1. The Scottish Court Service (SCS) provides the people, buildings and technology to support the work of Scotland’s courts and the judiciary of those courts. The SCS is led by a governing Board, chaired by the Lord President and with a majority of judicial members.

2. Scottish Ministers’ draft budget and future spending plans provide for reductions of £1.4m/£2.5m/4.5 million in revenue funding to the SCS over the next 3 years compared with 2011/12. These are on top of a cut in revenue funding of £3.7 million between 2010/11 and 2011/12. Taking account of projected inflation, the real terms reduction in total revenue funding to the SCS between 2010/11 and 2014/15 is 20%.

3. Capital funding to the SCS will reduce even more substantially from £20.3 million in 2010/11 to £4.0 million by 2014/15.

- What impact will the proposed funding reductions have on the efficient and prompt handling of both civil and criminal cases?

4. Over recent years the courts and courts administration have worked to help maintain or improve the efficient and prompt handling of civil and criminal business. Significant examples of this have included reforms to the High Court and Summary Justice Reform, which has delivered justice-wide improvements in the timescales for progressing summary criminal cases from charge to verdict.

5. The benefits of these reforms and overall reductions in crime rates have assisted the courts in responding to demands, but have been offset by other pressures, in particular increases in more serious solemn criminal cases and in the complexity and average length of trials, and also new requirements placed on the courts by legislation. Other demand driven costs, such as jury expenses and interpreter costs, as well as energy bills have also risen.

6. During 2010/11, the SCS Board agreed a range of measures to enable the organisation to respond to the £3.7 million cut in revenue funding, alongside reducing levels of income from court fees.
   - A Voluntary Early Release scheme for staff and controls on recruitment has resulted in a reduction of 120 FTE posts (-8%) between 2010/11 and 2011/12
   - Controls on staff pay have been applied, in line with Ministers’ pay policy guidelines.
   - Court locations and running costs have been rationalised, with the closure of 4 Justice of the Peace Court buildings and the transfer of business into combined Sheriff and Justice of the Peace Courts in the same towns.
- The number of sitting days provided by Part-Time Sheriffs has been reduced substantially through changes to court programming and management of demand.
- Efficiency savings have been achieved through the retendering of contracts and shared procurement.
- A 5% cut has been achieved in carbon emissions across the SCS estate.
- A shared service agreement has been entered into to provide estate services on behalf of the Crown Office and Procurator Fiscal Services.
- Actions have been taken to ensure robust enforcement of court, fiscal and police fines collected by the SCS.

In making these efficiencies the SCS has worked as far as possible to minimise the impact of budget cuts on front-line services and the timescales for progressing cases.

7. The SCS Board has acknowledged that further efficiency savings, of the scale identified within Scottish Ministers’ draft budget document, cannot be achieved by the SCS in isolation, but require action across the justice system as a whole. Over the past year, the SCS has played an active role in supporting and driving key elements of the cross-justice Making Justice Work programme. This includes measures to improve attendance at court by witnesses; work with the COPFS to review the operation of the “systems model” for progressing summary criminal cases; and other actions to address unacceptable “churn” in the progress of cases brought before the courts.

8. In progressing this cross-justice work, the SCS Board has emphasised to Scottish Ministers, and the Cabinet Secretary for Justice has acknowledged, the need to ensure an appropriate “balance” across the justice system, for example ensuring that the resources available to the police and COPFS to investigate and prosecute crime are consistent with the resources and capacity within the courts, and other parts of the criminal justice system, to process cases effectively. Where different parts of the justice systems are out of balance this can result in delays or other inefficiencies in progressing cases, or prioritising between criminal and civil business.

9. A key requirement over the next few years, therefore, will be to maintain a close watch to ensure that the progress of justice-system improvements can allow the courts to operate within the reduced budget allocations, without adding significantly to delays in the progress of cases.

- **Will cuts to the SCS budget lead to staff redundancies and/or the closure of courts?**

10. SCS staff costs and building running costs, together, account for around 80% of total SCS revenue expenditure. Savings of the scale identified could not be achieved, therefore, without impacting on these budgets.
11. As noted above, substantial reductions have already been achieved to SCS staffing levels compared with 2010/11, through controls on vacancies and recruitment and a Voluntary Early Release scheme. To meet the budget reductions, further downward pressure will be required on staffing during 2012/13 and subsequent years, through continuing recruitment controls and targeted voluntary release. As far as possible the SCS aims to match these reductions with changes in how the courts process business and the demands on front-line staff, for example by centralising or rationalising some routine administrative activities such as fines collection and jury citations.

12. Given the scale of reductions in staffing levels already delivered and other proposed measures, the SCS Board has indicated its intention not to run a further general Voluntary Early Release scheme for all staff in the current year. Future decisions about staffing levels are dependent on other savings being achieved, including from court building costs.

13. The SCS has a large, and largely historic, estate of court buildings, with a book value of £420 million. Backlog maintenance and compliance requirements are very challenging, particularly given substantial reductions in capital allocations. For some courts utilisation of court accommodation is high, for others existing business demands are relatively low compared with the available accommodation. As noted above, the SCS has already achieved financial savings through the closure of a number of JP court buildings where alternative court accommodation was available in the same town.

14. The SCS has now launched early discussions with interested parties to look at options for reviewing the wider court estate. These discussions are focused around four specific issues:
- Could the High Court circuit be reduced and if so where could it sit, whilst maintaining appropriate and visible access to justice for the most serious criminal cases?
- Could sheriff & jury cases be consolidated into fewer centres, in line with the recommendations in Sheriff Principal Bowen’s independent review of sheriff and jury procedures, and, if so, where should they be?
- Could the SCS manage with fewer buildings where there is a separate JP and Sheriff Court in the same town or city, e.g. Glasgow?
- Could the SCS manage with fewer courts where there is more than one within reasonable travelling distance?

15. These questions form the basis of current dialogue with staff and judiciary within each shiriffdom and court and also with other justice bodies, including COPFS, the Scottish Legal Aid Board, Scottish Prison Service and police. Subject to the responses further dialogue will be undertaken with a wider set of stakeholders, including legal professions, consumer groups, local authorities, etc.
16. It is important to emphasise that no specific proposals have been confirmed or decisions taken about the future of individual courts. Subject to the outcome of the initial dialogue an approach would be made to Scottish Ministers to seek their agreement to consult publicly on any future proposals for court locations, ahead of formal statutory approval being sought from the Scottish Parliament for any proposed changes to court locations.

17. Whilst immediate financial considerations are a factor in informing the review of court locations, the SCS Board is clear that consideration must be given to the long-term requirements of the justice system, including potential changes arising from Lord Gill's review of the civil courts and Sheriff Principal Bowen’s review of sheriff and jury procedures, as well as the needs of court users and the wider public.

How will funding cuts impact on access to justice and will any groups be particularly affected?

18. It is too early to say what impact any proposals would have for court users. Any proposed changes, for example to court locations, would be subject to Equalities Impact Assessment (EQIA). The SCS Board has indicated that it does not consider the closure of courts in the most remote island or rural locations to be appropriate, where reasonable alternative access to court services is not available.

19. The closure of 4 Justice of the Peace Courts and the transfer of business to combined Sheriff and Justice of the Peace Courts in the same towns has improved access to court services for people with disabilities. Other actions, such as the recent introduction of on-line payment of fines and proposals for on-line applications for powers of attorney, will improve general access to some SCS services.

20. Statutory Fee Orders, which set the levels of civil court and Office of the Public Guardian (OPG) fees were last updated in 2008, setting inflationary increases in fees up to March 2011. In responding to the proposed budget settlement, the SCS has advised Scottish Ministers that it will seek their agreement to place before Parliament proposals for increases in civil and OPG fee levels at least in line with inflation for each of the next 3 years. Again, these proposals will be subject to EQIA. Any substantial changes to the structure of court or OPG fees would also be subject to public consultation.

Other Issues – SCS Capital

21. The capital allocations for 2012/13 and 2013/14 should provide sufficient funds for completing the current major redevelopment of the Parliament House court complex, to provide fit for purpose accommodation for the Court of Session.
The work will focus largely on addressing essential compliance issues, e.g. upgrading outdated fire alarm and electrical systems, etc.

22. Of the remaining capital funding, approximately £2m p.a. is required for essential maintenance and upgrading of court and SCS ICT systems, leaving very little for on-going maintenance of the remaining SCS estate. Even with some rationalisation of court locations, the low 2014/15 allocation is unlikely to be sustainable beyond the 3 year budget period.

Scottish Court Service
21 October 2011