.98 times (2012-13, 6.32) the median remuneration of the workforce, which was £18,840 (2012-13, £18,590).

Remuneration Report

	Accrued pension at age 60 as at 31/03/14	Real increase in pension at age 60	Lump sum at age 60 as at 31/03/14	Real increase in lump sum at age 60
	£'000	£	£'000	£
Mr Eric McQueen	35-40	5,000-7,500	110-115	20,000-22,500
Mr Alan Malone	25-30	0-2,500	75-80	0-2,500
Mr Stephen Humphreys	30-35	0-2,500	90-95	0-2,500
Mr Cliff Binning	30-35	0-2,500	95-100	0-2,500
Mr Richard Maconachie	0-5	0-2,500	-	-

	CETV at 31/03/13	CETV at 31/03/14	Real increase in CETV
	£'000	£'000	£'000
Mr Eric McQueen	492	635	109
Mr Alan Malone	446	470	9
Mr Stephen Humphreys	584	622	-
Mr Cliff Binning	624	659	(2)
Mr Richard Maconachie	-	2	1

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.

The CETV are shown above.

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.

Remuneration Report

All information disclosed in the salary and pension tables has been audited by Audit Scotland. The other sections of the Remuneration Report were read by Audit Scotland to identify any material inconsistencies with the audited financial statements.

The following offices and interests were held by members of the Board:

Name	Directorships	Appointments <i>ex officio</i>	Trusteeships	Other Appointments and Interests
Lord President – Rt. Hon. Lord Gill	<ul style="list-style-type: none"> • Director of Scottish Redundant Churches Trust, a company limited by guarantee registered in Scotland (SC162884) • Director of the Royal School of Church Music, a company limited by guarantee registered in England (Reg. No. 250031) 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Trustee of the Carmont Settlement: a trust for the support of retired priests of the Roman Catholic Church • Trustee of the Columba Trust: a trust for the benefit of the Roman Catholic Church in Scotland • Trustee of the Royal Conservatoire of Scotland Endowment Trust: a trust for the benefit of RCS and its students • Trustee of the Royal Conservatoire of Scotland Trust: a trust for the benefit of the RCS and its students • Trustee of the Royal School of Church Music: a registered charity for the promotion of church music in the Christian Churches (Reg. No. 312828) 	<ul style="list-style-type: none"> • Vice President of the Royal Conservatoire of Scotland
Lord Justice Clerk – Rt. Hon. Lord Carloway	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • None

Remuneration Report

The following offices and interests were held by members of the Board:

Name	Directorships	Appointments <i>ex officio</i>	Trusteeships	Other Appointments and Interests
Hon. Lord Bannatyne	<ul style="list-style-type: none"> Chester Street (Limited Partner) Ltd on behalf of the Board of the Cathedral Church of St Mary the Virgin, Palmerston Place, Edinburgh 	<ul style="list-style-type: none"> Member of the Board of the Cathedral Church of St Mary the Virgin, Palmerston Place, Edinburgh 	<ul style="list-style-type: none"> Shareholder as Trustee for the Cathedral Church of St Mary the Virgin, Palmerston Place, Edinburgh, in Chester Street (General Partner) Ltd 	<ul style="list-style-type: none"> Member of the Clergy Disciplinary Tribunal of the Episcopal Church
Sheriff Principal R Alastair Dunlop QC	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Commissioner of Northern Lighthouses Trustee of St John's Kirk of Perth Trust Member of Stirling University Conference Chair of local Criminal Justice Boards in Tayside Central and Fife 	<ul style="list-style-type: none"> Elder of Gorebridge Parish Church of Scotland 	<ul style="list-style-type: none"> Member of Royal Northern & Clyde Yacht Club Member of the New Club, Edinburgh
Sheriff Iona McDonald	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Deputy Lieutenant for Ayrshire and Arran 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Partner in property rental firm
Sheriff A Grant McCulloch	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Chair West Fife Education Trust 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Chair Relationship Scotland - Couple Counselling Fife Committee Member Cammo Residents Association Chair - Discipline Committee ICAS
Johan Findlay OBE JP	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> Honorary Sheriff Justice of the Peace 	<ul style="list-style-type: none"> None 	<ul style="list-style-type: none"> None

Remuneration Report

The following offices and interests were held by members of the Board:

Name	Directorships	Appointments <i>ex officio</i>	Trusteeships	Other Appointments and Interests
Eric McQueen	• None	• None	• None	• None
Anthony McGrath	• Saltire Taverns Ltd	• None	• None	<ul style="list-style-type: none"> • Consultation and mentoring assignment with Cantrell & Cochrane PLC. This includes sitting on the commercial Board of a subsidiary called The Shepton Mallet Cider Mill based in Somerset.
Dr Kirsty J Hood (from 1 January 2014)	• None	• None	• None	<ul style="list-style-type: none"> • Self Employed Advocate • Regular ad hoc employment with the University of Edinburgh – delivering seminars on one of the LLB courses • Regular ad hoc employment with the University of Glasgow – delivering a component of one of the LLB courses • Contributor of updates to “Scottish Lawyers Factbook” (W Green. Publishers) • Clerk to the Examiners & Depute Clerk of

Remuneration Report

The following offices and interests were held by members of the Board:

Name	Directorships	Appointments <i>ex officio</i>	Trusteeships	Other Appointments and Interests
				Faculty – Faculty of Advocates (non-remunerated) • Secretary to Scottish Committee of Franco-British Lawyers Society (non-remunerated)
Simon J D Catto (from 1 January 2014)	• None	• None	• None	• Member Gateley (Scotland) LLP: Head of Litigation • Member of Cornerstone Exchange LLP • Member of Cornerstone Exchange No2 LLP
Professor R Hugh MacDougall (from 1 January 2014)	• None	• None	• Eriska Trust • Cunningham Trust • Cross Trust • St Columba's Hospice	• Visiting Professor University of Edinburgh



Eric McQueen

Chief Executive

4 September 2014

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 SCS'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

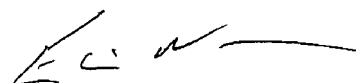
Under section 19(4) of the Public Finance & Accountability (Scotland) Act 2000, the Scottish Ministers have directed the SCS to prepare a statement of accounts for each financial year in the form and on the basis set out in the direction on page 67 at the end of these accounts. The accounts are prepared on an accruals basis and must give a true and fair view of the SCS'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:

- observe the accounts direction, 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 have been followed, and disclose and explain any material departures in the financial statements
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the SCS will continue in operation.

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



Eric McQueen
Chief Executive
4 September 2014

Governance Statement

Scope of Responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of governance that supports the achievement of SCS 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 SCS and is chaired by the Lord President, who is also Head of the Scottish Judiciary. The SCS is established as a part of the Scottish Administration but outside of Scottish Government.

A Framework Agreement incorporates the requirement to follow the principles contained in the Scottish Public Finance Manual.

Purpose of the governance framework

The governance framework comprises the systems and processes, and culture and values, by which the SCS is directed and controlled. It enables the SCS 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 SCS's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically.

The governance framework has been in place at the SCS for the year ended 31 March 2014 and up to the date of approval of the statement of accounts.

The Scottish Court Service's Governance Framework

Details of the Governance Framework can be found in the Strategic Report, page 7.

Risk and control framework

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

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 risk management software. The content is reviewed to establish whether risks need to be escalated to corporate level.
- Projects and programmes – risks are managed through the formal project management disciplines.
- Information – all courts and units maintain Information Asset Registers that are reviewed regularly. Assurance is sought from Directors on these on an annual basis and the risk of loss of sensitive or personal data is a key Corporate Risk. This risk is mitigated through appropriate certification of key systems, and regular reviews of likely future changes in technologies used by the SCS. Up to 31 March 2014, one data breach was reported to the Information Commissioner as follows:

Governance Statement

Date	Data Breach	Information
November 2013	Loss of medical records sent through recorded delivery mail system	Personal medical information

After an investigation of the breach, the Commissioner has advised that it is not clear that the SCS was responsible for the loss and that there is no evidence to date of any detriment being caused to the affected parties, and the Commissioner has therefore closed his file on this matter. The breach is recorded here in the interests of full transparency and openness.

The SCS remains committed to robust standards for information management and to ensuring compliance with data protection and other legal requirements. To that end, we are actively reviewing and monitoring our processes and assessing the provision of training for staff to improve the way in which data is managed within the organisation. Data protection and security awareness sessions have been held with senior managers during this year and work has begun on developing and improving guidance and policies for staff.

Review of Effectiveness

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

- **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. The issues are rated using the same categories used by internal audit (substantial, reasonable or limited) and I am pleased to say that they provided me with overall substantial assurance that controls were operating effectively.
- **Corporate Systems**, which provide data on risk management, performance management and people management. The data from these systems has been reviewed and on the basis of the work completed and the related management responses they provided substantial assurance in overall terms.

Governance Statement

- **Health and Safety and Security Works Committee**, which meets regularly and has external representation. It reviews our own assessments of risks and any specific issues that are raised.

- **Internal Audit**, who submit to the SCS Audit Committee regular reports which include 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 substantial assurance in overall terms.

- **External Audit**, who report to the Audit Committee on our controls through management letters and other reports.

The review, detailed above, provides substantial assurance of the effectiveness of the SCS's system of internal control.

Significant governance issues

There have been no other governance issues identified during the year in relation to the SCS overall governance framework.

As part of our on-going work and as part of the assurance processes, we continue to identify areas for improvement in our governance and internal control frameworks. These are addressed through specific action plans for relevant managers. In particular, over the last year, we have strengthened our governance and control around ICT provision and development and this will be an on-going theme for the SCS.



Eric McQueen

Chief Executive

4 September 2014

Independent Auditor's Report

Independent auditor's report to the Scottish Court Service, the Auditor General for Scotland and the Scottish Parliament

I have audited the financial statements of the Scottish Court Service for the year ended 31 March 2014 under the Public Finance and Accountability (Scotland) Act 2000. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Cash Flow Statement, the Statement of Changes in Taxpayers' Equity, the Statement of Costs by Strategic Departmental Objective and the related notes. 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 2013/14 Government Financial Reporting Manual (the 2013/14 FReM).

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 125 of the Code of Audit Practice approved by the Auditor General for Scotland, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Respective responsibilities of Accountable Officer and auditor

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and is also responsible for ensuring the regularity of expenditure and income. My responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) as required by the Code of Audit Practice approved by the Auditor General for Scotland. Those standards require me to comply with the Auditing Practices Board's Ethical Standards for Auditors. I am also responsible for giving an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the body's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Accountable Officer; and the overall presentation of the financial statements.

It also involves obtaining evidence about the regularity of expenditure and income. In addition, I read all the financial and non-financial information in the Annual Report and Accounts to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by me in the course of performing the audit. If I become aware of any apparent material misstatements, irregularities, or inconsistencies I consider the implications for my report.

Opinion on financial statements

In my opinion the 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 2014 and of its net outturn 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 2013/14 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.

Independent Auditor's Report

Opinion on regularity

In my 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.

Opinion on other prescribed matters

In my opinion:

- the part of the Remuneration Report to be audited has been properly prepared in accordance with the Public Finance and Accountability (Scotland) Act 2000 and directions made thereunder by the Scottish Ministers; and

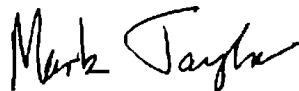
- the information given in the Management Commentary for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which I am required to report by exception

I am required to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit; or
- the Governance Statement does not comply with guidance from the Scottish Ministers.

I have nothing to report in respect of these matters.



Mark Taylor
 Assistant Director
 Audit Scotland
 18 George Street
 Edinburgh
 EH2 2QU
 4 September 2014

Annual Accounts

Statement of comprehensive net expenditure

Year ended 31 March 2014

	Note	2013-14	2012-13
		£'000	£'000
Expenditure			
Staff costs	2	41,167	40,579
Other administration costs	3	37,936	36,196
Depreciation and amortisation	5,6	11,568	11,749
Impairment	5	6,715	-
Operational costs	3	10,423	11,102
Total Expenditure		107,809	99,626

Income			
Operating income	4	4,192	3,126
Income from fees and retained fines	4	31,900	29,140
Total Income		36,092	32,266

Net outturn		71,717	67,360
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Items that will not be reclassified to profit or loss			
(Loss)/Gains on property revaluation	5,6	(572)	4,618
		(572)	4,618
Items that may be reclassified to profit and loss			
Available for sale financial assets		-	-
		-	-
Other comprehensive income for the year, net of tax		(572)	4,618

The notes on pages 38 to 60 form part of these accounts.

Annual Accounts

Statement of financial position 31 March 2014

	Note	2013-14	Restated 2012-13
		£'000	£'000
Non-current assets			
Property, plant and equipment	5	417,900	421,106
Intangible assets	6	4,106	4,218
Trade and other receivables falling due after one year	7	97	110
Total non-current assets		422,103	425,434
Current assets			
Trade receivables and other current assets	7	3,969	3,724
Cash and cash equivalents	8	918	781
Assets classified as held for sale	5c	300	-
Total current assets		5,187	4,505
Total assets		427,290	429,939
Current liabilities			
Payables and other current liabilities	9	13,393	9,313
Provisions for liabilities and charges due within one year	10	2,809	2,990
Total current liabilities		16,202	12,303
Total assets less current liabilities		411,088	417,636
Non-current liabilities			
Payables and other liabilities	9	312	317
Provisions for liabilities and charges due in more than one year	10	841	763
Total non-current liabilities		1,153	1,080
Assets less liabilities		409,935	416,556
Taxpayers' equity			
General fund	SOCTE	326,429	331,223
Revaluation reserve	SOCTE	83,506	85,333
Total taxpayers' equity		409,935	416,556



Eric McQueen
Chief Executive

The Accountable Officer authorised these financial statements for issue on 4 September 2014.
The notes on pages 38 to 60 form part of these accounts.

Annual Accounts

Cash flow statement

For the year ended 31 March 2014

	Note	2013-14	Restated
		£'000	2012-13 £'000
Cash flows from operating activities			
Net outturn	SCNE	(71,717)	(67,360)
<i>Adjustments for non-cash transactions</i>			
Depreciation and amortisation	SCNE	11,568	11,749
Impairment	SCNE	6,715	-
Notional audit fee	3	81	81
Loss/(Profit) on disposal of property, plant and equipment	3,4	(1,056)	11
<i>Movements in working capital</i>			
(Increase)/decrease in receivables and other current assets	18	(232)	562
Increase/(decrease) in trade and other payables	18	1,826	638
Increase/(decrease) in provisions	18	(103)	(146)
Net cash flow from operating activities		(52,918)	(54,465)
<i>Cash flows from investment activities</i>			
Purchase of property, plant and equipment	5,18	(12,881)	(10,620)
Purchase of intangible assets	6,18	(785)	(503)
Proceeds of disposal of property, plant and equipment	3,4,5,18	1,059	3
Net cash flow from investment activities		(12,607)	(11,120)
<i>Cash flows from financing activities</i>			
From Scottish Consolidated Fund	SOCTE	65,662	65,467
Cash flows from financing activities		65,662	65,467
Net Decrease/(Increase) in cash and cash equivalents		(137)	118
Cash and cash equivalents at beginning of period	8	781	899
Cash and cash equivalents at end of period	8	918	781

The notes on pages 38 to 60 form part of these accounts.

Annual Accounts

Statement of changes in taxpayers' equity

For the year ended 31 March 2014

		General Fund	Revaluation Reserve	Total
	Note	£'000	£'000	£'000
Balance at 1 April 2013		331,223	85,333	416,556
Total comprehensive expenditure for the year ended 31 March 2014		(71,717)	(572)	(72,289)
Non cash charges				
Non-cash charges - auditor's remuneration	3	81	-	81
Non cash charges - other		(75)	-	(75)
Total non cash charges		6	-	6
Other reserve movements				
Transfers between reserves		1,255	(1,255)	-
Total other reserve movements/ adjustments		1,255	(1,255)	-
Funding				
Parliamentary funding		65,662	-	65,662
Net parliamentary funding drawn down		65,662	-	65,662
Net increase/(decrease) in year		(4,794)	(1,827)	(6,621)
Balance at 31 March 2014		326,429	83,506	409,935

The notes on pages 38 to 60 form part of these accounts.

Annual Accounts

Statement of changes in taxpayers' equity

For the year ended 31 March 2013

	Note	General Fund	Revaluation Reserve	Total
		£'000	£'000	£'000
Balance at 1 April 2012		331,722	82,028	413,750
Total comprehensive expenditure for the year ended 31 March 2013		(67,360)	4,618	(62,742)
Non cash charges				
Non-cash charges - auditor's remuneration	3	81	-	81
Non cash charges - other		-	-	-
Total non cash charges		81	-	81
Other reserve movements				
Transfers between reserves		1,313	(1,313)	-
Total other reserve movements/ adjustments		1,313	(1,313)	-
Funding				
Parliamentary funding		65,467	-	65,467
Net parliamentary funding drawn down		65,467	-	65,467
Net increase/(decrease) in year		(499)	3,305	2,806
Balance at 31 March 2013		331,223	85,333	416,556

The notes on pages 38 to 60 form part of these accounts.

Annual Accounts

Statement of costs by strategic departmental objective

Year ended 31 March 2014

	2013-14	2012-13
	£'000	£'000
Allocation of resources and assets		
Net expenditure	71,717	67,360
Total assets	409,935	416,556

The work of the SCS is primarily aligned with the following Scottish Government objective:

To help local communities to flourish, becoming stronger, safer places to live, offering improved opportunities and a better quality of life.

The notes on pages 38 to 60 form part of these accounts.



"The SCS is well served by committed and professional people,"
Eric McQueen. Pictured above are SCS staff in Dumbarton.

Notes to the Accounts

1. Accounting Policies

These financial statements have been prepared in accordance with the 2013-14 Government Financial Reporting Manual (FRoM) issued by HM Treasury and the Accounts Direction issued by Scottish Ministers (Annex 3). The accounting policies contained in the FRoM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector context. 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 Court Service (SCS) for the purpose of giving a true and fair view has been selected. The particular policies adopted by the SCS are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

1.1 Basis of Accounting

These accounts have been prepared in accordance with the historical cost convention modified to account for the revaluation of fixed assets at their value to the SCS by reference to their current costs.

1.2 Tangible Non-Current Assets

Title to the freehold land and buildings shown in the accounts is held in the name of the Scottish Court Service Corporate Body. Non-current assets are stated at their purchase price together with any incidental expenses of acquisition and are revalued each year either using inflation indices (as published at www.statistics.gov.uk), or as described below.

All the freehold properties were valued as at 31 March 2014 by Knight Frank LLP. All of the valuations were undertaken on the under-noted basis in accordance with the Appraisal and Valuation Manual of the Royal Institution of Chartered Surveyors. Full professional valuations of courthouses are carried out at five yearly intervals except where significant redevelopment of that courthouse is carried out in which case a valuation will be carried out on an annual basis.

Tangible assets are held at fair value (FV).

Properties regarded by the SCS as operational were valued on the basis of Depreciated Replacement Cost (DRC), subject to the prospect and viability of the occupation and use. Birnie House, Hamilton consists of converted office spaces and so has been valued at Open Market Value.

Where a DRC figure has been provided, the Valuation Certificate also provides an Open Market Valuation (allowing for alternative uses) and this is significantly lower than the DRC figures.

The sources of information and assumptions made in producing the various valuations are set out in the Valuation Certificate, which is not published within the Annual Report and Accounts.

The valuation figures incorporated in the accounts are the aggregate of separate valuations of parts of the portfolio and not a valuation or apportioned valuation of the portfolio valued as a whole.

IT equipment (networked and grouped) is all capitalised, irrespective of value.

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. Amounts in the revaluation reserve relating to the same asset are transferred to the general fund. Each year the difference between depreciation based on the revalued carrying amount of the asset charged to the Statement of Comprehensive Net Expenditure and depreciation based on the asset's original cost is transferred from revaluation reserve to general fund.

Where work is associated with a larger project it is also capitalised irrespective of value. All other expenditure (under £5,000) is written off in the year of purchase.

Notes to the Accounts

Freehold Land is not depreciated. Depreciation is provided at rates calculated to write off the valuation or cost of non-current assets less open market value in equal instalments over their expected useful lives, which are normally in the following ranges:

Buildings	not exceeding 80 years (based on valuation)
Equipment (fixed)	not exceeding 50 years
ICT Systems (computers)	3 years
Equipment (moveable), Fixtures & Fittings, Transport	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.

1.3 Intangible non-current assets

Both purchased software licenses and internally generated software are valued on a historic cost basis. 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.

1.4 Financial Instruments

All Financial Assets held by the SCS, have been classified as Loans and Receivables and are held at carrying value. All financial liabilities are held at carrying value.

As the cash requirements of the SCS are met through the Estimate process, Financial Instruments play a more limited role in creating and managing risk than would apply to a non-public sector body. The majority of financial instruments relate to contracts to buy non-financial items in line with the expected purchase and usage requirement and the SCS is therefore exposed to little credit, liquidity or market risk.

1.5 Operating Income

The SCS is not a trading organisation. Income primarily comprises court fees for civil cases. Fee income is recognised as court fees are due.

Sheriff Court fines are paid over to the Scottish Consolidated Fund and are not accounted for as part of the income of the SCS. An element of Justice of the Peace Court fines, Police and Fiscal fixed penalty fines are retained in line with a Designated Receipts Order issued by HM Treasury. The remainder is paid over to the Scottish Consolidated Fund.

1.6 Value Added Tax (VAT)

Irrecoverable VAT is charged to the Statement of Comprehensive Net Expenditure in the year in which it is incurred, apart from that which is capitalised as part of asset values. Recoverable VAT is deducted from the expenditure to which it relates.

1.7 Operating Leases

Rentals payable under operating leases are charged to the Statement of Comprehensive Net Expenditure on a straight-line basis over the term of the lease.

1.8 Notional charges

Certain central costs and overheads (e.g. auditor's remuneration) are charged on a notional basis to the SCS and they are charged to the Statement of Comprehensive Net Expenditure and credited as a movement on the general fund.

1.9 Foreign currency transactions

Transactions that are denominated in a foreign currency are translated into Sterling at the exchange rate ruling on the date of each transaction, except where rates do not fluctuate significantly, in which case an average rate for a period is used.

Annual Accounts

1.10 Provisions

Provisions are made for legal or constructive obligations which are of uncertain timing or amount at the balance sheet date on the basis of the best estimate of the expenditure required to settle the obligation. Further details of individual provisions are included in note 10.

1.11 Employee benefits

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS). The defined benefit schemes are unfunded and are non-contributory except in respect of dependant's benefits. SCS accounts for the PCSPS scheme as a defined contribution plan 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 of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS. In respect of the defined contribution schemes, SCS 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.

A liability and an expense is recognised for untaken holiday days, holiday pay, and flexi balances at 31 March 2014. As a result an accrual has been made for time earned but not taken.

1.12 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 standards are considered relevant and the anticipated impact is as follows:

IFRS 13 – Fair Value Measurement

Mandatory for accounting periods commencing on or after 1 January 2013. However the application of this IFRS is subject to further review by HM Treasury and other Relevant Authorities.

IAS 17 replacement – Leases

No target date for IFRS. This standard proposes to eliminate current operating lease categorisation for virtually all leases except short term leases. Assets and liabilities will be recognised on a 'right of use' basis.

IAS 18 replacement – Revenue Recognition and Liabilities Recognition.

Effective no earlier than 1 January 2015. The adoption of this standard will affect the determination of when revenue is recognised in the financial statements.

Annual Accounts

2. Staff numbers and costs

Average number of whole-time equivalent persons employed

	2013-14	2012-13
	No.	No.
Headquarters and support units	139	130
Supreme Courts	158	155
Judicial Office	24	21
Office of the Public Guardian and Accountant of Court	66	71
Sheriff and JP Courts	962	965
Inward secondments	8	6
Agency staff	17	16
	1,374	1,364

	2013-14	2012-13
	£'000	£'000
Wages and salaries	32,057	31,245
Social security costs	2,147	2,104
Other pension costs	5,582	5,369
Sub-total	39,786	38,718
Inward secondments	483	273
Agency, temporary and contract staff	639	551
Early Departure	241	230
Early Retirement	18	2
Total	41,167	39,774
Less recoveries in respect of outward secondments	-	(87)
	41,167	39,687
Pension Harmonisation costs provided for	-	892
Total net costs	41,167	40,579

	2013-14	2012-13
	£'000	£'000
Contributions paid to PCSPS	5,513	5,302

	2013-14	2012-13
	£'000	£'000
Contributions paid to partnership pension	66	57

Annual Accounts

Compensation for loss of office

Five members of staff were offered Voluntary Exit terms through the course of the year and their compensation payments total £240,596.

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	2012-13
<£10,000	Nil	Nil	Nil	Nil
£10,000 - £25,000	Nil	2	2	Nil
£25,000 - £50,000	Nil	1	1	1
£50,000 - £100,000	Nil	1	1	3
£100,000 - £150,000	Nil	1	1	Nil
Total number of exit packages	Nil	5	5	4
Total resource cost	-	£240,596	£240,596	£229,550

Redundancy and other departure costs have been paid in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972. Exit costs are accounted for in full in the year the departure was agreed. Where the SCS has agreed early departures, the additional costs are met by the SCS and not by the Civil Service Pension Scheme.

Principal Civil Service Pension Scheme

The Principal Civil Service Pension Scheme (PCSPS) is an unfunded multi-employer defined benefit scheme. The SCS is unable to identify its share of the underlying assets and liabilities. The scheme actuary valued the scheme as at 31 March 2007. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation (www.civilservice.gov.uk/pensions).

For 2013-14, employers' contributions of £5,513k were payable to the PCSPS (2012-13: £5,302k) at rates in the range of 16.7 to 25.8 per cent (2012-13: 16.7 to 25.8 per cent) of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions on a regular basis following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during 2013-14 to be paid when a 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 £66k (2012-13: £57k) were paid to one or more of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 3.0% to 12.5% of pensionable pay. Employers also match employee contributions up to 3.0% of pensionable pay.

The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Early retirement costs relate to early departure decisions made in the current and previous years.

Annual Accounts

Pension benefits are provided through the Civil Service pension arrangements. From 30 July 2007, civil servants may be in one of four defined benefit schemes; either a final salary scheme (classic, premium or classic plus); or a whole career scheme (nuvos). The statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under nuvos, classic, premium, and classic plus are increased annually in line with Pensions Increase legislation. New entrants after 30 July 2007 may choose between membership of nuvos or joining a good quality “money purchase” stakeholder based arrangement with a significant employer contribution.

The Employee contribution rates were modified on 1 April 2012 and subsequently on 1 April 2013. In addition to 1.5% contributions for classic and 3.5% contributions for premium and nuvos members, additional contributions were introduced by Cabinet Office. These percentages depend on the salary banding. The total percentage increases are in the table below.

Salary band	Total additional employee contribution rates
Up to £15,000	nil
£15,001 - £21,000	1.2%
£21,001 - £30,000	2.4%
£30,001 - £50,000	3.2%
£50,001 - £60,000	4.0%
£60,001 and over	4.8%

Classic Scheme

Benefits accrue at the rate of 1/80th of final pensionable salary for each year of service. In addition, a lump sum equivalent to three years pension is payable on retirement. Members pay contributions of 1.5% of pensionable earnings.

Premium Scheme

Benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike the Classic scheme, there is no automatic lump sum, but members can commute some of their pension to provide a lump sum. Members pay contributions of 3.5% of pensionable earnings.

Classic Plus Scheme

This is essentially a variation of premium, but with benefits in respect of service before 1 October 2002 calculated broadly as per classic.

Nuvos Scheme

Like the Premium Scheme there is no automatic lump sum, but members can commute some of their pension to provide a lump sum. Members pay contributions of 3.5% of pensionable earnings.

Pensions payable under Classic, Premium, Classic Plus and Nuvos are increased in line with Pensions Increase legislation.

Annual Accounts

Partnership Pension Account

This is a stakeholder-type arrangement where the employer pays a basic contribution of between 3% and 12.5% (depending on the age of the member) into a stakeholder pension product. The employee does not have to contribute but where they do make contributions, these will be matched by the employer up to a limit of 3% (in addition to the employer's basic contribution). Employers also contribute a further 0.8% of pensionable salary to cover the cost of risk benefit cover (death in service and ill health retirement).

Further details about the Civil Service pension arrangements at the website <http://www.civilservice.gov.uk/pensions>.

Staff loans

A total of approximately £59k (2012-13: £39k) is outstanding from 59 members of staff (2012-13: 69).

Annual Accounts

3. Non-staff expenditure

	2013-14	2012-13
Other administration expenditure	£'000	£'000
Accommodation	14,212	14,215
Other	9,883	8,884
Buildings' maintenance and impairment	10,301	9,519
Rentals under operating leases - other	2,585	2,737
Travel, subsistence and hospitality	779	749
Shared service charges - other government departments	95	-
Audit fee	81	81
Loss on disposal of non-current assets	-	11
Total	37,936	36,196

	2013-14	2012-13
Operational costs	£'000	£'000
Judicial costs	3,726	4,050
Payments to jurors	4,478	4,695
Other	2,219	2,357
Total	10,423	11,102

Annual Accounts

4. Income

Operating income	2013-14	2012-13
	£'000	£'000
Rent from other government departments	2,976	2,977
Shared Service charges from other government departments	95	95
Profit on disposal of non-current assets	1,056	-
Other rent receivable	64	52
Other income	1	2
Total	4,192	3,126

Income from fees and retained fines	2013-14	2012-13
	£'000	£'000
Fees charged	24,206	21,905
Retained fines	7,694	7,235
Total	31,900	29,140

Fees memorandum trading account	Sheriff Courts	Supreme Courts	Office of the Public Guardian and Accountant of Court	2013-14 Total	2012-13 Total
	£'000	£'000	£'000	£'000	£'000
Fee income	15,052	4,900	4,254	24,206	21,905
Subsidy/exempt fees	4,216	4,330	-	8,546	8,662
Apportioned costs	(23,730)	(12,386)	(3,385)	(39,501)	(38,753)
Surplus/(Deficit)	(4,462)	(3,156)	869	(6,749)	(8,186)

Court fees are charged at various stages of civil proceedings in the Court of Session and the sheriff courts, as well as for work undertaken by the Office of the Public Guardian and by the Accountant of Court. Scottish Government policy is to set fees so as to move towards full cost recovery (including judicial costs).

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.

The costs include notional costs for insurance.

This segmental information is given in accordance with current guidance and is not disclosed for the purposes of IFRS 8.

Annual Accounts

5a. Property, plant and equipment

Cost or valuation	Land	Buildings	Vehicles	Equipment	ICT systems	Fixtures and fittings	Assets under construction	2013-14 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening balance at 1 April 2013	33,452	565,753	429	3,142	11,817	4,473	30,279	649,345
Additions	-	11,651	70	8	1,078	621	1,664	15,092
Adjustments	-	(71)	-	-	-	-	-	(71)
Transfers	-	30,279	-	-	-	-	(30,279)	-
Transfer to/from assets held for sale	(7)	(293)	-	-	-	-	-	(300)
Disposals	-	-	(224)	(1,284)	(4,441)	(823)	-	(6,772)
Revaluation	(2,655)	(20,125)	-	-	-	-	-	(22,780)
Impairments	(201)	(9,570)	-	-	-	-	-	(9,771)
At 31 March 2014	30,589	577,624	275	1,866	8,454	4,271	1,664	624,743
Depreciation								
Opening balance at 1 April 2013	-	212,594	263	2,491	10,042	2,849	-	228,239
Charged in year	-	9,058	70	212	1,045	253	-	10,638
Adjustments	-	(1)	-	-	-	-	-	(1)
Transfers	-	-	-	-	-	-	-	-
Transfer to/from assets held for sale	-	-	-	-	-	-	-	-
Disposals	-	-	(224)	(1,284)	(4,438)	(823)	-	(6,769)
Revaluation	-	(22,208)	-	-	-	-	-	(22,208)
Impairments	-	(3,056)	-	-	-	-	-	(3,056)
Balance at 31 March 2014	-	196,387	109	1,419	6,649	2,279	-	206,843
Net book value current year	30,589	381,237	166	447	1,805	1,992	1,664	417,900
Net book value prior year	33,452	353,159	166	651	1,775	1,624	30,279	421,106

All assets are owned by the Scottish Court Service Corporate Body. All land and buildings are held Freehold. No assets are held under Finance Leases or PFI/PPP contracts

Annual Accounts

5b. Property, plant and equipment prior year

Cost or valuation	Land	Buildings	Vehicles	Equipment	ICT systems	Fixtures and fittings	Assets under construction	2012-13 Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Opening balance at 1 April 2012	32,954	555,602	288	2,848	11,425	3,725	25,469	632,311
Additions	-	3,555	166	294	1,047	748	4,810	10,620
Disposals	-	(65)	(25)	-	(655)	-	-	(745)
Revaluation	498	6,661	-	-	-	-	-	7,159
Impairments	-	-	-	-	-	-	-	-
At 31 March 2013	33,452	565,753	429	3,142	11,817	4,473	30,279	649,345
Depreciation								
Opening balance at 1 April 2012	-	201,041	265	2,362	9,344	2,634	-	215,646
Charged in year	-	9,063	23	129	1,353	215	-	10,783
Disposals	-	(51)	(25)	-	(655)	-	-	(731)
Revaluation	-	2,541	-	-	-	-	-	2,541
Impairments	-	-	-	-	-	-	-	-
Balance at 31 March 2013	-	212,594	263	2,491	10,042	2,849	-	228,239
Net book value current year	33,452	353,159	166	651	1,775	1,624	30,279	421,106
Net book value prior year	32,954	354,561	23	486	2,081	1,091	25,469	416,665

Annual Accounts

5c. Assets classified as held for sale

The following assets have been presented for sale by the Scottish Court 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 plant and equipment	Total
	£'000	£'000
At 1 April 2013	-	-
Transfer from non-current assets	300	300
Disposals	-	-
At 31 March 2014	300	300

Prior Year	Property plant and equipment	Total
	£'000	£'000
At 1 April 2012	-	-
Transfer from non-current assets	-	-
Disposals	-	-
At 31 March 2013	-	-

Annual Accounts

6a. Intangible assets

	Software licences	ICT software	Assets under construction	2013-14 Total
	£'000	£'000	£'000	£'000
Cost or valuation				
Balance at 1 April 2013	3,104	8,311	-	11,415
Additions	358	465	-	823
Disposals	(599)	(1,656)	-	(2,255)
Adjustments	-	(5)	-	(5)
At 31 March 2014	2,863	7,115	-	9,978

Amortisation				
Balance at 1 April 2013	1,944	5,253	-	7,197
Charged in year	222	708	-	930
Disposal	(599)	(1,656)	-	(2,255)
Adjustments	-	-	-	-
At 31 March 2014	1,567	4,305	-	5,872

Net book value current year	1,296	2,810	-	4,106
Net book value prior year	1,160	3,058	-	4,218

6b. Intangible assets prior year

	Software licences	ICT software	Assets under construction	2012-13 Total
	£'000	£'000	£'000	£'000
Cost or valuation				
Balance at 1 April 2012	2,987	7,922	3	10,912
Additions	117	386	-	503
Transfers	-	3	(3)	-
At 31 March 2013	3,104	8,311	-	11,415

Amortisation				
Balance at 1 April 2012	1,714	4,517	-	6,231
Charged in year	230	736	-	966
Transfers	-	-	-	-
At 31 March 2013	1,944	5,253	-	7,197

Net book value current year	1,160	3,058	-	4,218
Net book value prior year	1,273	3,405	3	4,681

Annual Accounts

7. Trade receivables and other assets

	2013-14	Restated 2012-13
	£'000	£'000
Amounts falling due within one year		
Trade receivables	1,523	1,776
Other receivables	72	143
Prepayments	1,864	1,786
Accrued income	510	19
Total as at 31 March	3,969	3,724

Amounts falling due in more than one year		
Other receivables	97	110
Total as at 31 March	97	110

Total as at 31 March	4,066	3,834
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Receivables are shown net of impairments as follows:	2013-14	2012-13
	£'000	£'000
At 1 April	115	154
Charge for the year	35	3
Unused amount released	(6)	(10)
Utilised during the year	(33)	(32)
As at 31 March	111	115

Intra-Government balances	2013-14	2012-13
	£'000	£'000
Amounts falling due within one year		
Balances with other central government bodies	34	296
Balances with local authorities	106	209
Balances with NHS Bodies	9	16
Total: Intra-governmental balances	149	521
Balances with bodies external to government	3,820	3,203
Balance as at 31 March	3,969	3,724

	2013-14	2012-13
	£'000	£'000
Amounts falling due in more than one year	-	-
Balances with other central government bodies	-	-
Balances with local authorities	-	-
Balances with NHS Bodies	-	-
Total: Intra-governmental balances	-	-
Balances with bodies external to government	97	110
Balance as at 31 March	97	110

Total as at 31 March	4,066	3,834
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Annual Accounts

8. Cash and cash equivalents

	2013-14	2012-13
	£'000	£'000
Balance at 1 April	781	899
Net change in cash and cash equivalent balances	137	(118)
Balance at 31 March	918	781

The following balances at 31 March were held at:		
Commercial banks and cash in hand	918	781
Balance at 31 March	918	781

Annual Accounts

9. Trade payables and other current liabilities

	2013-14	Restated 2012-13
	£'000	£'000
Amounts falling due within one year		
Trade payables	7,263	4,715
Accruals	6,117	4,583
Deferred income	13	15
Total as at 31 March	13,393	9,313

Amounts falling due in more than one year		
Deferred income and accruals	312	317
Total as at 31 March	312	317

Total as at 31 March	13,705	9,630
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Intra-Government Balances	2013-14	2012-13
	£'000	£'000
Amounts falling due within one year		
Balances with other central government bodies	41	13
Balances with local authorities	5	3
Balances with NHS Bodies	16	-
Total: Intra-governmental balances	62	16
Balances with bodies external to government	13,331	9,297
Total as at 31 March	13,393	9,313

	2013-14	2012-13
	£'000	£'000
Amounts falling due in more than one year		
Balances with other central government bodies	-	-
Balances with local authorities	-	-
Balances with NHS Bodies	-	-
Total: Intra-governmental balances	-	-
Balances with bodies external to government	312	317
Balance as at 31 March	312	317

Total as at 31 March	13,705	9,630
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During the year the SCS paid 97.1% of invoices within the Scottish Government's 10 day target (2012-13: 95.7%) and 99.3% of invoices within 30 days (2012-13: 99.1%).

Annual Accounts

10. Provisions for liabilities and charges

	Pension transfer deficit	Early departure costs	Compensation	Property and dilapidations	2013-14 Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2013	-	18	-	745	763
Add: element reported as due within one year	2,782	64	34	110	2,990
Total as at 1 April 2013	2,782	82	34	855	3,753
Provided for in year	-	9	57	19	85
Provisions not required - written back	-	(20)	(3)	-	(23)
Provisions utilised in year	-	(46)	(9)	(110)	(165)
Total as at 31 March 2014	2,782	25	79	764	3,650
Payable within one year	(2,782)	(14)	(13)	-	(2,809)
At 31 March 2014	-	11	66	764	841

Analysis of expected timing of any resulting outflows of economic benefits

	Pension transfer deficit	Early departure costs	Compensation	Property and dilapidations	2013-14 Total
	£'000	£'000	£'000	£'000	£'000
Payable in 1 year	2,782	14	13	-	2,809
Payable between 2 and 5 years	-	9	66	49	124
Payable between 6 and 10 years	-	2	-	199	201
Thereafter	-	-	-	516	516
Total as at 31 March 2014	2,782	25	79	764	3,650

Annual Accounts

10. Provisions for liabilities and charges – prior year

	Pension transfer deficit	Early departure costs	Compensation	Property and dilapidations	2012-13 Total
	£'000	£'000	£'000	£'000	£'000
Balance at 1 April 2012	1,891	65	41	685	2,682
Add: element reported as due within one year	1,172	45	-	-	1,217
Total as at 1 April 2012	3,063	110	41	685	3,899
Provided for in year	892	64	52	215	1,223
Provisions not required - written back	-	-	(10)	(10)	(20)
Provisions utilised in year	(1,173)	(92)	(49)	(35)	(1,349)
Total as at 31 March 2013	2,782	82	34	855	3,753
Payable within one year	(2,782)	(64)	(34)	(110)	(2,990)
At 31 March 2013	-	18	-	745	763

Analysis of expected timing of any resulting outflows of economic benefits

	Pension transfer deficit	Early departure costs	Compensation	Property and dilapidations	2012-13 Total
	£'000	£'000	£'000	£'000	£'000
Payable in 1 year	2,782	64	34	110	2,990
Payable between 2 and 5 years	-	18	-	205	223
Payable between 6 and 10 years	-	-	-	35	35
Thereafter	-	-	-	505	505
Total as at 31 March 2013	2,782	82	34	855	3,753

Annual Accounts

Details of provisions

Pension transfer deficit

SCS staff who are ex-employees of the former District Courts were given the option to transfer their past service credits accrued in the Local Government Pension Schemes (LGPSs) into the premium scheme of the PCSPS. Due to under-funding within the LGPSs, liability for the shortfall is required to be met by the SCS.

The transfers from the LGPSs are currently in progress. The potential shortfall has been estimated based on a similar transfer undertaken by Her Majesty's Court Service in England and Wales, and has been updated based on transfers that have been completed.

Early Departure costs

This relates to the compensation element due to former employees who took early retirement and who were over the age of 50 but below the age of 60. On attaining the age of 60 the compensation element ceases.

Compensation

Amounts have been provided for material claims for compensation against the SCS from court 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.

Property and Dilapidations

This represents the estimated amounts due on the expiry of property leaseholds held by the SCS, to return the properties to their original condition. The amounts due and timing of payments depend on the terms and conditions of each lease, as well as the extent of alterations carried out by the SCS over the period of the lease.

Annual Accounts

11. Capital commitments

	2013-14	2012-13
Property, plant and equipment	£'000	£'000
Contracted capital commitments for which no provision has been made	392	953
Authorised but not contracted capital commitments for which no provision has been made	-	-
Total	392	953

	2013-14	2012-13
Intangible assets	£'000	£'000
Contracted capital commitments for which no provision has been made	-	96
Authorised but not contracted capital commitments for which no provision has been made	-	-
Total	-	96

Total Commitments	392	1,049
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12. Commitments under operating leases

Total future minimum lease payments under operating leases are given in the tables below for each of the following periods:

Obligations under operating leases comprise:

	2013-14	2012-13
Buildings	£'000	£'000
Within one year	2,352	2,470
Between two and five years (inclusive)	7,985	5,985
After five years	17,046	21,863
Total	27,383	30,318

Annual Accounts

13. Related Party Transactions

During the year to 31 March 2014 the SCS was a Non Ministerial Departmental Body in the Scottish Administration. During the year, SCS has had various material transactions with the Scottish Government and the Crown Office. None of the senior management team or other parties related to them has undertaken any material transactions with the SCS.

Payments made to the Civil Service Pension Scheme relate to employer's pension contributions. Receipts from the Crown Office and Procurator Fiscal are for Estate Services and rent for occupancy of buildings. Parliamentary funding represents the net cash provision from the Scottish Government to the SCS.

		2013-14	2012-13
	Note	£'000	£'000
Principal Civil Service Pension Scheme	2	(5,513)	(5,302)
Crown Office and Procurator Fiscal Service	4	2,976	3,072
Parliamentary Funding	SOCTE	65,662	65,467

Payments were made to two Sheriffs over the course of the financial year.

A payment of £15,000 was made to a Sheriff covering the remote island courts which related to additional costs of travel and subsistence.

A payment of £128,296 made in 2012-13 related to relocation of a Sheriff, which is being repaid over a 12 year period at £1,069.13 per month. At the end of 2013-14, £110,121 remains outstanding and is shown as a long term receivable (£97k) and short term receivable (£13k) in the SOFP and in Note 7 to the accounts.

These payments were made in accordance with the SCS Judicial Office for Scotland's policy Relocation Expenses Payable on Shrieval Transfer.

14. Financial Instruments

As the cash requirements of the SCS are met through the spending review process, financial instruments play a more limited role in creating and managing risk than in a non-public sector body.

The majority of financial instruments relate to contracts to buy non-financial items in line with the SCS' expected purchase and usage requirements and the SCS is therefore exposed to little credit, liquidity or market risk.

All financial assets are classified as loans and receivables and are held at carrying value.

All financial liabilities are held at carrying value.

Annual Accounts

15. Losses

In year losses totalled £10k (2012-13: £2k). These were made up as follows:

	2013-14	2013-14	2012-13
	No of cases	£'000	£'000
Cash Losses	66	10	2

16. Third Party Assets

Cash balances of £25.9m (2012-13: £25.4m) 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, etc.

These third party assets are not the property of the SCS and are not included in the SCS' accounts.

17. Outturn Against Budget

	2013-14		2012-13
	Budget	Outturn	Outturn
	£'000	£'000	£'000
Capital	13,450	15,915	11,123
Revenue - DEL	67,716	65,018	67,360
	81,166	80,933	78,483
Capital - AME	6,100	6,626	-
Revenue - AME	-	73	-
Total	87,266	87,632	78,483

Budgets for Departmental Expenditure Limits (DEL) are set as part of the Scottish Spending Review and annual Budget Bills. These are allocated for running costs associated with the delivery of the SCS.

Annual Managed Expenditure (AME) represents costs that are more volatile and so are not managed in the same way as DEL.

Other items relating to increases in provisions are also scored to AME. Whilst no specific budget allocation was made for these, they were met by an equivalent underspend against the SCS DEL allocation.

Overall the SCS underspent by £0.2m against its DEL budget and overspent on AME by £0.6m. The AME overspend is covered by additional provision for AME in the overall Scottish Government budget.

Annual Accounts

18. Movement on Working Capital Balances

	Note	Restated Opening Balances	Closing Balances	2013-14 Net Movement	2012-13 Net Movement
		£'000	£'000	£'000	£'000
Receivables and other assets					
Due within one year	7	3,724	3,969		672
Due after more than one year	7	110	97		(110)
Less: Capital included in PPE		-	-		-
Less: Capital included in Intangibles		-	-		-
		3,834	4,066		
Net decrease/(increase)				(232)	562

Payables and other liabilities					
Due within one year	9	9,313	13,393		321
Due after more than one year	9	317	312		317
Less: Capital included in PPE		(2,700)	(4,911)		-
Less: Capital included in Intangibles		(161)	(199)		-
		6,769	8,595		
Net (decrease)/increase				1,826	638

Provisions (current and non-current)	10	3,753	3,650		(146)
Less: capital provisions included in above		-	-		-
		3,753	3,650		
Net (decrease)/increase				(103)	(146)

Net movement (decrease)/increase				1,491	1,054
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19. Post Balance Sheet Events

There are no material post balance sheet events that require to be adjusted or disclosed in the accounts.

ANNEX 1

SCS Performance Detail

Court of Session

	2013-14	2012-13	2011-12
Ordinary civil actions registered	3,242	3,397	3,294
Civil petitions (registered)	1,316	1,378	1,364
Civil appeals / reclaiming motions	243	232	261
Proofs, jury trials & hearings, (J/R) (which proceeded)	119	119	153
Court of Session judge days	2,071	1,823	1,790

Inner House

The volume of appeals and reclaiming motions received rose slightly in comparison to the previous business year.

Improved administrative procedures were implemented at the beginning of 2014 which enabled a more consistent level of case management at procedural hearing stage. In addition, the earlier provision of papers to the Bench in advance of substantive hearings enabled a more focussed Summary Roll hearing.

End to end times for Inner House cases fluctuated from month to month. The use of exception reports identified possible issues and allowed improvements to be made. A number of cases registered prior to case management rules coming into force are now being managed. Disposal of these older cases increased average end to end times. Overall the annual average waiting time improved greatly from 24 weeks in 2012-13 to 19 weeks in 2013-14.

The Inner House Users Group considered the lack of adherence to Practice Note 3 of 2011 which caused inefficiency at court hearings. Publicity was given to this matter in order to raise awareness along with the associated opinions delivered by the Lord Justice Clerk in, *Ann Thomson v The Scottish Ministers* [2013] CSIH 63 and *Anthony Tortolano v Ogilvie Construction Ltd* [2013] CSIH 10. Further alterations to enhance effectiveness are under consideration.

Outer House

In contrast to the increase in the volume of Inner House business the volume of Ordinary actions and Petitions registered in the Court of Session dipped slightly. However, the proportion of defended cases remains the same.

Healthy waiting times for Personal Injury cases and 4 day proofs were reported indicating improvements on the previous two years. Measures to improve the waiting times for proofs of longer duration are under consideration.

Named Senators are responsible for the overall throughput of specific business and Chair Committees of the Scottish Civil Justice Council, e.g. Personal Injury, Family etc., which enabled improved and consistent management of cases via Practice Notes and alterations to rules.

ANNEX 1

There is no single cause in the rise in the number of Court of Session judge days, however, the statistics available indicate that a number of 'other' hearings have proceeded.

High Court

	2013-14	2012-13	2011-12
Indictments registered	829	751	792
Trials (evidence led)	429	358	315
Solemn appeals (lodged)	763	716	810
Summary appeals (lodged)	1,022	1,213	1,274
High Court judge days	3,964	3,867	3,857

First Instance Criminal Business

The number of indictments registered during the business year 2013-14 was similar to previous years, however there has been a further 20% increase in the number of trials where evidence was led, compared to 2012-13.

The average duration of a trial continues at just over 6 days and during the course of the last year there have been a number of high profile and lengthy trials. An extension to the 140 day and/or 12 month time limits is still required in approximately 88% of High Court cases.

As a result of improved case management, the churn (unproductive continuation of cases) in the Preliminary Hearing court has been reduced from a baseline average of 2.1 continuations per case in 2012-13 to 1.6 continuations per case during 2013-14. Work will continue to identify further improvements in this area, including a pilot project where all Preliminary Hearing diets call in Glasgow and are case managed by a single judge.

Criminal Appeal Business

There has been a 6.6% increase in the number of solemn appeals registered in 2013-14 compared with 2012-13, however that increase is countered with a 15.7% reduction in the number of summary appeals registered compared with last year.

The Criminal Appeal Court continues to experience an increasing number of miscellaneous applications and appeals, which are managed within the current appeal court programme. The number of Criminal Appeal Court days will remain at approximately 250 days for 2014-15, the same number as 2013-14.

The backlog in historical cases has been reduced to such an extent that there are only 4 pre-2013 appeals outstanding.

ANNEX 1

Sheriff Court

2013-14 saw a significant increase in the number of summary complaints being brought to Sheriff and Justice of the Peace Courts showing a 13% and 26% increase respectively compared to 2012-13. This meant that complaints registered have returned to levels evident before summary justice reform. Collaborative discussions with our justice partners have highlighted significant initiatives involving road traffic offences and domestic abuse that have had an impact on the volume of summary cases coming to court.

The increased volume of Sheriff Court summary cases saw a related increase in evidence led summary trials. The SCS has adjusted local court programmes to deal with the increased volume of complaints and trials.

Solemn sheriff court business remains steady at a national level and the SCS expects this trend to continue until the reforms envisaged in Sheriff Principal Bowen's review of sheriff and jury procedure are implemented.

Although the downward trend in three main categories of civil business: ordinary, small claim payments and summary cause has continued, the trend is decelerating which provides an indication of likely volumes of civil business for the coming years.

Criminal – summary

	2013-14	2012-13	2011-12
Complaints registered (validated)(1)	76,555	67,704	74,080
Trials (evidence led)	7,866	7,041	6,846

Criminal – solemn

	2013-14	2012-13	2011-12
Indictments registered (validated)(1)	6,033	5,859	5,772
Trials (evidence led)	1,379	1,200	1,128

Ordinary civil

	2013-14	2012-13	2011-12
Cases registered	24,026	24,467	26,021
Proofs and debates (which proceeded)	1,146	1,141	1,147

Summary cause and small claims

	2013-14	2012-13	2011-12
Cases registered	48,485	47,244	54,481
Proofs/Hearings (evidence led)	649	678	649

Commissary

	2013-14	2012-13	2011-12
Inventories recorded	23,902	21,973	23,677

ANNEX 1

Sitting Days

	2013-14	2012-13	2011-12
Number of days	28,160	28,178	29,470

Justice of the Peace Court

	2013-14	2012-13	2011-12
Complaints registered (validated)(1)	67,767	53,645	57,633
Trials (evidence led)	2,590	2,491	2,828

Office of the Public Guardian

The workload of the OPG in 2013-14 continues to be high which further evidences the importance of powers of attorney in the lifestyle choices being made by the steadily aging population in Scotland.

More specific information about OPG and its performance statistics can be found on its website, <http://www.publicguardian-scotland.gov.uk/index.asp>.

	2013-14	2012-13	2011-12
Powers of Attorney	45,576	42,528	40,515
Guardianship Orders	2,304	2,073	1,939

ANNEX 2

SCS People

The quality of service provided by the SCS is highly dependent on courts and support functions being staffed by skilled and engaged people. The judiciary, court users and the public in general are entitled to expect well trained and confident staff led by capable and knowledgeable managers.

Staff in Post as at 31 March 2014

	Number of Staff (Headcount)	Female	Male
Exec Director & CEO	4	-	4
Director	14	2	12
Senior Manager	25	17	8
Non-Exec Directors	9	4	5
Sheriffdom Legal Advisor	6	4	2
Legal Assessor	34	24	10
SEO	77	34	43
HEO	146	84	62
EO	402	278	124
AO & Clerk Typist	484	385	99
Typists	10	10	-
AA & Support Grades	341	181	160
Total	1,552	1,023	529

Number of Staff by Level

	Headcount	Full time equivalent
Supreme Court	173	160.76
Sheriff & JP Courts	1,114	968.86
Judicial Office	27	24.70
OPG	74	66.42
HQ	163	142.53
Secondment	1	1
Total	1,552	1,364.27

ANNEX 2

SCS People Strategy²⁰

Following extensive consultation with Directors, Senior Managers, the SCS People Committee, operational managers and the TUS, a new People Strategy covering the period 2012-15 was published in March 2012. The People Strategy outlines four priorities and a range of key activities that will support the SCS in delivering its Corporate Plan. The four priorities are:

- leadership and management capability
- flexible and adaptive workforce
- skills assurance
- reward and recognition.

Progress in implementing activities within the People Strategy was reviewed by the SCS People Committee in May 2013 and progress was considered to be satisfactory.

A further report is also available on www.scotcourts.gov.uk which provides further information on SCS staff and other HR measures which include:

- staff profile
- recruitment activity
- turnover
- health & safety/security incidents
- training and development activity
- average reward
- HR costs and effectiveness.

Staff Survey 2013

The SCS took part in the civil service wide staff engagement survey. An overall staff engagement index score of 62% was achieved which was 4% above the median engagement score for the civil service as a whole. Feedback from this survey and from the survey since 2010 is used to review the people strategy and other action incorporated in annual business planning to improve leadership and management in the SCS.

Pay Settlement

A one year pay settlement was implemented from 1 September 2013.

²⁰ The People Strategy is available at www.scotcourts.gov.uk

ANNEX 3

Accounts Direction from Scottish Ministers

DIRECTION BY THE SCOTTISH MINISTERS

In accordance with section 19(4) of the Public Finance & 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 (FRM) 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 as 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 29 March 2001 is hereby revoked.

Signed by the authority
of the Scottish Ministers

A handwritten signature in black ink, appearing to read 'Alison Stelfox', written in a cursive style.

Dated 17 January 2006

Scottish
Court Service



If you have any queries on the content of this Report, or for more information on the work of the SCS you can access the SCS Website or contact us on the following details:

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