

MEETING OF THE COURTS SERVICE BOARD

12th December, 2016

The Courts Service Board met on 12th December, 2016.

At the meeting the Board considered and approved reports in the following matters:

Minutes and Documentation from Committees of the Board

The Board noted minutes of meetings of Committees of the Board as follows

- Minutes of Audit Committee Meeting of 10th October , 2016
- Minutes of the Finance Committee Meeting, 10th October , 2016
- Minutes of Family Law Court Development Committee Meeting, 25th July and 17th October , 2016
- Minutes of Building Committee Meeting, 4th October, 2016

Election of Mr. Stephen Bracken to the Board

The Board noted the election of Mr. Stephen Bracken to the Board of the Courts Service to replace Ms. Elaine Jones as the staff representative.

Report on Expenditure and Draft Budget 2017

The Board considered and approved the Report. The Chief Executive briefed the Board on the key issues:

- **Expenditure** - The Board was briefed on expenditure to end November 2016 and the variances against budget under the various subheads.
- **Additional Funding** – The Dail approved the allocation of the additional funding of €2m. by way of a Supplementary Estimate on 8th December to provide for investment in ICT and the extension of video conferencing facilities in the courts. A programme of work to has been put in place with a view to expending this additional funding by year end. The additional funding is very welcome and will enable the Courts Service to effectively manage expenditure at year end and achieve a balanced budget.
- **Budget 2017** - Total Gross Funding for the Courts Service for 2017 has increased from €109.672m to €140.080m which represents a real increase of 4% when the once off funding for the PPP projects is excluded. The Board considered and approved the draft budget as follows:

- **Payroll – budget of €51.814m** – increase of €1.5m or 3% and will allow for the recruitment of circa 20 additional staff with the balance for the restoration of pay under the Lansdowne Road Agreement.
- **Non- Pay – budget €27.583m** – increase of €0.500m or 4% and will provide additional funding for a number of areas including Leases; Courthouse Maintenance; Contract Services e.g. Jury minding in the CCJ; support for the Change Management Office; Learning and Development and other miscellaneous items including provision to meet Bank of Ireland charges being imposed on all Government bank accounts to commence in Q2 2017. It is anticipated that the additional funding being provided across non- pay headings will be off set by identified savings in DAR, Light Heat & Fuel and Travel and Subsistence.
- **Capital – Budget €60.683m** - including provision of
 - €22.163 - the PPP CCJ Unitary Payment;
 - €20.869m – PPP Bundle Vat Payment ;
 - €2.451m. - PPP Regional Unitary Payment (€2.451m.)
 - €4.880m - Courthouse Capital to fund temporary lease and short term accommodation costs associated with the 7 PPP projects; Hammond Lane, Repayment costs on Cork, Naas courthouse and other works. Site acquisitions have not been factored into the budget for 2017.
 - €10.3m. - ICT to fund costs associated with the PPP Bundle (€3.0m) and address the under resourcing of ICT in the Courts Service in recent years through funding for the maintenance, support and development of the IT systems within the Courts Service.
- **Appropriations in Aid - €47.828m** – an increase of €1.825m or 4%.

The expenditure in 2017 will be closely monitored throughout the year. In accordance with the governance arrangements the Finance Committee had considered the proposed budgetary allocations at its meeting on 5th December and recommended them to the Board for approval. The Board considered and approved the proposed budgetary allocations as set out in the Report

- **Management of Court Funds** - for the year ending 30th September, 2016, the overall value of assets increased by €142m. net during the year, attributable to a net

increase in investment performance of €37m and a net increase in capital transactions of €105m. The overall investment performance has been satisfactory with varying levels of positive returns on all funds with the exception of the Cash Fund. This is being monitored very closely by the Investment Committee, which continues to take a proactive and prudent approach, with a view to mitigating the impact of negative interest rates on short term investments.

- **PAC Report on the Management and Investment of Court Funds** – on foot of a recommendation in the PAC Report (July 2015) an independent review of the Growth Funds was carried out for the period May 2007 to January 2009 by AON Hewitt. The outcome of the review is very positive and reflects well on the approach taken by the Courts Service to managing court funds.

Chief Executive Officer's Report

The Board considered and approved the Chief Executive Officer's Report. The Chief Executive Officer briefed the meeting on some of the major issues outlined in his report including

- **Learning and Development Strategy** – significant progress is now being made in the implementation of the Strategy as set out in the Report including technical training programmes, induction and management training and the development of the coaching initiative. Training is being delivered and developed using in house subject matter experts for technical training and eLearning including the development on an online learning management system to support class room based programmes. Major improvements in the meeting the training needs of staff are now being delivered with in the region of 450 staff attending training in the first 9 months of the year. A Learning and Development Committee has been established to oversee and support the implementation of the Strategy and is actively looking at a number of areas including best practice in on-the-job training.
- **Internal Promotions** – shortlisting is underway for internal promotion competitions to the grades of EO, HEO and AP and it is expected interviews will be held in early January.
- **ICT** – the additional funding for ICT has allowed us to begin to address the deficits in ICT infrastructure and systems due to under resourcing in recent years. Developments already underway include the introduction of a new Citrix desktop system for all judges and staff by end January and the migration to the Cloud network which is being rolled out to all court offices and will result in improved performance in Dublin and around the

country. The network equipment in the CCJ will be replaced over the Christmas break and new or replacement video conferencing facilities are being provided at 6 courthouse venues including Trim, Clonmel, Ennis, Cloverhill, Four Courts and Limerick.

- **PPP Courthouse Bundle** – construction has commenced on all 7 PPP courthouse sites and significant progress is being made with all projects. All projects are due to be completed by end 2017.
- **Hammond Lane** - Work on the Hammond Lane project is also continuing and good progress is being made. The NDFA has been formally requested to engage on the project and following a recent procurement exercise AECOM have been selected to carry out a project appraisal and the PPP procurement assessment. It is expected that this will be completed by end Q 1 2017 and that the Part 9 planning process will be undertaken in early 2017. Subject to the approval of the Department of Justice and Equality, the procurement process could begin during 2017 with a view to the project being completed in late 2020/early 2021.
- **Future Provincial Projects** – the Chief Executive briefed the Board on the current status of the 5 provincial city/county town projects remaining to be completed as set out in the Report i.e. Galway, Tralee, Portlaoise, Roscommon and Wicklow. In Wicklow there is space for refurbishment and extension of the courthouse on the current site; a valuation of Roscommon courthouse has been received from the Valuation Office which will form the basis for discussions with Roscommon County Council about a transfer of their portion of the building to the Courts Service; discussion are ongoing with the Department of Defence and An Post regarding sites in Tralee; a site in Portlaoise is being considered in consultation with Laois County Council and the possibility of acquiring a site in Galway is being pursued. Consideration will also be given to the longer term needs to improve court facilities at urban locations other than these main provincial towns/city. There has been no funding provided in the 2017 Estimates for the purchase of sites and any developments will be subject to the necessary funding being made available.
- **Courts Service Website** – work on the redevelopment of the Courts Service website has commenced with a scoping exercise to identify project requirements and ensure a customer centred approach to the content on the site.
- **Management of the CCJ and the PPP Contract** – the Courts Service is now in the 8th year of the 25 year PPP contract. During this period and particularly in recent years, additional work at District Court level and additional court sittings in particular sittings of the Central Criminal Court, Special Criminal Court and Court of Appeal have transferred

to the CCJ. At this stage over 3,000 members of the public enter the CCJ daily for court hearings. The PPP contract for the CCJ is actively managed involving direct monitoring of services and facilities, monthly reporting and invoicing based on performance and availability of the CCJ, formal monthly meetings with the PPPCo. and ongoing engagement in relation to other contractual requirements. A recent audit on the management of the CCJ PPP project found that the procedures in place were effective and the contract is closely managed. In accordance with a recommendation of the Audit Report it is proposed to bring periodic reports to the Board on the management of the PPP contract to provide the Board with the assurance it requires that this major area of expenditure is being appropriately managed.

- **DAR Logging by Court Registrars** – Court registrars are now undertaking basic DAR logging in Circuit Criminal courts and the Central Criminal courts – the initiative is being extended to 9 further Circuit Courts in 2016 and it is intended to complete the project in 2017. The initiative is proving successful and generating significant financial savings for the Courts Service which are being used to provide additional funding to other areas of expenditure within the Courts Service.
- **Unified Patent Court** - it has been proposed to set up a local division of the Unified Patent Court in Ireland, and the Courts Service has indicated in principle that it is in a position to facilitate a local division of a Regional Division court subject to the ascertainment of the facilities which will require to be provided locally.
- **Legislative Reform** – the Legal Services Regulation Act will be commenced early in 2017 and the latest draft of the Judicial Council bill is being considered at present.

Risk Management

The Courts Service continues to robustly manage risks which are kept under review at Senior Management Team, Audit Committee and Board levels. In the development of the Corporate Risk Register for 2017, a comprehensive review of risks has been carried out and risks identified for inclusion either at corporate or directorate level. Extensive engagement with heads of Directorates has been carried out and this exercise is being continued at local manager level.

The Corporate Risk Register for 2017 identifies 22 Risks - 6 High Risks and 16 Medium Risks, across a number of headings - Financial, Service Delivery, Buildings and Technology, People, Compliance and Governance and Projects – and reflects all major risks that need to be brought to the attention of the Audit Committee and the Board. The Draft Register was considered by the Audit Committee at its meeting on 5th December, 2016. The Board

considered and approved the Corporate Risk Register for 2017. The Corporate Register will be kept under active review.

Recruitment of Judicial Assistants

The Board agreed that a Review Group would be established, comprising representatives of the judiciary and senior officials of the Courts Service to

- carry out a comprehensive review of the current system and its ability to meet the needs of the judiciary in the medium and long term;
- review judicial support services available in other common law jurisdictions, particularly Northern Ireland, Scotland and the United Kingdom and
- make recommendations in the matter.

The Review Group will report to the Board

Extension of Contract for Interpretation Services

The Board approved a proposal to extend the current contract for Interpretation Services (which is due to expire on 6th February, 2017) for one further year, as provided for in the current contract.

Contract Register

The Board noted the Contract Register as circulated.

Schedule of Board Meetings 2017

The Board approved the schedule of Board meetings for 2017 as follows:

- Monday 16th January
- Monday 6th February
- Monday 3rd April
- Monday 26th June
- Monday 16th October
- Monday 11th December

Attendance

Present: The Hon. Mrs. Justice Susan Denham, Chief Justice and Chairperson

The Hon. Mr. Justice Peter Kelly

The Hon Mr. Justice Liam McKechnie

The Hon. Mr. Justice Michael Peart

The Hon. Mr. Justice Patrick McCarthy

The Hon. Mr. Justice Ray Groarke

Her Honour Judge Dóirbhíle Flanagan

Her Honour Judge Rosemary Horgan

Judge Gerard Haughton

Mr. Brendan Ryan

Mr. James McCourt

Mr. Paul McGarry S.C.

Mr. Stephen Bracken

Mr. Conan McKenna

Mr. Liam Berney

Mr. Pat Doyle

Mr. Shane Browne

Apologies: The Hon. Mr. Justice Sean Ryan

Officials Present: Mr. Sean Quigley, Head of Resource Management

Ms. Marie Ryan, Secretary

Ms. Miriam O'Flanagan, Office of the CEO