

REPORT

Scottish Legal Aid Board Annual Report 2004-2005



PROVIDING PEOPLE IN SCOTLAND WITH ACCESS TO HELP WITH THEIR LEGAL PROBLEMS

Each working day we receive nearly 2,500 applications, grant notifications and requests for increases. Although this is a large number, it is critical not to focus only on the numbers, but to remember that each application represents a member of the public who wants help.

For many the problems are urgent and the cause of hardship. The prompt and appropriate consideration of their application for legal aid is therefore a key stage in the possible resolution of their problem. It is equally important to those seeking legal help that we continue to develop and improve the legal aid system.

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Our Annual Report covers the period 1 April 2004 to 31 March 2005. The contents of this Annual Report are also available on our website www.slab.org.uk

Laid before the Scottish Parliament by the Scottish Ministers in pursuance of section 5(7)(a) of the Legal Aid (Scotland) Act 1986, December 2005.

MISSION:

To promote the development and delivery of appropriate access to quality legal assistance for those eligible, in a cost-effective manner.

STRATEGIC OBJECTIVES: OUR STRATEGY:

- to achieve consistent, timely and sound decision making at all stages of an application for legal assistance
- to achieve consistent, timely and sound decision making at all stages of assessing and paying accounts
- to achieve effective financial management of the Legal Aid Fund
- to improve the effectiveness of the delivery of our service while achieving a reasonable balance between cost and quality
- to communicate effectively with applicants, opponents, their advisers and other stakeholders in a clear, concise, timely, informative and pro-active manner
- to provide sound advice to Scottish Ministers and the Scottish Parliament on the current operation and development of the provision of legal aid.

We publish a Corporate Plan annually, which sets out our plans and targets for the coming year. We report on how we performed against these plans and targets in our annual report. This year we are reporting against the objectives for the second year of a three-year planning period from 2004-2006. There are three key themes to the strategy:

Access

increasing access to quality assured legal advice, assistance and representation. It is important that people who need legal advice, assistance and representation and cannot afford to pay are able to get this help when they need it. They should also have the comfort and confidence that the legal help they receive is appropriate and of a good standard.

Improve

working with others to improve the efficient and effective operation of the legal aid system and its interaction with the justice system.

Value

increasing our efficiency and effectiveness, and providing best value.

WHO WE ARE AND WHAT WE DO

THE SCOTTISH LEGAL AID BOARD MANAGES LEGAL AID IN SCOTLAND. OUR CORE REMIT IS A WIDE ONE. IT INCLUDES MANAGING THE LEGAL AID SYSTEM, MONITORING HOW WELL IT IS WORKING, AND ADVISING SCOTTISH MINISTERS ON ITS OPERATION AND POSSIBLE FUTURE IMPROVEMENTS.

About us

The Scottish Legal Aid Board was set up in 1987 to manage legal aid in Scotland. We are a non-departmental public body responsible to the Scottish Executive.

The Board's office is in Edinburgh, and we employ the full-time equivalent of around 320 staff. Our work is overseen by Board Members, who are appointed by Scottish Ministers (the number of Members is currently 12, but can vary between 11 and 15). To give a balanced range of knowledge and experience, they include people from the wider community as well as solicitors and advocates.

Our work includes:

- advising Scottish Ministers on how legal aid is working, and ways to develop it
- managing the Legal Aid Fund
- deciding whether to grant applications for legal aid
- deciding sanction applications for the use of counsel, experts, or high or unusual expenditure in legally aided cases or applications for increases in authorised expenditure in advice and assistance
- examining solicitors' and advocates' accounts for legal aid work, and paying them for the work they have done
- deciding what people have to pay towards the cost of legal assistance and dealing with all collections, refunds and queries
- registering firms and solicitors under the Board's Code of Practice in relation to criminal legal assistance and monitoring their continuing compliance
- registering firms for civil legal assistance, monitoring each firm's administrative arrangements, and funding quality assurance which is operated by the Law Society of Scotland
- investigating and tackling abuse of legal aid
- exploring, for example by running pilot schemes, different ways of delivering a legal aid service.

Scottish Executive Ministers are responsible for overall legal aid policy and the Scottish Parliament deals with legislation affecting legal aid.

What is legal aid?

Legal aid allows people who would not be able to afford it to get help for their legal problems.

If someone qualifies, legal aid will pay for their solicitor to give them legal advice and sometimes to put their case in court – this is called “representation”.

- civil legal assistance helps people to get legal advice and representation in civil cases
- criminal legal assistance helps people who have been or may be charged with a criminal offence to get legal advice and representation
- children's legal assistance involves matters under the Children (Scotland) Act 1995 to ensure children are protected and supervised, and appeals against decisions of children's hearings.

Within legal assistance there are two kinds of help:

- advice and assistance, which allows a solicitor to give them advice and some other help such as writing letters and negotiating with other people involved in the case. There are some circumstances where this can include representation in court under a scheme called ABWOR (assistance by way of representation).
- legal aid, which allows the solicitor to take the case to court.

Financial eligibility for legal assistance

The financial eligibility limits for advice and assistance and civil legal aid are set by Parliament each year.

In calculating if someone is eligible, we consider their income and capital, and make allowances for some types of expenditure and for the financial support given to dependants.

The Board publishes information leaflets about legal aid to enable someone to work out if they would qualify. There is also a financial eligibility calculator available on our website.

Who can give legal aid?

Legal assistance funded by legal aid can only be accessed through a solicitor. The solicitor may be working in private practice, in a public defence solicitors' office, or in a law centre.

How is legal aid funded?

Legal aid is funded by the taxpayer and by contributions from assisted persons and opponents in some civil cases. One important difference between legal aid and some other public services is that the government funding is not cash-limited.

This means that if someone is granted legal aid, the Scottish Executive will provide the funds required to meet the cost of their case. People can be sure that they will have access to justice if their case and circumstances meet the tests for legal aid; we never have to refuse people simply because there is no money left to pay for their case. On the other hand, we have a key responsibility to make sure only those eligible (financially, in law, and where it is reasonable to fund the case with public money) receive legal aid.

Our way ahead

We are committed to improving and developing legal aid in Scotland to provide greater opportunities for people to get access to more efficient, effective and quality assured legal aid services.

The reform of legal aid is moving forward. Scottish Ministers consulted on legal aid reform in summer 2005, and these could lead to fundamental changes in how access to justice is provided.

We are working with others to modernise the justice system and ensure that the legal aid system meets the needs of applicants, the legal profession and the courts. Our innovative projects have begun delivering and demonstrating a modern legal aid system for the 21st century.

To deliver our work, we continue to identify and respond to the opportunities and the needs of our stakeholders and customers through partnership and consultation.

KEY ACHIEVEMENTS

DURING **2004-2005**, WE MADE SUBSTANTIAL PROGRESS AGAINST THE OBJECTIVES FOR THE SECOND YEAR OF OUR THREE-YEAR PLANNING PERIOD.

Performance against increased targets

We met all of our headline performance indicators, the key measures of the Board's operational performance. These targets, which balance quality of decision making with speed of processing, were once again higher than in the previous year.

Civil legal assistance

• Quality assurance for civil legal assistance

Working in partnership with the Law Society of Scotland, we introduced a registration and quality assurance scheme for legal firms providing civil legal assistance.

• Civil advice and assistance reform

We worked with the Law Society of Scotland and the Scottish Executive to develop proposals to improve the civil advice and assistance system. The Scottish Executive issued a consultation paper and the first changes were introduced in April 2005.

Criminal legal assistance

• Review of criminal legal assistance

We published in May 2004 a consultation on our proposals for reform of summary criminal legal assistance. We received responses from a wide range of individuals and bodies in the justice system and other organisations. We submitted a review of the outcome of the consultation to the Scottish Executive.

• High Court reform

Important reforms were introduced in the High Court from April 2005. Throughout the year, we worked closely with colleagues in the Scottish Executive and other criminal justice agencies to ensure readiness for the reforms implementation. We also reviewed our approach and guidance in criminal cases for dealing with applications for the use of counsel when Sheriff's sentencing powers were increased to three years in May 2004.

• Fees reform

We worked with the Faculty of Advocates and Scottish Executive to develop new feeing arrangements for advocates in criminal cases. These were introduced in March 2005 and will bring greater certainty, control and value for money in legal aid costs, as well as accommodating High Court reform. In 2005-2006 we will review the operation of the new fees.

• Public Defence Solicitors' Office (PDSO)

We opened Public Defence Solicitors' Offices in Inverness and Glasgow.

Developing publicly funded legal assistance

• Strategic Review of Legal Aid, Advice and Information

The review was carried out by the Scottish Executive with support from the Board. The report was submitted to Ministers and the Board in June 2004, and published in October 2004.

• Getting improved value from legal aid

We worked closely with the Scottish Executive to identify and introduce a series of regulation changes designed to improve the operation of the legal aid system, to give fair reward for legal aid providers and ensure maximum value for money.

• Legal Aid Online

We piloted successfully our online system for advice and assistance. We are now well placed to meet our target of making all of our services available online by the end of 2005.

• Reducing bureaucracy

We continued to reduce bureaucracy in legal aid administration. We introduced 20 more advice and assistance increase templates, which simplify the process for solicitors seeking requests for increases in authorised expenditure.

• Improving our service for clients

We aim to provide a high standard of service to all our customers. We improved further the information available to applicants for legal aid including the publication of a new leaflet and online calculator to help people work out whether they qualify financially for legal aid.

CHAIRMAN'S STATEMENT

I am delighted to introduce this Annual Report which records the work and success of the Board throughout 2004-2005. Once again we had to deal with very high volumes of work alongside the demands of a wide remit and an extensive programme of development.

The needs of our customers are of prime importance to us and so we set and achieved increased targets for performance in the accuracy and the timeliness of dealing with applications for legal aid and payment of accounts submitted by the many solicitors and advocates who deliver legal aid services. We reviewed and revised a range of our policies and procedures to provide improved services to the profession and through them to their clients. In addition the Board took greater responsibility for assisting clients complete the financial assessment for legal aid and we increased our level of communication with applicants and representative organisations to better understand the needs of people in Scotland who each year rely upon of legal aid to enable them to access justice.

However, 2004-2005 was also a period of substantial development work for the Board. We were heavily involved in the reforms of the High Court that went live in April 2005 and we worked with the Faculty of Advocates to develop new feeing arrangements for counsel doing criminal work. We continue to work with the Faculty to review the operation of the new fee table in the light of experience of High Court reform and to offer appropriate advice to Ministers on areas for further development.

As in past years we have worked closely with the Law Society of Scotland and the Scottish Executive in the development of civil legal aid. The major reform of civil legal aid, which started in October 2003, is now fully operational and we continue to monitor the impact of that programme and the need for further adjustment. We have already recommended to Ministers a number of early changes to the new feeing regime which we believe are necessary. This year we developed proposals for the reform of civil advice and assistance and consulted upon them: these reforms will be implemented during 2005-2006.

However, as has been the case for many years, the number of civil legal aid applications received continues to reduce and now we have anecdotal evidence of legal firms deciding to curtail, and in some cases cease, undertaking civil legal aid work. Therefore the Board continues to have a significant concern regarding the demand for civil legal aid and that the current and future supply of civil legal aid services is sufficient to meet client needs.

The year has also seen significant investment in the development of new systems within the Board and in particular web based systems to allow all legal aid transactions to be done on line by December 2005. 'Legal Aid Online' will offer real efficiency gains and reduced operating costs both to the profession and the Board. We are delighted with the very high level of interest from the profession and I expect 2006 will see many firms take full advantage of our online services.



Jean Couper
Chairman

The strategic review on the delivery of legal aid, advice and information was published in October 2004; that and the subsequent consultation "Advice for All" demonstrated the need for greater co-ordination of the supply of and demand for legal services within Scotland. Also highlighted was the need for much more and much better co-ordination between those publicly funded services provided by solicitors and those provided through local authorities and the advice sector. Overall the Board is very supportive of the recommendations made. Whilst Ministers have not yet decided how to proceed, I believe the Board is well placed to accept and fulfil an enhanced role in delivering Scottish Ministers' commitment to ensuring appropriate access to justice for those who need it.

Year on year the Board has worked hard to improve substantially the quality and efficiency of our core service delivery, to develop legal aid to better meet the needs of our customers and to make sure that legal aid plays its proper part in the delivery of access to justice and in the drive for greater efficiency in the justice system. We have pursued a clear and consistent strategy of improved communication, increased consultation with our stakeholders, collaborative working with others, particularly the Scottish Executive and legal profession, and maintaining a strong focus on the needs of both the clients and suppliers of legal aid services. The achievements of the past year, I believe, consolidate further our previous progress and demonstrate the Board's capacity to deliver high quality operational services and effective policy development.

Looking ahead there is much more to be done. We hope to be given an enhanced role in the development and delivery of publicly funded legal services, we plan to capitalise upon our on line services to further improve the timeliness and accuracy of our delivery of core services, we aim to further refine our application and sanction processes and continue to provide sound advice to Ministers on the development of legal advice and assistance.

The reform programme that we face and want to take forward is huge. We welcome and support this and we are committed, with appropriate resourcing, to work with key stakeholders and partners to deliver high quality, appropriate and cost effective legal aid and advice services across Scotland.

As my tenure as Chairman draws to a close I reflect with pride upon the many positive developments in legal aid and upon the improvement in the Board as an organisation to deal with and to work for. Over the years we have forged strong and highly productive working relationships with members of the Law Society of Scotland, Faculty of Advocates, Scottish Executive and many other organisations; they have worked in partnership with us through many complex issues and some difficult times, always focussing on what we could achieve together rather than what we could not; I am grateful to them all.

Members of the Board always give generously of their skills and expertise; the Chief Executive, Lindsay Montgomery and all staff work diligently and with great commitment. I thank each one for their continued successful delivery and their valued support to me in 2004-2005 and throughout my time in office. It has been my privilege to lead such an enthusiastic and effective team.

The future will bring many challenges, but building upon the solid foundations of client centred service and drawing upon the skills and expertise of members and staff, I am confident that the Board will deliver for the people of Scotland.



Jean Couper
Chairman

OUR PERFORMANCE AGAINST TARGET

ACHIEVING OUR TARGETS

THE HEART OF OUR WORK IS CONSIDERING APPLICATIONS FOR LEGAL AID, AND ASSESSING ACCOUNTS RECEIVED FROM SOLICITORS AND ADVOCATES.

We handled over 980,000 applications and accounts last year.

How quickly and how accurately we deal with these is of real importance to applicants, their legal advisers and many others involved in the wider justice system. Last year we achieved all of our main performance targets, consolidated previous improvements and raised many of our targets, reflecting the needs and priorities of our customers.

KEY POINTS

- performance continued to improve
- all headline targets, the key measure of the Board's performance, were achieved
- 47 of 48 individual targets were achieved.

HIGH PERFORMANCE

Achieving our performance targets is a key priority for us. These reflect our commitment to applicants, opponents and the legal profession, to deliver our service on time and to a high standard.

We have service standards and performance indicators covering our service for applicants, their opponents and the legal profession. We ask our stakeholders for their views on these, and adjust the standards if they are not meeting their needs. We set out our targets in our Corporate Plan, which is agreed each year by the Justice Minister.

We also have an Independent Checking and Quality Unit, which checks the quality and accuracy of our decision making.

Headline indicators are the key measures of our performance. These combine individual timeliness and accuracy targets for each type of legal assistance. This is so we achieve a suitable balance between the measures for speed and accuracy of decision making. Our performance figures reflect the amount of time an application has spent in our hands.



Lindsay Montgomery
Chief Executive

This year's performance

For 2004-2005, we set higher standards for all headline indicators compared to the previous year. We also increased accuracy targets considerably, and raised over half the individual timeliness targets.

We achieved all of our six headline performance indicators. We also met or surpassed 47 of our 48 individual targets.

Over the past four years, since our targets were introduced, our performance has continued to improve. Across all of our headline targets, we have set increasingly higher targets, reflecting our commitment to continuously improve our service delivery. Our performance in achieving them has also continued to increase.

The table and chart shows our performance against the key headline measures.

In the last year, we have focused on upholding previous improvements in speed, while further improving the quality of our decision making.

We also continued to focus on completing work on the very small number of applications that failed to meet our targets for speed of decisions.

What's next?

For 2005-2006 we have increased three headline targets and seven individual targets.

Introducing Legal Aid Online services, where solicitors send us applications and accounts electronically, rather than on paper, will bring significantly shorter timescales beyond our current targets.

Full details of our performance can be found on pages 48 and 49.

TABLE 1: TARGET PERFORMANCE

Headline indicator	2003-2004		2004-2005	
	Target	Performance	Target	Performance
Civil applications	90%	93%	92%	93%
Criminal applications	95%	99%	99%	99%
Advice and assistance applications	95%	98%	96%	99%
Civil accounts	91%	98%	95%	98%
Criminal accounts	96%	99%	97%	99%
Advice and assistance accounts	95%	98%	96%	99%

OUR RECORD OF PERFORMANCE IMPROVEMENT

The last four years have also seen improved performance for both accuracy and timeliness across many of our individual targets. For some timeliness targets, we have both improved our performance against target, whilst shortening our targets for timeliness.

Improvements in timeliness

- civil legal aid requests for sanction to use counsel, experts or incur unusual costs are considered within 14 days. Over the last four years our performance against this target has increased by 8% to 91% last year.
- requests for increases in authorised expenditure for advice and assistance are considered in 7 days. We have increased our performance from 92% to 96%.
- we consider civil legal aid accounts within 30 days. Over the last four years our performance against target has improved by 12% to 99% last year.

Shorter timescales and high performance

- in criminal legal aid, we now consider reviews of refusal of initial applications within 12 days instead of 21 days four years ago, whilst maintaining the standard of 99% of applications being considered within the target.

Improvements in accuracy

- in civil legal aid, over the last four years we have improved the accuracy of our decision making of initial applications by 7% to 96%.
- we have also improved the accuracy of decision making of reviews of refusal of initial civil legal aid applications from 89% to 97%. Moreover, over the last four years we have also reduced the timescale for considering these applications by 7 days to 35 days.

TABLE 2: TARGET PERFORMANCE

Headline indicator	2001-2002	2002-2003	2003-2004	2004-2005
Civil applications	88%	90%	93%	93%
Criminal applications	99%	99%	99%	99%
Advice and assistance applications	97%	97%	98%	99%
Civil accounts	92%	98%	98%	98%
Criminal accounts	95%	98%	99%	99%
Advice and assistance accounts	96%	98%	98%	99%

LEGAL ASSISTANCE FACTS AND FIGURES

LEGAL AID PROVIDES ACCESS TO JUSTICE FOR MANY PEOPLE EACH YEAR.

In this facts and figures section, we set out how people gained access to justice through legal aid and how much the service cost the taxpayer. It outlines the key costs and volumes in civil, criminal and children's legal assistance during the year and aims to explain significant trends or changes.

KEY POINTS

- 428,821 grants of legal assistance made in 2004-2005
- £152.4 million spent on providing legal assistance
- providing legal assistance cost 4% more than in 2003-2004
- the increase is mainly because of an increase in the number of grants and costs of criminal legal aid.

Full details of legal aid statistics and expenditure are in the statistics and accounts section starting from page 44.

LEGAL ASSISTANCE COSTS AND VOLUMES

OVERALL COSTS IN 2004-2005

The total net expenditure from the Legal Aid Fund in 2004-2005 was £152.4 million, an increase of 4% on the previous year:

- £109.0 million for criminal cases, 72% of the total and a 6% increase on the previous year
- £39.9 million was spent on civil cases, less than 1% lower than the previous year and 26% of the total, and an increase of 4%
- £3.4 million of our expenditure was on legal assistance for children and contempt of court, an increase of 4% and 2% of the total.

Payments made for:

- solicitors' fees increased by 4% to £127.3 million
- counsel – advocates and solicitor advocates – increased by 5% to £18.8 million
- outlays rose by 10% to £17.7 million.

GRANTS OF LEGAL ASSISTANCE IN 2004-2005

428,821 grants of legal assistance were made in 2004-2005, a reduction of 3%.

- criminal legal assistance grants fell by 1% to 279,306
- there were 139,933 grants of civil legal assistance, a reduction of 7%
- 9,632 grants were made for children's legal assistance and contempt of court, which was virtually unchanged from the previous year.

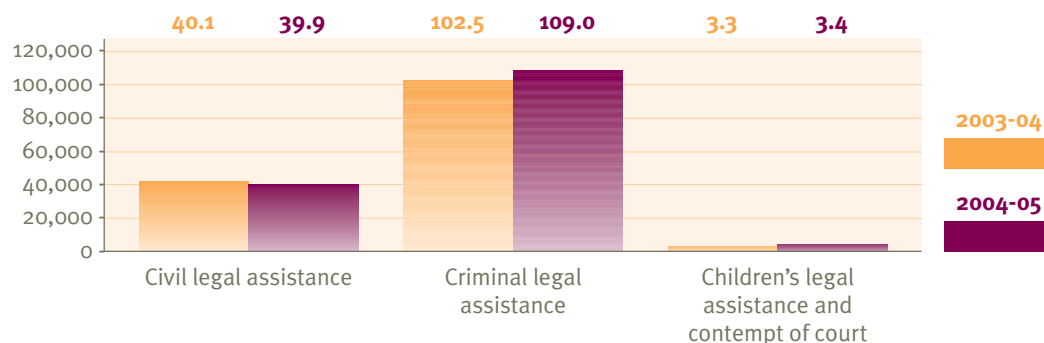
LEGAL AID ADMINISTRATION

The total cost of running legal aid in 2004-2005 was £11.3 million, a planned increase of £0.4 million or 3%.

The cost of running the Board's offices, including all staffing costs, and funding of particular initiatives such as our innovative advice projects and civil quality assurance, was £10.8 million. The amount we invested as capital was £0.5 million.

The cost of administering legal aid is met from grant-in-aid. The Scottish Executive set a budget for this expenditure.

CHART 1: NET LEGAL AID EXPENDITURE (£m)



CIVIL LEGAL ASSISTANCE

THIS SECTION COVERS CIVIL ADVICE AND ASSISTANCE, CIVIL ASSISTANCE BY WAY OF REPRESENTATION AND CIVIL LEGAL AID. YOU CAN READ ABOUT CIVIL LEGAL ASSISTANCE DEVELOPMENTS ON PAGE 26 AND YOU CAN FIND CIVIL LEGAL ASSISTANCE STATISTICS FROM PAGE 50.

FACTS AND FIGURES 2004-2005

Civil legal assistance in total

- in 2004-2005, there were 139,933 grants of civil legal assistance (which includes both civil legal aid and civil advice and assistance) in total. This was 7% less than the previous year, mainly because of a decrease in civil advice and assistance grants.
- overall, civil legal assistance cost £39.9 million last year. This was less than 1% lower than was spent in 2003-2004.

Grants of civil advice and assistance and ABWOR

- solicitors made 7% fewer grants of advice and assistance and ABWOR for civil matters than in the previous year – 128,944 compared with 138,258
- the cost of civil advice and assistance fell by 1% to £21.3 million.

Grants of civil legal aid

- we made 11% fewer grants of civil legal aid than in the previous year – 10,989 compared with 12,322
- we granted 61% of applications received – compared with 67% the previous year
- the number of applications for civil legal aid fell by 6% to 16,997
- the net cost of civil legal aid remained at the same level as for the previous year – £18.6 million.

Amounts people paid

- people who received civil legal assistance made contributions towards the cost of their legal aid totaling £12.2 million, which is 23% of the total spent on civil cases. This is a 8% increase in the amount paid back compared to the previous year.
- 24% of people who received civil legal aid had to pay a contribution, with the average amount being £1,027.

GRANTS OF CIVIL ADVICE AND ASSISTANCE AND ABWOR

Grants of advice and assistance and ABWOR

The downward trend in the use of civil advice and assistance and ABWOR over the last five years continued in 2004-2005. The fall of 7%, to 128,944 grants, means the total number of grants is now 23% lower than five years ago.

Requests for increases in authorised expenditure have dropped by 9% this year. This suggests that our introduction of “templates” for certain types of case, which enables solicitors to put in a single request for an increase to cover all the steps commonly taken for that type of case, has cut the need for additional requests and reduced bureaucracy for solicitors.

Costs

The cost of civil advice and assistance has fallen slightly, by less than 1% to £21.3 million. However, this fall is entirely in advice and assistance, whereas ABWOR has risen by 4% to £2.6 million.

The average cost of an advice and assistance case was £166, an increase of 5% on the previous year. The average cost of a civil ABWOR case increased by 7% to £707.

Immigration cases

Grants of advice and assistance for immigration rose by 16% to 6,257 grants. This category includes general advice on immigration and nationality, such as work permits. However, grants of ABWOR for immigration fell by 5% to 2,027 grants. This category is for the more extensive work often needed for immigration appeals.

The costs of advice and assistance for immigration cases increased by £0.3 million to £1.9 million, whilst the cost of ABWOR in immigration cases was almost unchanged at £1.6 million. This is in contrast to increased costs of these cases the previous year.

CIVIL LEGAL AID

Applications and grants

The number of applications for civil legal aid continued to fall in 2004-2005, by 7% to 16,997. This continues the trend over recent years, shown in the chart below.

There were 10,989 grants of civil legal aid, 11% fewer than in the previous year. The overall grant rate for civil legal aid applications decided in the year (including both grants on review and grants at first instance) was 61%.

Family/matrimonial cases, with 7,793 cases, account for 71% of all civil legal aid grants. The number of grants for this category has fallen by 15% compared with the previous year and continues the downward trend over the past few years.

Reparation cases, which accounted for 13% of civil applications, rose by 6%. This reverses the trend over the past few years. There has also been a significant rise in the number of grants of judicial reviews. Both of these categories of case have seen legal aid granted for prisoner cases involving “slopping out” cases. In 2004-2005 we made 538 grants for “slopping out” cases, 120 for judicial review and 418 for reparation. Without these cases, the trend in reparation would continue to show a decrease, and judicial reviews would have decreased rather than increased.

Trends in civil legal aid (Chart 2)

Over the past 10 years, applications and grants in civil legal aid have fallen considerably. There are likely to be several reasons for this. For example, the number of fault based divorces in the courts halved between 1995 and 2004. This clearly has an effect on demand for civil legal aid, especially

as a large proportion of legally aided family work is for divorce cases. Another reason for the fall in civil legal aid applications and grants could be that solicitors work on some compensation cases on a “no win no fee” basis. Another factor may be that people are facing difficulties in accessing a solicitor to provide civil legal aid. We are therefore investigating access issues.

Amounts people pay towards the cost of civil legal assistance

Paying contributions

People receiving civil legal aid may have to pay towards the cost of their case. They may have to pay a contribution which we calculate based on their income and capital, or if their case is successful they may be awarded expenses against their opponent, or if expenses are insufficient to meet their legal aid costs, pay from the money they win in their case – this is often called “property recovered or preserved,” or “clawback.”

Almost three-quarters of people awarded civil legal aid do not have to make a contribution to the cost of their case.

Last year the proportion of cases where the applicant has to pay a contribution dropped by 1% to 24%. The average contribution in 2004-2005 was £1,027, almost the same as the previous year.

Amounts recovered

£12.2 million in total was collected, which is 24% of the total spent on civil cases. The amount paid back increased by £0.9 million, or 8%, compared to the previous year.

- we collected contributions of £1.4 million from people who had been granted civil legal aid

- expenses of £9.8 million were received from opponents
- £1.0 million was taken into the Legal Aid Fund from property recovered or preserved.

We recovered 24% of the amounts paid out in civil legal aid cases in 2004/2005. In reparation cases, 72% of the amount spent was recovered, and 11% of the amount spent on family and matrimonial cases was recovered.

Costs

Gross expenditure on civil legal aid increased by £0.8 million (3%) to £30.8 million. However the net cost to the taxpayer (allowing for contributions, expenses recovered from opponents and amounts recovered from assisted persons) was £18.6 million, unchanged from 2003-2004.

A small number of expensive cases, particularly within the reparation category, have been a key factor in the increase of gross expenditure.

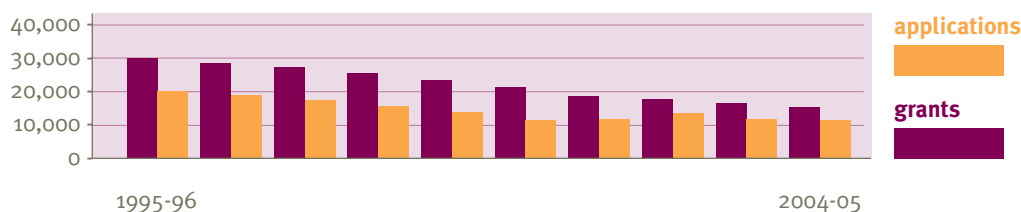
Average case costs

The average gross cost of a civil case rose by 7% and now stands at £2,515. A small number of expensive cases had an impact on the average gross case cost.

Amounts paid to the legal profession

The amount paid to solicitors fell slightly, by 1%, to £17.8 million. Amounts paid to advocates and on outlays rose by 5% to £4.4 million, and 10% to £8.6 million respectively. As a proportion of the total spent, outlays rose by 2%, to 28% of the total. In contrast, the proportion paid to solicitors fell by 2%, from 60% of the total, to 58%.

CHART 2: CIVIL LEGAL AID APPLICATIONS AND GRANTS



CHILDREN'S LEGAL ASSISTANCE AND OTHER

KEY FACTS AND FIGURES 2004-2005

- children's advice and assistance grants fell by 1% to 5,687
- grants of children's legal aid including appeals were almost the same at 3,668 grants
- the overall cost of children's legal assistance increased by 6% to £3.4 million.

You can read statistics on legal assistance for children from page 65.

The legal aid in this section is specifically for proceedings under the Children (Scotland) Act 1995. This involves measures to ensure children are protected and supervised, and appeals against decisions of children's hearings.

Children's advice and assistance

The number of grants of advice and assistance on matters under the Children (Scotland) Act fell by 1%, to 5,687. Spending, however, rose by 7% to £0.5 million.

Children's legal aid

The number of grants of legal aid by the courts under the Children (Scotland) Act 1995 increased by 9 grants compared to the previous year to 3,658 grants. There were also 10 grants for appeals.

The total paid for legal aid for children rose by 6% to £2.9 million. However, this follows a 19% fall in expenditure in the previous year. The average cost of a case fell by 6% to £1,003.

In particular, payments to advocates decreased substantially, by 23%, compared with the previous year. We issued guidance during the previous year about the appropriate use of advocates in children's cases.

Contempt of court

Grants by the courts for contempt of court proceedings increased by 10% to 227 grants. Expenditure however decreased by 23% to £0.1 million. The average cost of a case fell by 22% to £370.

CRIMINAL LEGAL ASSISTANCE

THIS SECTION COVERS CRIMINAL ADVICE AND ASSISTANCE, CRIMINAL ADVICE AND ASSISTANCE BY WAY OF REPRESENTATION AND CRIMINAL LEGAL AID. YOU CAN READ ABOUT CRIMINAL LEGAL ASSISTANCE DEVELOPMENTS ON PAGE **28** AND CRIMINAL LEGAL ASSISTANCE STATISTICS FROM PAGE **57**.

FACTS AND FIGURES 2004-2005

Criminal legal assistance

- the total number of grants of legal assistance for criminal matters fell by 1%, to 279,306 grants in 2004-2005
- however, the cost of providing criminal legal assistance increased by 6% to £109.0 million, continuing the trend of recent years.

Advice and assistance

- the number of grants by solicitors of advice and assistance (including ABWOR) for criminal cases was 152,174, 4% fewer than the previous year
- expenditure increased by 4% to £12.9 million.

Criminal legal aid

- there were 80,496 grants of summary criminal legal aid, an increase of 5% on the previous year and the highest ever level
- the cost of summary criminal legal aid increased by £2.1 million to £51.0 million because of an increase in the number of cases. The average case cost was almost unchanged from the previous year at £646.

The number of grants by the courts of solemn criminal legal aid (for the most serious crimes) fell by 4% to 10,967. This reverses the increase of recent years.

The cost of solemn criminal legal aid increased by 5% (£1.7 million) to £39.2 million.

CRIMINAL ADVICE AND ASSISTANCE

The total number of criminal advice and assistance grants (including ABWOR), fell by 4% compared with 2003-2004 to 152,174 grants.

Grants of criminal advice and assistance recorded a fall of 3% to 131,521, which continues a fall since 2000-2001 of 6%. Criminal ABWOR grants fell by 10% to 20,653.

Costs

Expenditure on criminal advice and assistance and ABWOR rose by 4% to £12.9 million.

The average cost of a case under advice and assistance was unchanged at £69, but the average cost of a case under ABWOR rose by 14%, to £205. This was mainly because of a significant increase in solicitors' fees.

CRIMINAL LEGAL AID

Summary criminal legal aid

The number of applications received by the Board for summary criminal legal aid increased by 4% to 86,269 from 82,999. This is the highest ever number of applications for the fourth year running and continues the upward trend seen since 1998-1999. The grant rate rose by 1%, to 92%.

The number of grants made by the Board was 79,343. The courts may grant summary criminal legal aid in a limited number of defined circumstances, mainly for those that the court is considering imprisoning.

Grants of summary criminal legal aid made by the courts rose by 1% to 1,153.

The total number of summary criminal legal aid grants in 2004-2005 was 80,496, a 5% increase on the previous year. As with applications, this is the highest ever total.

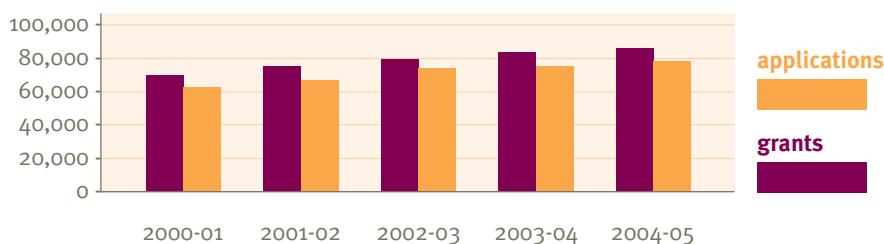
Most of the growth in applications for summary criminal legal aid was in the categories of 'offensive weapons/vandalism/breach of the peace' with an increase of 13%, and 'assault' which rose by 12%.

Trends in summary criminal legal aid (Charts 3 and 4 (overleaf))

Over the last five years, the number of applications to the Board and grants of summary criminal legal aid has increased. The number of applications have increased by 25% and in 2004-2005 were at the highest ever level. The number of grants made by the Board has also increased by 26%, and in 2004-2005 was at its highest ever level. The number of summary grants by the courts has also increased by 34% over the past five years.

Expenditure on summary criminal legal aid rose by 26% over the past five years.

CHART 3: SUMMARY CRIMINAL LEGAL AID APPLICATIONS TO THE BOARD AND GRANTS MADE



CRIMINAL LEGAL ASSISTANCE

CHART 4: SUMMARY CRIMINAL LEGAL AID EXPENDITURE (£'000)

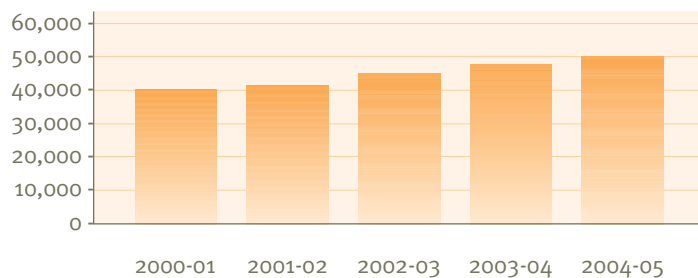


CHART 5: SOLEMN CRIMINAL LEGAL AID GRANTS BY THE COURTS

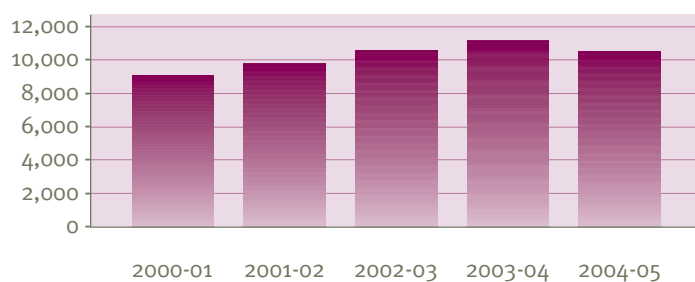


CHART 6: SOLEMN CRIMINAL LEGAL AID EXPENDITURE (£'000)



Solemn criminal legal aid

The courts grant legal aid in solemn cases.

- last year there were 10,967 court grants, a reduction of 4%, reversing the trend of the past four years
- costs increased by 5% to £39.2 million. The average case cost fell by 4% to £3,533.

Trends in court granted legal aid (Charts 5 and 6)

Over the last five years the number of grants by the courts for solemn criminal legal aid has increased by 16%.

Expenditure on solemn criminal legal aid has increased more sharply, by 55% over the past five years, to its highest ever level in 2004/2005.

Appeals

There were 2,551 grants of criminal legal aid for appeals, a decrease of 3% on the previous year.

Automatic legal aid

Legal aid is available for the pilot specialist courts and other particular circumstances. In 2004-2005 there were 539 grants. Grants of automatic legal aid in the Hamilton Youth Court more than doubled to 269, and there were 201 grants by the Glasgow Domestic Abuse Court in its first year. There were also 53 grants by the Glasgow Drug Court.

Duty solicitors

Anyone taken into custody (regardless of their financial circumstances) has the right to use the duty solicitor. A duty solicitor is always available at every sheriff and district court in Scotland. He or she can represent accused people at their first appearances in court and, if they plead guilty, deal with any follow-up hearings until the end of the case.

Duty solicitors made 32,579 appearances for people on criminal matters in 2004-2005, an increase of 5% on the previous year.

Sanction

Applications for sanction in summary cases fell by 3% this year, whilst those for solemn proceedings rose by 7%. Applications for sanction for experts rose overall by 1%, for unusual work by 6% and for counsel by 6%.

Expenditure

Total expenditure on criminal legal aid, the duty solicitor scheme and PDSO during 2004-2005 was £96.1 million, an increase of £6.0 million (7%) from £90.1 million in 2003-2004.

- summary criminal cases increased by 4% to £51.0 million, and is now 53% of total expenditure on criminal legal aid
- solemn cases increased by 5% to £39.2 million, and is 41% of spending compared with 31% five years ago

- appeals cost £4.1 million, an increase of £1.7 million on the previous year
- PDSO, the Public Defence Solicitors' Offices cost £0.8 million. This included setting up costs for two new offices in Glasgow and Inverness.
- duty solicitors cost £1.0 million, a rise of 3%.

The average cost of a case under summary procedure was £646, almost unchanged from the previous year, while the average cost for solemn proceedings fell by 4%, to £3,533.

Total spending on appeals rose by 72%, to £4.1 million. This was mainly because of two extremely expensive cases, with one of the longest running appeals in Scotland being paid within the year.

Payments made to the legal profession and for outlays are shown on page 22.

LEGAL PROFESSION

Payments made in 2004-2005

Legal aid pays for fees charged by solicitors, advocates and solicitor advocates. It also pays for outlays – for example, travel expenses and the cost of obtaining reports from experts such as doctors and surveyors.

Some payments that solicitors request as an outlay are to pay for advocates or other solicitors who act as the agent for the firm, mainly in the Edinburgh courts.

Increases in total legal aid expenditure are reflected in increases in payments made. Payments to solicitors increased by 4% to £127.3 million; payments to advocates and solicitor advocates rose by 5% to £18.8 million; and outlays increased by 10% to £17.6 million.

Payments made 2000-2005 (Chart 7a-c)

Payments made to solicitors have increased by 20%, a £21.0 million increase over the past five years. Payments to counsel (advocates and solicitor advocates) have increased by 76% over that period, through an increase of £8.1 million. Outlays costs have increased by 35%, or by £4.5 million more, over the past five years. The overall increase in payments made has been 26% over this five year period.

Payments made for civil legal aid work (Chart 8)

Over the last five years, payments made for civil legal aid work overall have increased by 7% or £2.1 million:

- payments made to solicitors over this period have fallen by £0.1 million, a reduction of 1%
- payments to counsel have however increased by £0.9 million, which is 26% higher
- the cost of outlays for civil legal aid has increased by 18%, which is £1.3 million more over the last five years.

Payments made for criminal legal aid work (Chart 9)

Over the last five years payments made for criminal legal aid work has increased by 39%, a rise of £26.6 million:

- payments made to solicitors rose by £17.8 million, an increase of 31%
- payments to counsel have doubled, with an increase of 103% or £7.1 million
- payments for outlays increased by 45% or £1.7 million, over this period.

Payments made

We publish on our website www.slab.org.uk details of payments made in 2004-2005 to all firms of solicitors, solicitor advocates and advocates.

Legal aid practitioners

Firms of solicitors must be registered with us to undertake legal assistance work. In addition, individual solicitors who undertake criminal legal assistance must also be registered.

As at 31 March 2005, there were:

- 752 firms registered to provide civil legal assistance. This was the first year of civil registration, so no comparisons to previous years are possible.
- 641 firms registered to offer criminal legal assistance. This is 4% lower than the previous year.
- 1541 solicitors registered to provide criminal legal assistance. This is 3% lower than the previous year.

TABLE 3: PAYMENTS MADE

Type	Payments made	Percentage change to 2003-4
Solicitors' fees	£127.3 million	4% increase from £122.9 million
Advocates' and solicitor advocates' fees	£18.8 million	5% increase from £17.9 million
Outlays	£17.7 million	10% increase from £16.0 million

NOTE: Payments made figures stated on these pages are gross expenditure and include VAT.

CHART 7a: PAYMENTS MADE (£'000)

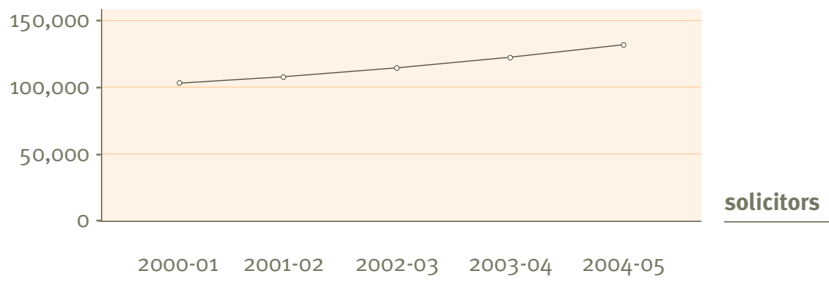


CHART 7b: PAYMENTS MADE (£'000)

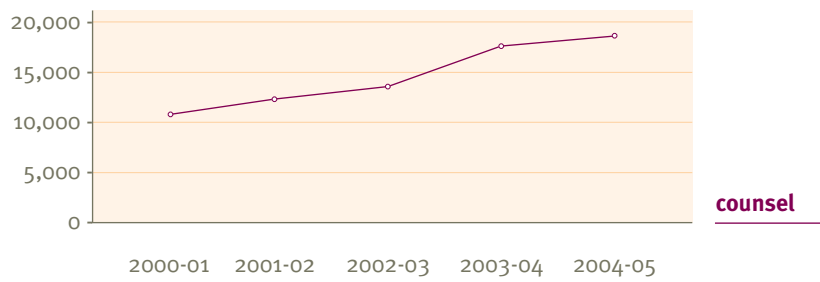


CHART 7c: PAYMENTS MADE (£'000)

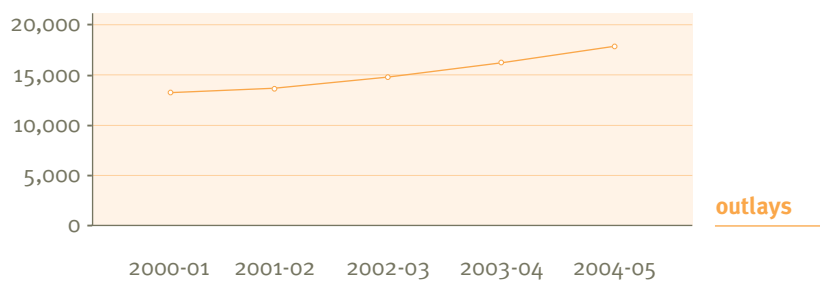
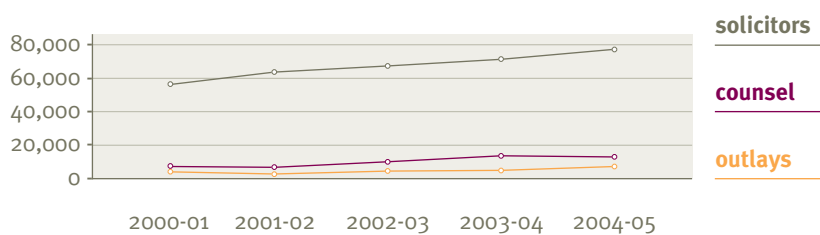


CHART 8: PAYMENTS MADE FOR CIVIL LEGAL AID (£'000)



CHART 9: PAYMENTS MADE FOR CRIMINAL LEGAL AID (£'000)



DEVELOPING LEGAL ASSISTANCE

THE REFORM OF LEGAL AID IS MOVING FORWARD. INCREASINGLY, WE ARE WORKING WITH OTHERS TO MODERNISE THE JUSTICE SYSTEM AND ENSURE THAT THE LEGAL AID SYSTEM MEETS THE NEEDS OF APPLICANTS, THE PROFESSION AND THE COURTS.

REFORMS TO IMPROVE AND DEVELOP LEGAL AID

To increase access to justice, we consider a range of possible ways to provide legal help and to develop and improve the system. The section considers developments and changes including:

- civil advice and assistance reforms that are being implemented during 2005-2006
- reforms of criminal legal aid, linked to changes in the criminal justice system, which have now begun
- civil legal aid – In 2003, working closely with the Law Society of Scotland, we introduced the most significant reforms to civil legal aid for 50 years. We are monitoring how these reforms are working.

The reforms being made will deliver a better service for the public and include:

- introducing quality assurance schemes
- new feeing arrangements for the legal profession
- streamlined administration arrangements
- partnership working.

WE VALUE THE WORK OF THE LEGAL PROFESSION IN DELIVERING LEGAL AID SERVICES. MORE AND MORE, WE WORK IN PARTNERSHIP NOT ONLY WITH THE LEGAL PROFESSION, BUT ALSO WITH THE SCOTTISH EXECUTIVE, OTHER AGENCIES, THE SCOTTISH PARLIAMENT AND OTHER PARTS OF THE JUSTICE SYSTEM. THE LEGAL AID DEVELOPMENTS OWE MUCH TO THEIR CO-OPERATION AND SUPPORT.

CIVIL AND CHILDREN'S LEGAL ASSISTANCE

CIVIL ADVICE AND ASSISTANCE

Reform of civil advice and assistance
The reform of civil advice and assistance moved forward significantly in the past year.

Together with the Scottish Executive and the Law Society of Scotland, we undertook a review of civil advice and assistance. The review looked at how to improve the way civil advice and assistance operates, and came up with a series of proposals to ensure that it works effectively alongside the reformed civil legal aid system.

In December 2004, on behalf of the Law Society, Board and the Scottish Executive, the Executive issued a consultation paper, setting out the proposals for the first stage of the reform in the context of the Executive's commitment to continue to modernise legal aid. The consultation asked for views on the desirability and feasibility of the changes proposed. The Board and the Scottish Executive also held meetings with stakeholders to discuss the changes.

The proposals for reform of the civil advice and assistance scheme included:

- a separation between civil and criminal advice and assistance
- some changes to ensure that civil advice and assistance is focused on those matters on which advice from a solicitor is appropriate
- a new system for considering applications, which means that there will be two types of case. Firstly, there will be cases covered by a list of categories, where it is assumed that advice from a solicitor is appropriate and where solicitors will be able to access semi-automatic increases in authorised expenditure, by using "templates" that the Board will publish. This cuts down on bureaucracy.
- for cases not covered by this list of categories, a solicitor will be able to grant civil advice and assistance, but only for the purpose of an initial diagnosis of the client's problem and determining whether further advice and assistance from a solicitor is required. If further advice is needed, the solicitor will then apply to the Board.
- increased fee rates for solicitors. Fee rates for civil advice and assistance work had not been amended for a number of years these were increased by 21%. This includes a 5% interim increase that took effect in June 2004. Also, arrangements for minimum fees will be ended from 1 February 2006 when other changes come into effect.
- changes to the assessment of financial eligibility and to when and how contribution payments are to be paid.

The implementation of the reforms has begun in phases:

- increased fees were introduced in April 2005 for civil and children's advice and assistance and civil ABWOR fees. They applied to fees for work done or outlays incurred on or after 30 April 2005.
- the diagnostic stage and other changes in the applications and increases process will come into effect on 1 February 2006
- thereafter, changes to the applicant's financial eligibility and contributions will be introduced.

"Hardship" applications

In summer 2004 we introduced revised procedures including new forms and guidelines for applications under Regulation 16(3) of the Advice and Assistance (Scotland) Regulations 1996 (commonly known as "hardship applications").

We introduced two new forms for:

- applications under Regulation 16(3)(a) – where payment of the solicitors account out of property recovered or preserved would cause the applicant grave hardship or distress
- applications under Regulation 16(3)(b) – where the solicitor has taken all reasonable steps to obtain payment to meet their fees, but this cannot be obtained without unreasonable delay or difficulty.

The new forms make the application process clearer and help solicitors in deciding whether an application should be made under Regulation 16(3)(a) or (b). The new guidelines provided information on the Board's policy to assist in making the application to us, and we have also published further information on common queries that have arisen.

Advice and assistance 'templates'

We provided guidance to solicitors following the introduction of 'templates' for increases in advice and assistance expenditure for particular cases. This new approach aims to simplify the process for solicitors. It provides greater certainty about the subject matter of the increase request and reduces administration for both the solicitor and the Board.

We published further advice and assistance 'templates' guidance materials in summer 2004, on reparation claims, family law matters and employment tribunal cases.

CIVIL LEGAL AID

Monitoring of civil legal aid reforms

October 2003 saw the introduction of the most significant reform of civil legal aid for over fifty years. The reforms included the introduction of quality assurance and registration of firms, new reporting requirements on the progress of cases and a new block fee regime and increases in fees. During 2004-2005, the new quality assurance scheme and the registration requirements came into effect.

In conjunction with the Law Society of Scotland and the Scottish Executive, we are monitoring all the reforms to make sure that they are effective, and that they continue to work to everyone's benefit. We will report our findings to Scottish Ministers in 2005-2006.

We are also monitoring the supply of solicitors doing legal aid work across the country, to make sure that there are sufficient numbers of solicitors covering a wide range of work. This has involved research analysis work of the applications being made by firms across Scotland. The Law Society of Scotland, the Scottish Executive and the Board will also be conducting research on the recruitment and retention of new solicitors undertaking legal aid work.

We have already identified aspects of the new feeing system which require early change and have recommended this to Ministers.

New civil computer system

We completed development of a new civil applications computer system and registration process that became operational in summer 2005. The system allows us to deal with all casework electronically, removing the need for paper files.

This major new system development has been a key investment that will bring significant benefits to how we manage civil legal aid applications. The improvements the system will bring include:

- the ability to process cases more quickly
- easier location of case information which will be held digitally removing the need for paper files
- easier tracking of the progress of civil cases
- revised standard letters to make them more informative and clearer
- the provision of much better management information on civil legal aid.

Annual statements for standard security cases

As a result of new computer systems in our Treasury Department, it is now possible for us to provide individuals who have granted standard securities to the Board with annual statements of the amount due, including interest. The first statements were issued in May 2004 and thereafter will be issued annually in April each year.

CHILDREN'S LEGAL ASSISTANCE

Scottish Ministers agreed that legal aid for children would come within the scope of the reformed civil legal aid system, including quality assurance, as an interim step until a distinct system is developed for children's legal aid. This was implemented in June 2004.

CRIMINAL LEGAL ASSISTANCE

CRIMINAL LEGAL AID

Changing criminal legal aid

Scottish Ministers want to modernise the criminal justice system. The legal aid system has a key role in helping the criminal justice system work effectively and will need to change with it.

Review of summary criminal legal assistance

We published a discussion paper setting out our proposals for the review of summary criminal legal assistance in summer 2004.

Our review sought to improve the efficiency of the criminal legal aid system, and help make sure that solicitors were paid properly for what they do.

Our proposals were based around anticipated changes to the summary criminal system, such as early disclosure and sentence discounting, as well as the desire to improve payment rates for work done in earlier stages of a case. The main features of our proposals were:

- the introduction of a single, more integrated system for the work currently covered by criminal advice and assistance, ABWOR, and summary criminal legal aid
- removing the exclusive jurisdiction of the duty solicitor to act for clients appearing from custody, and reviewing duty remuneration rates

- more consistent feeing and remuneration arrangements
- the revision of financial eligibility tests by standardising financial assessments, based on the current advice and assistance arrangements, with the removal of client contributions
- where the interests of justice test is to be applied for trials, the defence advanced would need to be “meaningful” as opposed to the existing “non-frivolous”, and this factor should be weighted more highly than the others
- the courts should have wider powers to make publicly funded representation available, where it is felt desirable for the accused to be represented.

We received 45 responses to these proposals, from solicitors’ organisations, individual solicitors, district courts, local authorities, Crown Office, Scottish Court Service, Sheriffs’ Association, the police, and other organisations.

We carefully considered the views expressed by those who had responded to our paper and submitted our final review paper to Ministers in March 2005.

We believe our recommendations sit well with Ministers’ plans to reform the summary justice system, which are set out in their report “Smarter Justice, Safer Communities: Summary Justice Reform – Next Steps.”

High Court reform

Important reforms were introduced in the High Court from April 2005, and some criminal legal aid changes were required to support these. This follows Lord Bonomy's review of the High Court as implemented by the Criminal Procedure (Amendment) (Scotland) Act 2004. We worked closely with colleagues in the Scottish Executive and other criminal justice agencies to ensure readiness for implementation of the reforms.

Before the introduction of the High Court reforms, we published guidelines for the legal profession on taking precognitions and employing counsel in High Court cases.

We will be monitoring the progress of the new High Court procedures to see if any further legal aid changes are needed.

Counsel's fees

We worked with the Scottish Executive, the Faculty of Advocates and the Law Society of Scotland to develop new tables of fees for counsel (both advocates and solicitor advocates). Revised tables of fees for counsel in High Court and sheriff court solemn cases, which were laid as regulations in March 2005, and came into effect from 4 April 2005.

These included changes to accommodate High Court reform in criminal cases. The new fee structure provides greater certainty for counsel and the Board as to what is chargeable. We are currently reviewing the operation of the new fees for first instance cases with the Faculty of Advocates and the Scottish Executive by taking account of experience so far and developing new arrangements for the payment of counsel in appeal cases.

We have been working with the Law Society of Scotland and the Scottish Executive to develop a revised fee scheme for solicitors in solemn cases. It is hoped that these can be introduced during 2006.

Increase of sheriffs' sentencing powers

Sheriff's maximum sentencing powers were increased in May 2004 from three to five years. This means that cases which previously may have been heard in the High Court can be dealt with in the Sheriff Courts. We reviewed our guidelines for applications for sanction for counsel to accommodate this change. We consulted widely on these and published the final version in December 2004. This change has resulted in an increase in the number of applications and grants for sanction for counsel in solemn cases.

CRIMINAL LEGAL ASSISTANCE

OTHER DEVELOPMENTS IN CRIMINAL LEGAL ASSISTANCE

Quality assurance in criminal legal assistance

We continue to work with the Law Society and separately with the Faculty of Advocates on developing quality assurance regimes for all practitioners undertaking criminal legal assistance. We expect to implement new arrangements in 2006. We are also taking the opportunity to review the Board's "Code of practice for criminal legal assistance" to take account of the new quality assurance regime.

Peer review pilot for criminal legal assistance for solicitors

In 2004, the Board began a pilot project of peer review using the PDSO, the Public Defence Solicitors' Office.

A set of peer review criteria was produced for the pilot scheme, and these are available on our website. Practising solicitors were appointed as assessors. They assessed live cases conducted by the PDSO's solicitors. This was a very useful exercise and much was gained from the experience of the assessors in using the peer review criteria. This is being used to inform the development of the new quality assurance regimes.

New courts and arrangements for vulnerable witnesses

The Scottish Executive has introduced several pilots of new court arrangements over the past few years. These include a drugs court, initially in Glasgow; a youth court, initially in Hamilton; and a domestic abuse court, which started in Glasgow this year. In addition, the Executive has implemented wide ranging new provisions for vulnerable witnesses.

We worked with colleagues in other parts of the justice system to help set up arrangements for the courts and vulnerable witnesses.

The pilot specialist domestic abuse court is based at Glasgow Sheriff Court and started operating in October 2004 with the aim of providing a more supportive and sensitive service for those who suffer abuse. It fast tracks cases of domestic abuse which occur in the city's south side and will run for two years.

New regulations were laid by the Executive and we set up the arrangements to make legal aid available for this new domestic abuse court.

We published new guidelines for the legal profession in spring 2005 on legal aid arrangements for the matters relating to vulnerable witnesses. We also participated in the Executive's implementation group and programme of roadshows about the changes.

Criminal compliance work

Firms and solicitors who provide criminal legal assistance must be registered with the Board under the Legal Aid (Scotland) Act 1986. We have a team of auditors who monitor solicitors' ongoing compliance. There were 641 firms registered to provide criminal legal assistance at 31 March 2005.

During the year we carried out 342 compliance audits. We found serious breaches of the Code in 28 cases, compared to 21 the previous year. Where we find such breaches, we provide assistance to the firms concerned to amend and/or implement procedures to enable them to comply with the Code. We also conduct follow up audits. Persistent or serious breaches of the Code may lead to firms or individual solicitors being removed from the Board's register which stops them being able to undertake legally aided criminal legal work.

PDSO, THE PUBLIC DEFENCE SOLICITORS' OFFICE

New offices opened

Two more Public Defence Solicitors' Offices (PDSO's) opened in Glasgow and Inverness in May 2004. These are in addition to two offices in Edinburgh.

The new offices offer different opportunities to consider the future use of public defenders in Scotland. Glasgow has the busiest courts in Scotland with a diverse advice and community environment, which allows a more holistic approach to criminal defence work to be explored.

The office in Inverness serves people facing criminal charges in the Highlands and Moray, at the courts in Inverness, Elgin, Dingwall, Tain and Dornoch. This PDSO enables lessons to be learned about the challenges of practice in rural areas.

We have worked in partnership and co-operation with those involved in the justice system in these areas to set up the new offices. Our aim is to develop productive relationships between them and the PDSO, just as we have in Edinburgh.

Traineeships

From summer 2005, PDSO will provide traineeships for graduate solicitors in its three main offices. There was a high level of interest in the posts when advertised and a high calibre of candidates applied for the opportunity to undertake their traineeship at PDSO.

About the PDSO

Solicitors in the PDSO are criminal court lawyers who provide a valuable, quality assured customer focused service. They get a fixed annual salary, unlike private solicitors who are paid through legal aid on a case-by-case basis.

When the first PDSO opened in Edinburgh in 1998, it was the first public defender service in the UK.

The Board was responsible for setting up the PDSO, and the Director of the PDSO reports to the Chief Executive of the Board on administrative issues. In all other ways, the PDSO works entirely independently. The Board assesses applications for summary criminal legal aid from the PDSO in the same way that it does for applications by private solicitors.

The PDSO started as a five-year pilot to compare criminal legal aid given by private solicitors with that given by salaried solicitors employed in the PDSO. Following a Scottish Executive report that concluded that the PDSO offered a valuable service, the Scottish Ministers decided they would continue the PDSO Edinburgh office and, in October 2003, Justice Minister Cathy Jamieson announced that two new offices would open. A further report will be submitted to Scottish Ministers by 31 December 2008.

Facts and figures

In 2004-2005 the cost of running PDSO was £831,000. The PDSO costs increased because of the two new offices that were opened in Glasgow and Inverness. For example, set up costs were over £100,000.

The PDSO offices handled 1565 cases, an increase of 32% on the previous year. This included 54 solemn cases, which was almost double the number of solemn cases the previous year. PDSO also represented 878 accused persons as duty solicitor, a decrease of 6% on the previous year.

You can read more about the PDSO's work in Appendix 10 on page 71.

PROVIDING BEST VALUE TO THE TAXPAYER

TAXPAYERS WANT TO KNOW THAT EVERY POUND OF PUBLIC MONEY INVESTED IN LEGAL AID IS SPENT PROPERLY AND GIVES BEST VALUE. WE TAKE OUR RESPONSIBILITIES IN THIS AREA VERY SERIOUSLY, AND THERE ARE MANY WAYS IN WHICH WE TRY TO ACHIEVE BEST VALUE.

- applications – our staff carefully assess applications to ensure that only those who qualify get legal aid. Last year we increased our checks on the financial information applicants give us.
- applications for further work – we also carefully consider applications received from solicitors for sanction to use counsel, experts, or high or unusual expenditure on legally aided cases or for increases in authorised expenditure in advice and assistance
- payments – we will only authorise solicitors and advocates to carry out work that we consider is necessary for the case. We carefully assess the accounts submitted for payment by the profession.
- reducing bureaucracy – we introduced a range of measures to cut bureaucracy in legal aid. For example, we introduced simplified processes to request increases in expenditure in more types of advice and assistance cases.
- research – we have increased our research and analysis work to help us identify possible improvements, both within legal aid and the wider justice system
- streamlining the system – we have worked with the Scottish Executive to identify where legal aid regulations can be changed to avoid unnecessary expenditure. We have also further developed our models for forecasting future demands and spending.
- investing – we have continued our investment in capital expenditure, especially in information systems and spend to save initiatives, such as a new civil applications and document management computer system
- improving our efficiency – we are reducing the number of administration staff as the benefits of implementing new computer systems which also enable us to work more quickly
- minimising fraud and abuse in legal assistance.

Minimising fraud and abuse in legal assistance

Sometimes we suspect we have been given false information. This may be because of information received from an opponent in a case, or from our checks with other government agencies or applicants' employers or bankers. We have an investigations team who look into these cases.

If we find that someone has deliberately misled us, we may stop legal aid at any time, and the applicant may have to repay money for the cost of the case. Criminal prosecution is also possible.

In 2004-2005 we looked into 931 cases where it appeared that someone had not given us full information when they applied for legal aid or, in civil cases, had not told us of a change in circumstances. As a result, we:

- saved over £845,000 because of our investigations work to ensure only those eligible receive legal aid
- refused 70 applications
- stopped legal aid in 194 cases
- referred two cases to the procurator fiscal for possible prosecution. These included cases where applicants had lied about their employment and savings.

We also conduct investigations into the conduct of solicitors. Where we have concerns about solicitors or advocates, we may make formal complaints to their regulatory bodies, the Law Society of Scotland or the Faculty of Advocates.

This may occur as a result of our analysing applications and accounts from solicitors or information from other parties.

During the year we referred one formal complaint about a solicitor to the Law Society of Scotland. We also referred two cases to the police and procurator fiscal.

What's next?

The savings made by our best value approach are substantial and that's why we will continue to review and revise how we do things.

We will continue to work with the Scottish Executive to identify changes to legal aid which will lead to increased value for money as part of the Scottish Executive's efficient government initiative. Savings generated through this work may be used to fund further reforms and improvements in legal aid.

We will continue to improve services and deliver best value. Over the next year, we will be:

- continuing our investment in new systems
- further reducing bureaucracy by electronically delivering all Board services
- looking at the scope for minimising bureaucracy
- further reducing staff numbers in administration and support services
- working with other justice system agencies to minimise the risk of fraud and inefficiencies in legal aid.

TOWARDS A MODERN LEGAL AID SYSTEM

THE STRATEGIC REVIEW OF THE DELIVERY OF LEGAL AID, ADVICE AND INFORMATION WAS PUBLISHED BY SCOTTISH MINISTERS IN AUTUMN **2004**. A CONSULTATION TO TAKE FORWARD THE FINDINGS WAS PUBLISHED BY SCOTTISH MINISTERS IN SUMMER **2005**. IT WILL LEAD TO FUNDAMENTAL CHANGES IN HOW ACCESS TO JUSTICE IS PROVIDED.

Our innovative projects have begun delivering and demonstrating a modern legal aid system for the 21st century.

To deliver our plans we continue to identify and respond to the opportunities and the needs of our stakeholders and customers through partnership and consultation.

STRATEGIC REVIEW OF LEGAL AID, ADVICE AND INFORMATION

In December 2003, the Scottish Executive Justice Department and the Board began a wide-ranging strategic review of the Scottish legal aid system.

The review took into account the Executive's modernisation of the criminal justice system, as well as the Scottish Parliament report of the inquiry into legal aid by the Scottish Parliament's Justice 1 Committee. It asked what is best for ordinary people who need advice, and considered whether the system should be changed in any way. The team met many people with an interest in legal assistance to hear their views.

We welcomed the Review as an excellent opportunity for everyone involved in the justice system to think creatively about how to improve the scope and operation of the legal aid system and the delivery of publicly funded legal advice.

The report of the Strategic Review was submitted to Ministers in June 2004 and published in October 2004. Ministers have considered the Review report and issued a consultation on how they intend to take forward its recommendations in June 2005.

Key findings of the Review include:

- legal advice services should be better planned, to ensure that supply is matched more closely with the need for advice
- all legal advice services should be provided by those who are best-qualified to do so, including lawyers, non-lawyer specialists or generalist advisers
- the Board should have more flexible powers to allow it to plan, fund and provide services to meet identified needs
- all providers should be quality assured
- all justice system agencies should work more closely together to achieve common objectives
- criminal legal assistance should be reformed.

We will work with the Scottish Executive to implement Ministers' decisions on the outcomes.

TOWARDS A MODERN LEGAL AID SYSTEM

LEGAL AID ONLINE AHEAD

Legal Aid Online is a new service which will allow solicitors to submit applications and accounts through the internet, making the system faster, easier and more convenient. Making our services available online is an important part of our plans to improve the legal aid system and provide best value to the taxpayer.

All Board services will be available online by the end of 2005, improving the efficiency and effectiveness of the legal aid system and, by reducing bureaucracy, making it easier, quicker and more cost-effective.

Moving from paper based processes to online services offers great opportunities to develop innovative ways of managing and delivering legal aid, bringing a range of benefits to legal aid customers.

During the year we made significant progress in developing our computer systems for advice and assistance online services. The roll out of the service has been changed to take account of the changes being made through the reform of civil advice and assistance.

We have been working with a number of legal firms who have piloted our advice and assistance online service to help finalise the new online service. Feedback from the pilots has been very useful in helping us further develop the software for the new system. The changes have been particularly focused on making it easier to input applications, increases and accounts and on enhancing the flow of information back to the solicitor. Additionally, we have carried out work to enhance the speed and volume capabilities of online services, making access faster and even more reliable.

The pilot firms have also helped us identify what information and support the profession may need to gain the most benefits from our service.

COMMUNICATION AND WORKING IN PARTNERSHIP TO IMPROVE SERVICES

Consulting and communicating are part of our common approach to delivering our objectives. Increased collaboration between the Board and other agencies not only helps each organisation to achieve its own objectives, it is also fundamental to delivering the modernisation of the justice system that Scottish Ministers have envisioned.

Improving the delivery of legal aid

We have already made changes to how the legal aid system operates to cut bureaucracy, make the system faster, and improve value for money. This report details changes we have made and others that we plan. However, we believe more can be done.

Therefore, in the coming year, we will carry out a programme of projects aimed at further improving the delivery of legal aid. These will look at:

- the operation of legal aid by practitioners
- our decision-making processes
- the scope for further minimising the bureaucracy involved in the administration of legal aid
- review our performance targets.

We will work closely with the legal profession and the Justice Department of the Scottish Executive to achieve these aims. We will also work with local authorities and other advice sector agencies to ensure that a wide range of interested parties are consulted on any changes.

Legal advice and information services

Over the past few years, working with the Scottish Executive, the Board has become increasingly active in examining and testing different models for the delivery and planning of advice provision in Scotland. This recognises that legal advice, information and representation is available from a wide range of organisations and agencies, as well as from solicitors.

In the last year our work has focused on two main areas:

- continued work on alternative models of delivery – in particular, pilot projects under Part V of our governing legislation, in which solicitors employed direct by the Board work in a partnership arrangement with other services in Edinburgh, Glasgow and the Highlands and Islands
- completing a report following the co-ordination of pilot legal advice and information partnerships for the Scottish Executive. The partnerships operated in Edinburgh, Fife, Argyll and Bute, whilst a fourth looked at access to advice for disabled people across Scotland.

Not only have the projects contributed to better local community advice services, but we have gained valuable experiences about how to run such projects and the different ways legal advice can be provided.

Innovative advice projects

In 2002 we set up innovative pilot projects under Part V of our governing legislation, in which solicitors employed direct by the Board work within advice organisations, to help develop new approaches to delivering legal advice. The current projects work with:

- **Citizens Advice Bureaux Service** – the solicitor serves bureaux throughout the Highlands and Islands
- **Streetwork** – the solicitor provides legal advice to young people and rough sleepers in Edinburgh in informal surroundings, such as on the streets and in drop-in centres
- **Castlemilk Law and Money Advice Centre and Ethnic Minorities Law Centre in Glasgow** – two solicitors provide advice and representation to clients throughout the asylum process at outreach surgeries in the north and southside of Glasgow.

We commissioned an independent evaluation of the current projects that we will publish in 2005-2006. This will look at what has been learned from the experience of running the projects and their outcomes. Experience gained from the projects contributed to the strategic review and its consideration of a national network of legal advice and information services.

We discussed with the Scottish Executive providing more funding to enable further projects to be developed and set up. Following agreement on funding, we will take forward this work in summer 2005. We expect to announce several new Part V projects in autumn 2005.

IMPROVING OUR INFORMATION

We also continue to increase and improve the information we publish about the legal aid system for the public and legal profession.

Scottish Legal Aid Handbook

We made substantial progress towards publishing a revised Scottish Legal Aid Handbook. We aim to make the Handbook the key reference material for the legal aid professional and to provide the right information, when needed. We have published a revised legislative edition of the Handbook, updated to January 2005, on our website. We will publish the new Handbook online on our website, on CD-ROM, and as a loose-leaf paper version in 2005.

Our website www.slab.org.uk
We continue to develop and improve our website, www.slab.org.uk. We have worked on a major redevelopment of our site, to bring a fresh new look and to make it easier to find information. We will add a number of new services to our site before the new site is launched later in 2005.

We are always working to further improve the information and service we offer to the general public. We have introduced a new facility on our website, www.slab.org.uk, making it easier to find firms of solicitors who offer legal aid services. People can search for a specific firm by name, or by inputting their town or postcode, or by clicking on a map. This produces a list of the 20 firms nearest to their location, along with the firms' details. This "find my nearest" service uses the information from the registers for criminal and civil legal assistance.

We have been running this service since summer 2004, and usage has increased steadily. It is used daily by people seeking a legal aid solicitor and currently about 500 maps are being delivered a week.

One of the main questions that research and feedback from our website tells us, is that people want to know if they qualify financially for legal aid. In 2004 we introduced a new leaflet "Do I qualify financially for advice and assistance or civil legal aid?" which sets out a number of steps people can follow to work out if they are likely to qualify. We have now introduced an online financial eligibility calculator, based on this leaflet, on our website.

TOWARDS A MODERN LEGAL AID SYSTEM

Legal Aid Surgeries

We have established a rolling programme of Legal Aid surgeries, following our previous programme of events for the public.

The surgeries provide anyone with a problem or query relating to legal aid to have a one-to-one, confidential discussion about the matter with an expert from the Board. Our experience of running surgeries shows that members of the public find this a valuable opportunity to discuss their legal aid issues.

We run newspaper adverts to publicise the surgeries, and also let solicitors and other advice sector agencies know in advance that a surgery will take place in their area, so that they can make their clients aware of the opportunity to discuss any legal aid queries direct with us.

Legal Aid Conference and faculty meetings

The Law Society of Scotland and the Board jointly organise an annual Legal Aid Conference. It took place at Heriot-Watt University, Edinburgh in October 2004. Speakers from the Law Society, the Board and the Crown Office among others covered a wide range of topics of interest to civil and criminal practitioners.

In addition, we ran a Legal Aid Surgery throughout the Conference to enable practitioners to discuss any legal aid queries they had.

We also continue to meet with local faculties of solicitors across Scotland to listen to their views and provide training and updates on legal aid matters.

COMPLAINTS

We encourage members of the public and legal profession to raise issues of concern with us. We use the information we get from looking into, and resolving these to identify problem areas and improve our service.

Last year we received 170 formal complaints, 5% less than the previous year. Of the complaints that we cleared, we considered 37% were justified, compared to 47% the previous year.

The level of complaints we receive remains low when compared to the high number of applications we decide on each year.

If someone remains unhappy with our consideration of their complaint, they may complain to the Scottish Public Services Ombudsman. During the year, the Ombudsman investigated one complaint about our handling of a civil legal aid application. We accepted the Ombudsman's recommendation, and made a formal apology and compensatory payment of £500 to the complainant.

Further information on complaints is shown in Appendix 8 on page 69.

FREEDOM OF INFORMATION

The Freedom of Information (Scotland) Act 2002 (FOISA) came into effect on 1 January 2005 and the Board, in common with all other public bodies in Scotland, is bound by its provisions which are intended to increase openness and accountability in government and the public sector.

During the year our work included:

- production of a publication scheme, as required by the Act. The scheme was approved by the Scottish Information Commissioner, and came into operation before 30 November 2004. The scheme is available on our website at www.slac.co.uk. We also redeveloped our website in line with the publication scheme, as most information we publish is available online.
- conducting an information audit to identify the information the Board holds. This helped to develop our publication scheme as well as identifying and enabling improvements to our information and records management.
- development of record management policies. We used the information audit to help us develop improved file management policies (what information is kept, where it is kept, for how long it is kept and so on).
- implementation of a process for the proper handling of requests that we receive for information.
- undertaking training for all staff, backed by regular communications and guidance materials. Potentially, any member of staff could receive a request for information which falls under the Act, so an important part of our preparation plans was to provide staff with information and training on what the Freedom of Information Act meant for us, and how it affects our day to day work. We ran a half-day training

session for over 80 staff who were most likely to receive and deal with FOI requests, and a 45 minute training session for all other Board staff.

- publishing information materials for people about accessing information held by the Board, and providing guidance for the legal profession on our approach.

Requests received

Between 1 January and 31 March 2005, we received just over 50 requests for information, and we dealt with 43 (with the other 7 requests dealt with in April). In 15 cases we provided the information, whilst in 22 cases, we refused or did not hold the information. In a further 6 cases we decided that the costs of providing the information would exceed £600, and we did not supply the information.

Further information is detailed in appendix 9 on page 70.

EQUALITY

By law, we must promote race equality, and we are committed to developing and promoting equality of opportunity for all. We are applying our race equality scheme to help us.

In 2005-2006 we will review our existing Race Equality Scheme, report on progress, and update our action plan. We will also further develop our work in relation to other areas of equalities legislation.

We continue to make our information materials in other formats and languages, particularly in response to requests from legal aid applicants.

We have also set up a group to consider equalities issues throughout our work, to ensure that we do much more than simply meet our legal requirements as a public body.

OUR STAFF

Our staff are key to delivering an ever-improving service to meet the needs of our stakeholders and customers. We must balance this service improvement with providing best value to the taxpayer, so we have been working to improve our efficiency and effectiveness.

Introducing Legal Aid Online services, new computer systems and policy developments have enabled us to change the number and job profiles of our staff. On a like-for-like basis, the number of our core staff, employed mainly in administration, has reduced from 322 in 2001/2002 to 294 in 2004/5. We expect a further reduction in the coming year.

Over this period we have agreed with the Scottish Executive to increase the number of staff in some areas because of other initiatives, such as our Part V solicitors, our Legal Aid Online services and "spend to save" initiatives such as increased checks on financial eligibility information supplied by applicants. As a result, our number of staff at March 2005 was 321.

We will continue to manage these changes and to invest in staff training and development, to ensure our services are efficient and effective.

In the last year, we undertook a review of our flexible working arrangements. Our innovative worklife balance initiative continued to bring benefits. Staff teams create their own working patterns and our service to customers and productivity has improved as a result. Following the review, we implemented new policies to formalise our arrangements in spring 2005.

OPPORTUNITIES FOR ACCESS – OUR WAY AHEAD

**THE COMMITMENT TO IMPROVING
AND DEVELOPING LEGAL AID IN
SCOTLAND TO PROVIDE GREATER
OPPORTUNITIES FOR ACCESS
TO JUSTICE IS CENTRAL TO OUR
STRATEGY FOR **2005-2006.****

We made significant progress during the year and we expect substantial further changes in the next two years, in access to justice and to how the legal aid system will work. We are committed to working with the Scottish Executive and others to continue developing legal aid, and to help provide greater opportunities for people to get access to more efficient, effective and quality assured legal aid services.

We set out our strategy in our Corporate Plan 2005-2006. We will report against what we achieved from our action plan and targets in our annual report next year.

Over the next year we expect to continue to achieve higher performance targets. Our main projects and tasks for the next two years include:

- implementing Ministers' decisions following the consultation on the Strategic Review
- reforming civil advice and assistance, enabling the system to operate more efficiently and work effectively alongside the reformed civil legal aid system
- reviewing the impact of the reform of civil legal aid introduced in October 2003
- working with others to implement reform of criminal legal assistance, including taking forward changes resulting from the Executive's reform of the sheriff court and High Court
- making all of the Board's services available online by the end of 2005. This will enable applications and accounts to be made through a secure internet site, improving the efficiency and effectiveness of the legal aid system and making it easier, quicker and more cost effective.
- further improving the Board's service to its customers, including a programme of projects to further improve the delivery of legal aid, such as by minimising bureaucracy, reviewing performance targets and engaging with customers and stakeholders through improved communications, surveys and events.

Our approach

We adopt a common approach to delivering our objectives, which includes:

- **working in partnership** with the Scottish Executive, the Law Society of Scotland, the Faculty of Advocates, the advice sector, local authorities, others in the justice system and representative bodies
- **consulting** with applicants, assisted persons, opponents, solicitors, advocates and others with an interest in legal aid and access to justice
- **communicating** directly with applicants, assisted persons and opponents through letters, meetings and consultations, as well as through their solicitors
- **sharing** with others our policies and practices to achieve greater openness, understanding and effectiveness
- **engaging** in others' consultations and development processes, to play our full part in improving the justice system and how legal aid fits within it
- **continuously improving** our policies and systems and carrying out changes to achieve efficiency and effectiveness.

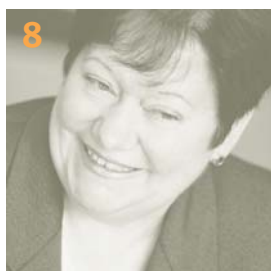
Our future plans

Our Corporate Plan 2005-2006 is the final year of a three-year planning cycle. The next two to three years are likely to see substantial further reform and development of legal aid in Scotland. This will be in the context of Scottish Ministers' intention to modernise the justice system in Scotland.

We fully intend to play our part to make sure that the legal aid system operates efficiently and effectively in enabling access to justice.

The Board's Corporate Plan 2005-2006 is available on our website at www.slab.org.uk and from our Communications Department, direct tel 0131 240 1985 or e-mail general@slab.org.uk

BOARD MEMBERS AND SENIOR STAFF



THE BOARD KEEPS A REGISTER OF BOARD MEMBERS' INTERESTS IN LINE WITH THE CODE OF BEST PRACTICE FOR BOARD MEMBERS OF PUBLIC BODIES. MEMBERS MUST TELL US OF ALL RELEVANT INTERESTS AND WE UPDATE THE REGISTER, WHICH IS ON OUR WEBSITE, EVERY QUARTER.

BOARD MEMBERS

1 Jean Couper, Chairman

Appointed 1 April 1994

Appointed Chairman April 1998

After graduating in Mathematics and Computer Science, Jean Couper's career began in the engineering sector followed by a period in textiles. She then became a Management Consultant, also advising various company Boards on matters such as organisational structure, training and development and senior staff recruitment. In 1995 she established Catalyst Consulting, focusing on the IT skill needs of software sector companies and multinationals with large IT departments. She is a member of the Accounts Commission and Police Advisory Board for Scotland.

2 William Gallagher

Appointed 1 April 2000

Willie Gallagher holds a number of directorships in both private and public sectors. He is a director of Touchdown Services, and Board Member of the Strategic Rail Authority and a non-executive Board Member of Lothian Buses plc. He was previously Director of Customer Services for the Scottish Power group and was the director responsible for managing the introduction of competition into the supply of electricity for all customers. He is a Chartered Engineer and a Member of the Institute of Electrical Engineers.

3 Peter Gray QC

Appointed 1 September 2002

A member of the Faculty of Advocates, Peter Gray was called to the English Bar in 1984 and to the Scottish Bar in 1992. He served as Advocate Depute from 1998 to 2000 and was appointed Queen's Counsel in 2002. He is currently a member of the Faculty's Criminal Bar Association. He is also director of two private companies.

4 Graeme McKinstry

Appointed 1 April 2002

Graeme McKinstry is a solicitor and runs his own practice in Ayr. He is a director of Aryshire Medical Support Ltd and is a lecturer/tutor/speaker to the legal profession. Previously, he was a non-Executive Director of the South Ayrshire Hospitals NHS Trust and a non-Executive Director of Ayrshire and Arran Acute Hospitals NHS Trust. He was formerly a Professional Development Officer at the centre for Professional and Legal Studies at Strathclyde University, and holds an MBA in Legal Practice.

5 Susan McPhee

Appointed 1 January 2005

Susan McPhee has been the Head of Social Policy and Public Affairs with Citizens Advice Scotland since 1998. Before this, she was a legal services adviser with Citizens Advice Scotland, having previously been a solicitor in private practice from 1981 to 1990.



6 Ellen Morton

Appointed 1 December 2002

An elected local councillor for Argyll and Bute since 1999, Ellen Morton is a part-time member of the Asylum and Immigration Tribunal. Mrs Morton's experience includes thirty years in various teaching posts, and managing a business.

7 David Nicol

Appointed 1 April 2002

David Nicol is a solicitor and partner with Allan McDougall Solicitors, Edinburgh. He has been a legal adviser at a legal clinic run by a voluntary organisation for over 10 years and is a Director of Family Mediation Lothian.

8 Yvonne Osman OBE

Appointed 1 April 1996

Term ended 31 December 2004

Yvonne Osman runs her own consultancy service. She previously worked as Enquiries and Investigations Manager with the Mental Welfare Commission, and is a former manager of the Dumfries Citizens Advice Bureau and former member of the Scottish Consumer Council. She completed her term of office on 31 December 2004. Yvonne was awarded an OBE for services to the administration of justice in the New Year Honours announced in December 2004.

9 Elaine Rosie

Appointed 1 January 2005

Elaine Rosie has been the Training and Development Manager with Shelter Scotland since 2000, with responsibility for training and the Scottish Homelessness Advisory Service. Before this, she was the Depute Director of Shelter Scotland for eight years, with responsibility for managing all Shelter's advice and legal services provision in Scotland.



10 Sheriff Kenneth Ross

Appointed 1 April 2004

Sheriff Ross has been a sheriff in Dumfries since 2000. He has previously served as a sheriff in Linlithgow for three years and as a temporary sheriff for 10 years. Before becoming a sheriff, he was a solicitor for 23 years. He had an active court practice during which he, for a time, acted as a part-time procurator fiscal. He is a former President of the Law Society of Scotland (1994-95) and served on their Council for nine years.

11 Professor Ian Percy CBE

Appointed 1 April 2000

Professor Percy is an experienced accountant and businessman. He is Chairman of Companies House Steering Board and Queen Margaret University College. He is Deputy Chair of Weir Group plc and Ricardo plc. He holds directorships with a number of other companies and is a consultant on Audit and Corporate Governance. He was a member of the Treasury and DTI Co-ordinating Committee on Accounting and Auditing issues. He is a Past President of the Institute of Chartered Accountants of Scotland, and past Chairman of the Accounts Commission and Audit Scotland. He is an Honorary Professor of Accounting and Doctor of Laws at Aberdeen University. He was awarded the CBE for services to the accountancy profession and Local Government in 1996.

12 Margaret Scanlan

Appointed 1 September 1997

Margaret Scanlan has been a consultant with Russells, Gibson and McCaffrey, Solicitors since 1992. An accredited specialist in family law, Mrs Scanlan is a founder member and past Chair of the Family Law Association.



13 Satnam Singh

Appointed 1 April 2004

Mr Singh is a qualified social worker and Registered Mental Nurse. He resigned from the Board on 31 May 2005 following his decision to emigrate to Australia. Previously he worked part-time with the British Association of Adoption and Fostering as a black and minority ethnic issues policy consultant and with the Open University as an associate lecturer in social work. He was a non-executive director of the Lothian NHS Board.

14 Malcolm Thomson QC, Deputy Chairman

Appointed 1 April 1998

Malcolm Thomson QC has been a member of the Scottish Bar since 1974 and a Queen's Counsel since 1987. He is also a temporary judge and a member of the English Bar. He is Chairman of the National Health Service Tribunal in Scotland and Consultant Editor for two legal publishers.

Related party transactions for any Board Member who engages in legal aid work or whose spouse or relative engages in legal aid work are shown in our annual accounts.

SENIOR STAFF

15 Lindsay Montgomery
Chief Executive

16 Andrew Menzies
Director of Corporate Services and Accounts

17 Tom Murray
Director of Legal Services and Applications

18 Ian Middleton
Director of Audit and Compliance



PERFORMANCE TARGETS AND STATISTICS

THIS SECTION DETAILS OUR PERFORMANCE AGAINST TARGET, AND COSTS AND VOLUMES STATISTICS.

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KEY STATISTICS 1995-2005

APPENDIX 1

1.1 INITIAL APPLICATIONS FOR LEGAL ASSISTANCE

	1995/96	1996/97	1997/98	1998/99	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
Total civil advice and assistance and ABWOR	160,561	159,837	168,422	166,236	168,233	166,988	160,391	150,911	138,258	128,944
Total criminal advice and assistance and ABWOR	150,606	145,667	153,030	144,951	150,847	162,424	164,888	159,363	159,033	152,174
Children's advice and assistance	–	–	–	–	–	–	6,611	6,768	5,728	5,687
Total advice and assistance intimations	311,167	305,504	321,452	311,187	319,080	329,412	331,890	317,042	303,019	286,805
Civil legal aid initial applications	30,335	28,733	26,043	23,890	23,106	21,018	19,994	19,151	18,175	16,997
Applications to the Board for summary criminal legal aid	74,516	69,806	68,434	64,156	64,818	69,137	76,527	79,927	82,999	86,269

1.2 GRANTS OF LEGAL ASSISTANCE

	1995/96	1996/97	1997/98	1998/99	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
Civil										
Civil advice and assistance	158,845	158,100	166,589	164,399	166,425	164,177	156,358	146,639	134,143	125,029
Civil ABWOR	1,716	1,737	1,833	1,837	1,808	2,811	4,033	4,272	4,115	3,915
Civil advice and assistance and ABWOR (note 1)	160,561	159,837	168,422	166,236	168,233	166,988	160,391	150,911	138,258	128,944
Civil legal aid	20,064	19,797	17,405	15,661	14,551	13,557	11,167	13,480	12,322	10,989
Total civil legal assistance	180,625	179,634	185,827	181,897	182,784	180,545	171,558	164,391	150,580	139,933
Criminal										
Criminal advice and assistance (note 2)	130,876	125,688	131,945	123,829	128,805	140,058	142,400	137,732	136,102	131,521
Criminal ABWOR (note 1)	19,730	19,979	21,085	21,122	22,042	22,366	22,488	21,631	22,931	20,653
Total criminal advice and assistance and ABWOR	150,606	145,667	153,030	144,951	150,847	162,424	164,888	159,363	159,033	152,174
Summary criminal legal aid										
Board granted	67,382	61,836	59,644	58,534	59,188	62,801	70,832	73,767	75,414	79,343
Court granted	2,601	2,766	2,716	3,157	1,472	860	1,017	1,170	1,142	1,153
Total summary criminal	69,983	70,561	68,550	61,691	60,660	63,661	71,849	74,937	76,556	80,496
Solemn criminal legal aid (Court granted)	8,959	8,725	8,906	9,431	9,233	9,471	9,966	10,978	11,399	10,967
Automatic legal aid	–	–	–	–	–	–	–	144	193	539
Appeals	1,806	2,656	3,012	2,788	3,228	3,242	3,002	2,776	2,629	2,551
Duty solicitor appearances, including PDSO (note 3)	25,459	26,605	26,337	27,397	25,104	23,885	22,141	26,491	31,163	32,579
Total criminal legal assistance	256,813	254,214	259,835	246,258	249,072	262,683	271,846	274,686	280,973	279,306
Children										
Children's advice and assistance (note 2)	–	–	–	–	–	–	6,611	6,768	5,728	5,687
Children's legal aid including appeals	2,680	2,336	2,586	2,511	2,833	2,841	2,853	3,118	3,654	3,668
Total children's legal assistance	2,680	2,336	2,586	2,511	2,833	2,841	9,464	9,886	9,382	9,355
Contempt of court										
Contempt of court legal aid (note 4)	144	216	165	162	167	165	148	239	206	227
TOTAL GRANTS OF LEGAL ASSISTANCE	440,262	436,400	448,413	430,828	434,856	446,234	453,016	449,202	441,141	428,821

NOTES

- From 1995-1999 grants of ABWOR were only recorded in total and not recorded as being civil or criminal grants. The figures stated for 1995-1999 are estimated as 8% of all ABWOR grants for civil matters, and 92% for criminal. This is based on the proportions for ABWOR in 1999/2000 which recorded civil and criminal separately.
- Before 2001/2002 children's advice and assistance intimations were included within criminal advice and assistance.
- Duty work undertaken by PDSO is included in the total duty solicitor appearances from 2002-2003.
- Advice and assistance for contempt of court is included within criminal advice and assistance.

1.3 TOTAL PAYMENTS FOR ADMINISTRATION AND LEGAL AID FUND

£'000	1995/96	1996/97	1997/98	1998/99	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
Administration	7,487	7,166	7,718	7,564	8,533	9,116	9,513	10,475	10,910	11,258
Legal Aid Fund (gross)	133,360	143,149	145,065	138,125	130,157	130,470	135,895	144,814	157,304	164,630
Income from contributions etc	8,001	9,445	8,992	9,448	9,967	9,280	8,540	9,668	11,350	12,203
Total net legal aid expenditure	125,359	133,704	136,073	128,677	120,190	121,190	127,355	135,146	145,954	152,427

1.4 TOTAL COST TO THE TAXPAYER OF LEGAL ASSISTANCE

	1995/96	1996/97	1997/98	1998/99	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Civil										
Civil advice and assistance	15,593	16,633	16,984	18,315	18,133	18,648	17,810	18,856	18,925	18,664
Civil ABWOR – see note 1	304	325	341	370	370	472	1,006	1,865	2,545	2,636
Total civil advice and assistance and ABWOR	15,897	16,958	17,325	18,685	18,503	19,120	18,816	20,721	21,471	21,299
Civil legal aid gross expenditure	32,210	35,064	34,311	32,093	30,246	28,755	28,347	27,071	29,994	30,821
Less income received	8,001	9,445	8,992	9,448	9,967	9,280	8,540	9,668	11,350	12,203
Civil legal aid (net cost)	24,209	25,619	25,319	22,645	20,279	19,475	19,807	17,403	18,644	18,618
TOTAL CIVIL LEGAL ASSISTANCE	40,106	42,577	42,644	41,330	38,782	38,595	38,623	38,124	40,116	39,917
Criminal										
Criminal advice and assistance and ABWOR – see notes 2,3	7,310	7,502	7,583	7,504	7,512	8,281	8,583	8,880	9,012	8,989
Criminal ABWOR – see note 1	1,864	1,998	2,097	2,271	2,272	2,798	2,880	3,361	3,444	3,940
Total criminal advice and assistance and ABWOR	9,174	9,500	9,680	9,775	9,784	11,079	11,463	12,241	12,456	12,929
Summary criminal legal aid, including automatic legal aid	49,868	53,265	52,667	48,589	44,927	40,407	42,016	46,056	48,859	50,990
Solemn criminal legal aid (Court granted)	22,327	24,359	26,761	24,333	21,893	25,196	28,737	31,052	37,457	39,174
Appeals	1,342	1,336	1,723	1,555	1,748	2,146	2,460	2,410	2,413	4,141
Total criminal legal aid	73,537	78,960	81,151	74,477	68,568	67,749	73,213	79,518	88,729	94,306
Duty solicitor appearances	847	877	904	943	870	835	813	878	945	969
Public Defence Solicitors' Office	N/A	N/A	25	405	430	390	364	319	376	827
TOTAL CRIMINAL LEGAL ASSISTANCE	83,558	89,337	91,760	85,600	79,652	80,053	85,853	92,956	102,506	109,031
Children										
Children's advice and assistance – see note 2	–	–	–	–	–	–	–	595	426	455
Legal aid for children	1,675	1,764	1,639	1,719	1,725	2,501	2,827	3,357	2,733	2,906
TOTAL CHILDRENS' LEGAL ASSISTANCE	1,675	1,764	1,639	1,719	1,725	2,501	2,827	3,952	3,159	3,361
Other										
Contempt of court – see note 3	20	26	31	28	31	41	40	59	87	67
Miscellaneous payments	–	–	–	–	–	–	12	56	87	51
TOTAL COST OF LEGAL ASSISTANCE TO THE TAXPAYER	125,359	133,704	136,074	128,677	120,190	121,190	127,355	135,147	145,954	152,427

NOTES

- From 1995-2000 accounts paid for ABWOR were only recorded in total and not recorded as being for civil or criminal ABWOR matters. The figures stated for 1995-2000 are estimated as 14% of all ABWOR payments for civil matters, and 86% for criminal. This is based on the proportions for ABWOR in 2000/2001 which recorded civil and criminal separately.
- Before 2001/2002 children's advice and assistance intimations were included within criminal advice and assistance.
- Advice and assistance for contempt of court is included within criminal advice and assistance.

1.5 AVERAGE CASE COST

£	1995/96	1996/97	1997/98	1998/99	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
Civil										
Advice and assistance	118	123	127	130	129	133	141	148	157	166
ABWOR	–	–	–	–	–	488	438	536	660	707
Civil legal aid	1,425	1,583	1,685	1,764	1,918	2,005	2,197	2,257	2,358	2,515
Criminal										
Advice and assistance	59	62	62	63	62	63	67	69	69	69
ABWOR	–	–	–	–	–	181	151	187	180	205
Summary criminal legal aid	762	794	845	820	832	652	639	649	649	646
Solemn criminal legal aid (including appeals)	2,078	2,170	2,143	2,428	2,729	2,137	2,537	2,751	3,146	3,072
Children										
Advice and assistance	–	–	–	–	–	–	100	99	86	91
Children's legal aid	717	871	876	878	909	1,053	1,359	1,455	1,069	1,003
Contempt of court legal aid										
	221	252	237	286	193	268	302	302	474	370

Throughout these Appendices

- figures for grants and refusals of applications do not necessarily equal numbers of applications, since decisions on applications received towards the end of one year may not be reached until the following year
- unless otherwise stated, figures for accounts paid include VAT and are prepared on a "cash" basis and include all accounts passed for payment during the year
- in tables showing accounts paid, unless otherwise stated, "outlays" include all payments other than fees paid to solicitors and advocates – for example, expert witnesses

OUR PERFORMANCE

APPENDIX 2

2.1 CIVIL LEGAL AID APPLICATIONS

HEADLINE	WEIGHTING	TARGET	ACTUAL	
			2004-2005	2003-2004
Timeliness	0.5	89%	89%	90%
Accuracy	0.5	95%	97%	97%
Headline	–	92%	93%	93%

TIMELINESS

Percentage of applications actioned within service standard time	STANDARD	TARGET	ACTUAL	
			2004-2005	2003-2004
Initial applications	within 42 days	87%	87%	88%
Sanction to employ counsel, expert witnesses or incur unusual costs	within 14 days	90%	91%	92%
Requests to change solicitor	within 14 days	90%	90%	92%
Reviews of refusal of initial application	within 35 days	85%	85%	82%
Requests to extend the scope of the case	within 35 days	87%	88%	89%
Reassessments of financial eligibility	within 35 days	95%	96%	98%
Special urgency cases	within 5 days	97%	98%	97%
All application types	within standard	89%	89%	90%

ACCURACY

Percentage of decisions that are free of material errors	STANDARD	TARGET	ACTUAL	
			2004-2005	2003-2004
Initial applications	error free	95%	96%	96%
Sanction to employ counsel, expert witnesses or incur unusual costs	error free	95%	99%	98%
Requests to change solicitor	error free	95%	99%	99%
Reviews of refusal of initial application	error free	95%	97%	96%
Requests to extend the scope of the case	error free	95%	98%	99%
Reassessments of financial eligibility	error free	95%	99%	98%
Special urgency cases	error free	95%	99%	97%
All application types	error free	95%	97%	97%

2.2 CRIMINAL LEGAL AID APPLICATIONS

HEADLINE	WEIGHTING	TARGET	ACTUAL	
			2004-2005	2003-2004
Timeliness	0.5	99%	99%	99%
Accuracy	0.5	98%	99%	99%
Headline	–	99%	99%	99%

TIMELINESS

Percentage of applications actioned within service standard time	STANDARD	TARGET	ACTUAL	
			2004-2005	2003-2004
Initial applications in summary cases	within 12 days	99%	99%	99%
Sanction to employ counsel, expert witnesses or incur unusual costs	within 7 days	99%	99%	99%
Requests to change solicitor	within 7 days	99%	99%	99%
Reviews of refusal of initial application	within 12 days	99%	99%	99%
Application to make an appeal in court (including children's appeal)	within 7 days	99%	99%	99%
Request to reconsider a decision by the Board	within 12 days	99%	99%	99%
Special urgency cases (summary first instance and appeals)	within 3 days	99%	99%	99%
Exceptional Cases	within 12 days	99%	99%	92%
All application types	within standard	99%	99%	99%

ACCURACY

Percentage of decisions that are free of material errors	STANDARD	TARGET	ACTUAL	
			2004-2005	2003-2004
Initial applications in summary cases	error free	98%	99%	99%
Sanction to employ counsel, expert witnesses or incur unusual costs	error free	98%	99%	99%
Requests to change solicitor	error free	98%	99%	99%
Reviews of refusal of initial application	error free	98%	99%	99%
Application to make an appeal in court (including children's appeal)	error free	98%	99%	99%
Request to reconsider a decision by the Board	error free	98%	99%	99%
Special urgency cases	error free	98%	99%	99%
Exceptional Cases	error free	98%	99%	99%
All application types	error free	98%	99%	99%

2.3 ADVICE AND ASSISTANCE

HEADLINE	WEIGHTING	TARGET	ACTUAL	
			2004-2005	2003-2004
Timeliness	0.5	93%	98%	97%
Accuracy	0.5	98%	99%	99%
Headline	-	96%	99%	98%

TIMELINESS

Percentage of applications actioned within service standard time	STANDARD	TARGET	ACTUAL	
			2004-2005	2003-2004
Intimations of a grant of advice and assistance by a solicitor	within 10 days	95%	99%	98%
Requests for increase in authorised expenditure	within 7 days	90%	96%	95%
Requests for change of nominated solicitor	within 10 days	95%	95%	97%
Request to reconsider a decision by the Board	within 7 days	85%	90%	89%
All application types	within standard	93%	98%	97%

ACCURACY

Percentage of decisions that are free of material errors	STANDARD	TARGET	ACTUAL	
			2004-2005	2003-2004
Intimations of a grant of advice and assistance	error free	98%	99%	99%
Requests for increase in authorised expenditure	error free	98%	98%	97%
Requests for change of nominated solicitor	error free	98%	99%	99%
Request to reconsider a decision by the Board	error free	98%	97%	97%
All application types	error free	98%	99%	99%

2.4 ACCOUNTS ASSESSMENT

CIVIL LEGAL AID	STANDARD	TARGET	ACTUAL	
			2004-2005	2003-2004
Timeliness – percentage of accounts actioned within service standard time	within 30 days	95%	99%	99%
Accuracy – percentage of accounts that are free of material errors	error free	95%	97%	96%
Headline	-	95%	98%	98%

CRIMINAL LEGAL AID	STANDARD	TARGET	ACTUAL	
			2004-2005	2003-2004
Timeliness – percentage of accounts actioned within service standard time	within 30 days	97%	99%	99%
Accuracy – percentage of accounts that are free of material errors	error free	97%	99%	99%
Headline	-	97%	99%	99%

ADVICE & ASSISTANCE	STANDARD	TARGET	ACTUAL	
			2004-2005	2003-2004
Timeliness – percentage of accounts actioned within service standard time	within 30 days	95%	99%	99%
Accuracy – percentage of accounts that are free of material errors	error free	96%	99%	97%
Headline	-	96%	99%	98%

2.5 CORPORATE TARGETS

	STANDARD	TARGET	ACTUAL	
			2004-2005	2003-2004
Complaints handling	within 28 days	-	84%	70%
Freedom of Information	within 20 working days	-	100%	-
Payment for Goods and Services	within 30 days	97%	99%	99%
Collection of contributions	Percentage due	90%	90%	93%

CIVIL LEGAL ASSISTANCE KEY FIGURES

3.1 TOTAL GRANTS OF CIVIL LEGAL ASSISTANCE

	2004-2005	2003-2004
Civil advice and assistance	125,029	134,143
Civil ABWOR	3,915	4,115
Total civil advice and assistance and ABWOR	128,944	138,258
Civil legal aid	10,989	12,322
TOTAL CIVIL LEGAL ASSISTANCE	139,933	150,580

3.2 TOTAL NET COST TO THE TAXPAYER OF PROVIDING CIVIL LEGAL ASSISTANCE

	2004-2005 £'000	2003-2004 £'000
Civil advice and assistance	18,664	18,925
Civil ABWOR	2,636	2,546
Total civil advice and assistance and ABWOR	21,299	21,471
Civil legal aid	18,618	18,644
TOTAL CIVIL LEGAL ASSISTANCE	39,917	40,116

3.3 TOTAL NET COST OF CIVIL LEGAL ASSISTANCE BY TYPE OF CASE

	TOTAL NET COST 2004-2005 £'000	TOTAL NET COST 2003-2004 £'000
Family/matrimonial	20,744	21,299
Debt	1,349	1,340
Reparation	3,469	3,748
Judicial review	557	309
Appeals	435	479
Recovery of heritable property	227	271
Other	13,135	12,670
TOTAL NET COST	39,917	40,116

NOTE

- Table 7.1 provides more details on total expenditure and income received.

Throughout these Appendices

- figures for grants and refusals of applications do not necessarily equal numbers of applications, since decisions on applications received towards the end of one year may not be reached until the following year
- unless otherwise stated, figures for accounts paid include VAT and are prepared on a “cash” basis and include all accounts passed for payment during the year
- in tables showing accounts paid, unless otherwise stated, “outlays” include all payments other than fees paid to solicitors and advocates – for example, expert witnesses

CIVIL ADVICE AND ASSISTANCE AND ABWOR

3.4 INTIMATIONS OF CIVIL ADVICE AND ASSISTANCE AND ABWOR BY SUBJECT MATTER

SUBJECT MATTER	2004-2005	2003-2004
Civil advice and assistance		
Divorce	11,249	12,521
Separation	6,763	7,591
Other family/matrimonial	4,990	5,650
Contact	11,028	11,603
Residence	2,445	2,712
Aliment/Child Support Agency	1,410	1,440
Hire purchase/debt	11,643	12,507
Housing	10,171	11,060
Recovery of heritable property	812	869
Reparation	12,616	13,024
Breach of contract	511	561
Employment	2,980	3,377
State benefit	7,917	7,883
Interdict/harassment/non-harassment	8,830	9,597
Immigration	6,257	5,395
Human rights	467	298
Criminal Injuries Compensation Authority	3,386	3,965
Wills/executry	3,287	3,614
Mental health	885	881
Complaints against professional bodies	2,690	2,890
Judicial review	593	787
Conveyancing	250	286
Power of attorney	509	444
Restoration of driving licence	408	382
Civil appeals	218	216
Other	12,714	14,590
Total civil advice and assistance	125,029	134,143
Civil ABWOR		
Employment tribunals	140	128
Immigration	2,027	2,138
Mental health	1,114	1,112
Bankruptcy/petition by debtor	51	47
Sequestration	147	207
Restoration of driving licence	329	378
Other	107	105
Total civil ABWOR	3,915	4,115
TOTAL CIVIL ADVICE AND ASSISTANCE AND ABWOR	128,944	138,258

3.5 INTIMATIONS BY GENDER

	MALE APPLICANT		FEMALE APPLICANT		TOTAL
Civil advice and assistance	57,439	46%	67,590	54%	125,029
Civil ABWOR	2,427	62%	1,488	38%	3,915
TOTAL 2004-2005	59,866	46%	69,078	54%	128,944
TOTAL 2003-2004	63,218	46%	75,040	54%	138,258

3.6 INCREASES IN LIMIT OF AUTHORISED EXPENDITURE OF CIVIL ADVICE AND ASSISTANCE AND ABWOR

	APPLICATIONS FOR INCREASE		INCREASES GRANTED		INCREASES REFUSED	
	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004
Civil advice and assistance	92,055	101,282	77,003	84,354	5,388	6,042
Civil ABWOR	5,879	6,842	4,939	5,729	181	183
TOTAL	97,934	108,124	81,942	90,083	5,569	6,225

NOTE

- Decisions in table 3.6 do not include decisions after reconsideration. These are reported separately in table 3.7.

3.7 RECONSIDERATION OF AN APPLICATION FOR AN INCREASE IN LIMIT OF AUTHORISED EXPENDITURE

	APPLICATIONS FOR RECONSIDERATION		INCREASES GRANTED		INCREASES REFUSED	
	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004
Civil advice and assistance	3,437	3,734	2,526	2,758	738	773
Civil ABWOR	139	134	115	108	16	16
TOTAL	3,576	3,868	2,641	2,866	754	789

3.8 DISPOSAL OF APPLICATIONS UNDER REGULATION 16(3) (HARDSHIP PROVISIONS) OF THE ADVICE AND ASSISTANCE (SCOTLAND) REGULATIONS 1996

	APPLICATIONS	GRANTED	TOTAL PAYMENTS £'000
Client claimed	1,342	689	398
Solicitor claimed	141	100	61
TOTAL 2004-2005	1,483	789	459
TOTAL 2003-2004	1,835	1,362	743

CIVIL LEGAL AID

3.9 CIVIL LEGAL AID APPLICATIONS

PROCEEDINGS	SHERIFF COURT		COURT OF SESSION		OTHER COURTS		TOTAL	
	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004
Family/matrimonial	10,855	12,142	101	116	1	3	10,957	12,261
Debt	702	611	16	16	1	-	719	627
Reparation	2,373	2,026	334	397	-	1	2,707	2,424
Judicial review	-	-	662	650	-	1	662	651
Appeals	197	270	90	81	35	19	322	370
Recovery of heritable property	1,015	943	8	1	1	-	1,024	944
Other	533	785	72	98	1	15	606	898
TOTAL	15,675	16,777	1,283	1,359	39	39	16,997	18,175

3.10 CIVIL LEGAL AID GRANTS (INCLUDING GRANTS ON REVIEW)

PROCEEDINGS	SHERIFF COURT		COURT OF SESSION		OTHER COURTS		TOTAL	
	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004
Family/matrimonial	7,731	9,105	61	68	1	1	7,793	9,174
Debt	262	259	6	9	-	-	268	268
Reparation	1,227	1,144	220	221	-	-	1,447	1,365
Judicial review	-	-	285	188	-	-	285	188
Appeals	115	137	55	53	20	8	190	198
Recovery of heritable property	519	521	3	-	1	-	523	521
Other	433	517	49	82	1	9	483	608
TOTAL	10,287	11,683	679	621	23	18	10,989	12,322
Grants with contribution							2,678	3,108
Grants with no contribution							8,311	9,214
TOTAL							10,989	12,322
Average value of contribution, where payable							£1,027	£1,026

3.11 INTIMATIONS OF STEPS TAKEN UNDER REGULATION 18(1)(a) AND CERTIFICATES GRANTED UNDER REGULATION 18(1)(b) OF THE CIVIL LEGAL AID (SCOTLAND) REGULATIONS 2002 (LEGAL AID IN MATTERS OF SPECIAL URGENCY)

	2004-2005	2003-2004
Intimations under regulation 18(1)(a)	10,058	11,231
Certifications under regulation 18(1)(b)	1,580	1,861
TOTAL	11,638	13,092

3.12 ANALYSIS OF FULL APPLICATIONS WHERE LEGAL AID WAS REFUSED OR ABANDONED AT FIRST INSTANCE

COURT	REFUSED ON MERITS		REFUSED ON MEANS		ABANDONED BEFORE OFFER OF LEGAL AID		REFUSED AFTER APPLICANT DECLINED OFFER		TOTAL	
	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004
Court of Session	643	660	30	68	219	190	–	5	892	923
Sheriff court	4,830	4,750	522	683	2,591	1,698	–	408	7,943	7,539
Other courts	16	12	1	6	7	6	–	–	24	24
TOTAL	5,489	5,422	553	757	2,817	1,894	–	413	8,859	8,486

NOTE

- In this table, and in tables 3.14 and 3.15, “Refused on merits” includes applications refused on the basis of no probable cause, or unreasonableness, where the proceedings are statutorily excluded from civil legal aid.
- “Refused after applicant declined offer” only applies to applications where an offer was made up to 30 September 2003. Since 1 October 2003, decisions on applications have been recorded only as grants or refusals. This category is therefore now included in grants of civil legal aid in table 3.10.

3.13 DISPOSAL OF APPLICATIONS FOR REVIEW OF DECISION TO REFUSE LEGAL AID

APPLICATIONS	2004-2005			2003-2004		
	RECEIVED	ALLOWED	REFUSED	RECEIVED	ALLOWED	REFUSED
Family/matrimonial	1,734	962	561	2,174	1,431	695
Debt	265	97	121	243	82	135
Reparation	1,036	393	510	1,050	480	605
Judicial review	204	84	119	249	54	176
Appeals	99	45	47	110	37	78
Recovery of heritable property	189	101	52	155	94	54
Other	272	141	115	260	159	97
TOTAL	3,799	1,823	1,525	4,241	2,337	1,840

NOTE

- This table does not include 120 review applications that were refused on means, without consideration of the merits.

3.14 APPLICATIONS AND DECISIONS BY GENDER

	MALE APPLICANT				FEMALE APPLICANT			
	2004-2005		2003-2004		2004-2005		2003-2004	
Applications	7,504	44%	7,367	41%	9,493	56%	10,808	59%
Total grants	4,344	40%	4,664	38%	6,645	60%	7,658	62%
Refused on merits	2,794	51%	2,675	49%	2,695	49%	2,747	51%
Refused on means	218	39%	281	37%	335	61%	476	63%
Abandoned before offer	1,306	46%	823	43%	1,511	54%	1,071	57%
Refused after applicant declined offer	–	–	129	31%	–	–	284	69%

NOTE

- “Refused after applicant declined offer” only applies to applications where an offer was made up to 30 September 2003. Since 1 October 2003, decisions on applications have been recorded only as grants or refusals. This category is therefore now included in grants of civil legal aid in table 3.10.

3.15 APPLICATIONS AND DECISIONS BY PURSUER/DEFENDER

	2004-2005			2003-2004		
	PURSUER	DEFENDER	OTHER	PURSUER	DEFENDER	OTHER
Applications	10,962	4,404	1,631	11,859	4,790	1,526
Total grants	7,453	2,651	885	8,402	3,153	767
Refused on merits	3,254	1,547	688	3,416	1,410	596
Refused on means	385	138	30	523	188	46
Abandoned before offer	1,580	948	289	1,133	573	188
Refused after applicant declined offer	–	–	–	327	82	4

NOTE

- “Refused after applicant declined offer” only applies to applications where an offer was made up to 30 September 2003. Since 1 October 2003, decisions on applications have been recorded only as grants or refusals. This category is therefore now included in grants of civil legal aid in table 3.10.

Throughout these Appendices

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3.16 ANALYSIS OF CONTRIBUTIONS PAYABLE BY ASSISTED PERSONS

	£0	£1-£50	£51-£100	£101-£250	£251-£500	£501-£800	£801-£1,200	£1,201-£1,700	OVER £1,700
Court of Session	584	2	1	9	23	7	14	21	18
Sheriff court	7,716	37	64	186	429	398	485	554	418
Other courts	11	-	-	1	2	3	3	2	1
TOTAL 2004-2005	8,311 (75.6%)	39 (0.4%)	65 (0.6%)	196 (1.8%)	454 (4.1%)	408 (3.7%)	502 (4.6%)	577 (5.3%)	437 (4.0%)
TOTAL 2003-2004	9,214 (74.8%)	65 (0.5%)	101 (0.8%)	278 (2.3%)	519 (4.2%)	538 (4.4%)	601 (4.9%)	600 (4.9%)	406 (3.3%)

Of those contributions, the breakdown between capital and income was as follows:

Capital contributions	-	-	1	2	4	3	3	3	16
Income contributions		39	65	196	457	409	504	582	419

NOTE

- Included in the table are 22 cases, where both a capital and income contribution was payable.

3.17 SANCTIONS

	APPLICATIONS RECEIVED	APPLICATIONS GRANTED	APPLICATIONS REFUSED	APPLICATIONS ABANDONED
Expert witness/unusual expenditure	4,814	3,627	705	346
Counsel	1,228	660	471	59
TOTAL 2004-2005	6,042	4,287	1,176	405
TOTAL 2003-2004	6,397	4,732	1,503	391

3.18 APPLICATIONS FOR EXTENSIONS OF GRANTS

	APPLICATIONS RECEIVED	APPLICATIONS GRANTED	APPLICATIONS REFUSED
Family/matrimonial		525	430
Debt		38	31
Reparation		85	69
Judicial review		6	6
Appeals		2	2
Recovery of heritable property		-	-
Other		241	158
TOTAL 2004-2005		897	696
TOTAL 2003-2004		1,112	883

3.19 REDETERMINATIONS OF MEANS AFTER GRANT

	NUMBER OF APPLICATIONS RECEIVED	NO CHANGE	EFFECT ON CONTRIBUTION LEVELS			
			NIL TO CONTRIBUTION	CONTRIBUTION TO NIL	CHANGE IN CONTRIBUTION LEVEL	INELIGIBLE FOR LEGAL AID
Family/matrimonial	1,910	788	194	105	640	65
Debt	61	24	8	4	8	3
Reparation	251	114	22	17	73	9
Judicial review	23	13	1	1	2	-
Appeals	33	11	4	4	3	1
Recovery of heritable property	58	21	4	5	8	-
Other	77	36	8	6	23	2
TOTAL 2004-2005	2,413	1,007	241	142	757	80
TOTAL 2003-2004	3,803	1,605	356	201	813	81

3.20 APPLICATIONS FOR CHANGE OF SOLICITOR

	APPLICATIONS RECEIVED	APPLICATIONS GRANTED	APPLICATIONS REFUSED
TOTAL 2004-2005	1,143	1,035	127
TOTAL 2003-2004	1,275	1,162	133

CIVIL LEGAL ASSISTANCE EXPENDITURE

3.21 ACCOUNTS PAID AND AVERAGE CASE COSTS – CIVIL ADVICE AND ASSISTANCE AND ABWOR

SUBJECT MATTER	MINIMUM FEE CASES		DETAILED ACCOUNTS				TOTAL NUMBER OF CASES 2004-2005	TOTAL PAID 2004-2005 £'000	AVERAGE CASE COST 2004-2005 £	AVERAGE CASE COST 2003-2004 £
	NUMBER OF CASES	TOTAL PAID	NUMBER OF CASES	TOTAL PAID	SOLICITOR PAID	OUTLAYS				
		£'000		£'000	£'000	£'000				
Civil advice and assistance (excluding ABWOR)										
Divorce	681	18	9,714	2,337	2,210	127	10,395	2,355	227	223
Separation	424	11	5,283	1,565	1,477	89	5,707	1,577	276	285
Other family/matrimonial	547	15	4,171	407	846	61	4,718	923	196	180
Contact	1,009	28	9,391	1,686	1,648	37	10,400	1,714	165	159
Residence	203	6	2,165	476	462	14	2,368	482	203	194
Aliment/Child Support Agency	255	7	1,012	169	158	12	1,267	176	139	127
Hire purchase/debt	2,033	56	8,622	883	853	30	10,655	939	88	87
Housing	1,909	53	7,628	895	857	38	9,537	948	99	96
Recovery of heritable property	52	1	648	104	102	1	700	105	150	137
Reparation	874	24	8,097	2,037	1,432	605	8,971	2,061	230	221
Breach of contract	56	2	417	70	63	8	473	72	152	141
Employment	411	11	2,463	723	647	77	2,874	735	256	244
State benefit	2,106	59	5,507	738	577	161	7,613	797	105	104
Interdict/harassment/non-harassment	1,587	45	7,096	1,021	1,002	19	8,683	1,066	123	119
Immigration	243	7	4,752	1,898	1,499	400	4,995	1,905	381	395
Human rights	38	1	203	50	44	5	241	51	211	148
Criminal Injuries Compensation Authority	328	9	2,536	307	282	26	2,864	316	110	126
Wills/executry	377	10	2,602	206	199	7	2,979	217	73	77
Mental health	46	1	760	602	415	187	806	604	749	488
Complaints about professional bodies	756	21	1,718	159	149	10	2,474	181	73	72
Judicial review	57	1	471	176	126	50	528	178	336	247
Conveyancing	33	1	152	25	21	4	185	26	139	126
Power of attorney	28	1	457	55	46	9	485	56	115	107
Restoration of driving licence	123	4	251	43	36	7	374	47	125	101
Civil appeals	16	–	168	45	35	11	184	46	249	210
Other	3,383	96	8,554	994	913	81	11,937	1,089	91	90
Total civil advice and assistance	17,575	489	94,838	18,174	16,099	2,076	112,413	18,664	166	157
Civil ABWOR										
Employment tribunals	4	–	118	115	94	21	122	115	942	857
Immigration	24	1	1,989	1,632	1,289	342	2,013	1,632	811	746
Mental health	8	–	1,040	805	588	217	1,048	805	768	705
Bankruptcy/petition by debtor	2	–	45	4	3	1	47	4	81	68
Sequestration	39	1	101	8	6	2	140	9	66	71
Restoration of driving licence	36	1	245	57	47	9	281	58	206	224
Other	16	–	62	12	12	–	78	13	162	303
Total civil ABWOR	129	4	3,600	2,632	2,039	593	3,729	2,636	707	660
TOTAL CIVIL ADVICE AND ASSISTANCE AND ABWOR 2004-2005	17,704	493	98,438	20,806	18,138	2,669	116,142	21,299	183	–
TOTAL CIVIL ADVICE AND ASSISTANCE AND ABWOR 2003-2004	20,824	578	103,210	20,893	18,519	2,374	124,034	21,471	–	173

NOTE

- Where minimum fees are paid under ABWOR, this is because solicitors have intimated the case as ABWOR, but have either not proceeded with the case or dealt with it under advice and assistance.
- In this table, payments to advocates and solicitor advocates are included under “outlays”, as regulation 17(1) of the Advice and Assistance (Scotland) Regulations 1996 only provides for payment to the solicitor of fees and outlays.

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3.22 ACCOUNTS PAID AND AVERAGE CASE COSTS – CIVIL LEGAL AID

PROCEEDINGS	TOTAL PAID	SOLICITOR	ADVOCATE	SOLICITOR ADVOCATE	OUTLAYS	NUMBER OF CASES	AVERAGE COST PER CASE 2004-2005	AVERAGE COST PER CASE 2003-2004
	£ '000	£ '000	£ '000	£ '000	£ '000		£	£
Sheriff court								
Family/matrimonial	15,501	10,412	743	–	4,346	8,266	1,875	1,827
Debt	442	320	50	–	73	330	1,341	1,504
Reparation	4,145	2,834	357	–	955	1,043	3,974	4,087
Appeals	263	138	48	–	78	136	1,935	3,039
Recovery of heritable property	174	148	12	–	13	405	429	543
Other	1,580	1,034	262	–	284	1,313	1,204	1,308
Total sheriff court	22,106	14,885	1,472	–	5,748	11,493	1,923	1,939
Court of Session								
Family/matrimonial	534	273	165	–	96	68	7,855	6,649
Debt	81	33	38	–	11	12	6,772	5,549
Reparation	6,247	2,113	1,857	3	2,274	292	21,394	15,206
Judicial review	485	135	270	–	80	201	2,411	2,483
Appeals	254	66	134	–	54	31	8,196	6,010
Other	774	249	317	–	207	142	5,449	4,725
Total Court of Session	8,375	2,869	2,780	3	2,723	746	11,227	9,408
Total other courts	340	38	132	–	170	14	24,284	7,065
All courts								
Family/matrimonial	16,035	10,684	908	–	4,442	8,334	1,924	1,876
Debt	524	352	87	–	84	342	1,531	1,654
Reparation	10,392	4,947	2,213	3	3,229	1,335	7,785	6,598
Judicial review	485	135	270	–	80	201	2,411	2,483
Appeals	517	204	181	–	132	167	3,097	3,749
Recovery of heritable property	174	148	12	–	13	405	429	543
Other	2,694	1,321	711	–	661	1,469	1,834	1,678
TOTAL ALL COURTS 2004-2005	30,821	17,793	4,384	3	8,641	12,253	2,515	–
TOTAL ALL COURTS 2003-2004	29,994	17,962	4,157	2	7,873	12,721	–	2,358

NOTE

- Reparation cases include those paid in terms of the extra statutory concession and of regulation 3 (as amended) of the Civil Legal Aid (Scotland) (Fees) Regulations 1989, where the legal representatives have elected to opt for the party and party expenses recovered from the opponent.

3.23 AMOUNTS RECOVERED BY THE LEGAL AID FUND

	2004-2005 £'000	2003-2004 £'000
Contributions from assisted persons	1,403	1,450
Expenses from opponents	9,813	8,738
Amounts awarded to assisted persons transferred to Legal Aid Fund	987	1,162
TOTAL RECOVERIES	12,203	11,350

NOTE

- These are amounts actually received by the Board, not amounts due to it.
- A breakdown of total amounts recovered is shown in the Analysis of Payments in table 7.1.

3.24 ACCOUNTS PAID UNDER SPECIAL URGENCY (WHEREBY IN CERTAIN CIRCUMSTANCES WORK CARRIED OUT WHERE LEGAL AID IS NOT SUBSEQUENTLY GRANTED, IS PAID FOR OUT OF THE FUND)

	TOTAL PAID	SOLICITOR	ADVOCATE	SOLICITOR ADVOCATE	OUTLAYS	NUMBER OF CASES	AVERAGE COST PER CASE
	£'000	£'000	£'000	£'000	£'000		£
TOTAL 2004-2005	846	556	100	–	190	1,843	459
TOTAL 2003-2004	627	413	53	–	161	1,486	422

NOTE

- The amounts shown in this table are also included in the figures in table 3.22.

CRIMINAL LEGAL ASSISTANCE KEY FIGURES

4.1 TOTAL GRANTS OF CRIMINAL LEGAL ASSISTANCE

	2004-2005	2003-2004
Criminal advice and assistance and ABWOR	131,521	136,102
Criminal ABWOR	20,653	22,931
Total criminal advice and assistance and ABWOR	152,174	159,033
Summary criminal legal aid		
– Board granted	79,343	75,414
– Court granted	1,153	1,142
Total summary criminal	80,496	76,556
Solemn criminal legal aid (Court granted)	10,967	11,399
Automatic legal aid (Court granted)	539	193
Appeals	2,551	2,629
Duty solicitor appearances	32,579	31,163
TOTAL CRIMINAL LEGAL ASSISTANCE	279,306	280,973

4.2 TOTAL COST TO THE TAXPAYER OF PROVIDING CRIMINAL LEGAL ASSISTANCE

	2004-2005 £'000	2003-2004 £'000
Criminal advice and assistance and ABWOR	8,989	9,012
Criminal ABWOR	3,940	3,444
Total criminal advice and assistance and ABWOR	12,929	12,456
Summary criminal legal aid, including automatic legal aid	50,990	48,859
Solemn criminal legal aid (Court granted)	39,174	37,457
Appeals	4,141	2,413
Total criminal legal aid including appeals	94,306	88,729
Duty solicitor appearances	969	945
Public Defence Solicitors' Office	827	376
TOTAL CRIMINAL LEGAL ASSISTANCE	109,031	102,506

4.3 TOTAL COST OF CRIMINAL LEGAL ASSISTANCE BY TYPE OF CASE

	2004-2005 £'000	2003-2004 £'000
Murder/attempted murder/culpable homicide	9,356	8,197
Assault	20,343	18,874
Theft/housebreaking/robbery	15,966	16,320
Road traffic offences	9,255	9,447
Offensive weapons/vandalism/breach of the peace	15,692	13,936
Drugs	13,252	13,044
Embezzlement/fraud	1,940	2,057
Sexual offences	4,702	4,341
Other	12,320	12,116
Appeals	4,409	2,853
Duty solicitor appearances	969	945
Public Defence Solicitors' Office	827	376
TOTAL CRIMINAL LEGAL ASSISTANCE	109,031	102,506

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CRIMINAL ADVICE AND ASSISTANCE AND ABWOR

4.4 CRIMINAL INTIMATIONS BY SUBJECT MATTER

SUBJECT MATTER	2004-2005	2003-2004
Criminal advice and assistance		
Murder/attempted murder/culpable homicide	695	683
Assault	17,874	16,913
Theft/housebreaking/robbery	21,077	21,627
Road traffic	14,401	16,961
Offensive weapons/vandalism/breach of the peace	24,318	22,294
Drugs	7,640	7,823
Embezzlement/fraud	1,600	1,769
Sexual offences	984	981
Appeals	2,286	4,330
Criminal Procedure (Scotland) Act	7,331	10,641
Mean enquiries/fines	14,989	14,955
Prison rules	3,071	2,496
Breach proceedings	1,717	1,587
Contempt of court	424	350
Civic Government (Scotland) Act	1,521	1,514
Criminal Law Consolidation (Scotland) Act	1,457	1,440
Other	10,136	9,738
Total criminal advice and assistance	131,521	136,102
Criminal ABWOR		
Assault	1,096	1,013
Theft/housebreaking/robbery	2,057	2,145
Road traffic	5,394	6,209
Offensive weapons/vandalism/breach of the peace	2,011	1,968
Drugs	885	1,034
Embezzlement/fraud	289	329
Sexual offences	44	50
Criminal Procedure (Scotland) Act	1,618	2,694
Breach proceedings	4,709	4,960
Contempt of court	5	9
Civic Government (Scotland) Act	172	186
Criminal Law Consolidation (Scotland) Act	146	161
Other	2,227	2,173
Total criminal ABWOR	20,653	22,931
TOTAL CRIMINAL ADVICE AND ASSISTANCE AND ABWOR	152,174	159,033

4.5 INTIMATIONS BY GENDER

	MALE APPLICANT		FEMALE APPLICANT		TOTAL
Criminal advice and assistance	106,948	81%	24,573	19%	131,521
Criminal ABWOR	16,555	80%	4,098	20%	20,653
TOTAL 2004-2005	123,503	81%	28,671	19%	152,174
TOTAL 2003-2004	130,743	82%	28,290	18%	159,033

4.6 INCREASES IN LIMIT OF AUTHORISED EXPENDITURE OF CRIMINAL ADVICE AND ASSISTANCE AND ABWOR

	APPLICATIONS FOR INCREASE		INCREASES GRANTED		INCREASES REFUSED	
	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004
Criminal advice and assistance	20,696	20,964	17,363	17,579	1,197	1,271
Criminal ABWOR	19,229	18,140	17,219	16,204	437	443
TOTAL	39,925	39,104	34,582	33,783	1,634	1,714

NOTE

- Decisions in table 4.6 do not include decisions after reconsideration. These are reported separately in table 4.7.

4.7 RECONSIDERATION OF AN APPLICATION FOR AN INCREASE IN LIMIT OF AUTHORISED EXPENDITURE

	APPLICATIONS FOR RECONSIDERATION		INCREASES GRANTED		INCREASES REFUSED	
	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004
	Criminal	864	1,027	519	503	313
Criminal ABWOR	264	294	215	240	37	57
TOTAL	1,128	1,321	734	743	350	534

CRIMINAL LEGAL AID

4.8 APPLICATIONS TO THE BOARD FOR SUMMARY CRIMINAL LEGAL AID

OFFENCE	DISTRICT COURT		SHERIFF COURT		TOTAL	
	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004
Assault	2,529	2,407	16,673	14,799	19,202	17,206
Theft/housebreaking/robbery	2,867	2,671	11,816	11,974	14,683	14,645
Road traffic offences	1,447	1,045	10,561	12,020	12,008	13,065
Offensive weapons/vandalism/breach of the peace	6,059	5,746	17,615	15,410	23,674	21,156
Drugs	1,135	1,027	6,372	6,012	7,507	7,039
Embezzlement/fraud	170	146	1,242	1,301	1,412	1,447
Sexual offences	8	6	275	274	283	280
Other	1,345	1,439	6,155	6,722	7,500	8,161
TOTAL	15,560	14,487	70,709	68,512	86,269	82,999

NOTE

- Sheriff court includes cases heard by stipendiary magistrates in the district court.

4.9 GRANTS BY THE BOARD OF SUMMARY CRIMINAL LEGAL AID

OFFENCE	GRANTED AT FIRST INSTANCE				GRANTED AFTER REVIEW				TOTAL	
	DISTRICT COURT		SHERIFF COURT		DISTRICT COURT		SHERIFF COURT		2004-2005	2003-2004
	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004
Assault	2,346	2,241	15,390	13,725	89	89	687	567	18,512	16,622
Theft/housebreaking/robbery	2,549	2,322	11,431	11,483	103	111	211	232	14,294	14,148
Road traffic offences	608	402	7,954	8,879	102	79	784	814	9,448	10,174
Offensive weapons/vandalism/breach of the peace	4,470	4,089	16,280	14,233	466	507	643	604	21,859	19,433
Drugs	1,008	877	6,009	5,638	41	67	206	179	7,264	6,761
Embezzlement/fraud	122	93	1,145	1,183	11	9	42	60	1,320	1,345
Sexual offences	5	4	253	247	3	1	11	13	272	265
Other	695	720	5,267	5,509	93	102	319	335	6,374	6,666
TOTAL	11,803	10,748	63,729	60,897	908	965	2,903	2,804	79,343	75,414

NOTE

- Sheriff court includes cases heard by stipendiary magistrates in the district court.

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4.10 REFUSALS OF SUMMARY CRIMINAL LEGAL AID AT FIRST INSTANCE BY REASON FOR REFUSAL

REASON	DISTRICT COURT		SHERIFF COURT		TOTAL	
	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004
Not in the interests of justice	3,079	3,088	2,546	3,495	5,625	6,583
Means	205	129	1,510	960	1,715	1,089
Other rights and facilities	-	-	1	2	1	2
Non-timeous	1	12	-	31	1	43
Abandoned	12	13	87	81	99	94
Lack of information	494	461	2,938	2,868	3,432	3,329
TOTAL	3,791	3,703	7,082	7,437	10,873	11,140

NOTE

- Sheriff court includes cases heard by stipendiary magistrates in the district court.

4.11 DISPOSAL OF APPLICATIONS FOR REVIEW OF DECISION TO REFUSE SUMMARY CRIMINAL LEGAL AID

	2004-2005	2003-2004
Granted	3,811	3,769
Refused	3,113	3,342
TOTAL	6,924	7,111

4.12 GRANTS OF LEGAL AID BY THE COURTS IN SOLEMN PROCEEDINGS

OFFENCE	SHERIFF COURT		HIGH COURT		TOTAL	
	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004
Murder/attempted murder/culpable homicide	915	873	13	11	928	884
Assault	3,618	3,570	4	6	3,622	3,576
Theft/housebreaking/robbery	1,719	2,005	-	4	1,719	2,009
Road traffic offences	486	638	3	4	489	642
Offensive weapons/vandalism/breach of the peace	460	467	-	2	460	469
Drugs	1,725	1,789	9	13	1,734	1,802
Embezzlement/fraud	220	233	1	-	221	233
Sexual offences	706	637	8	15	714	652
Other	1,070	1,127	10	5	1,080	1,132
TOTAL	10,919	11,339	48	60	10,967	11,399

4.13 GRANTS OF LEGAL AID BY THE COURTS IN SUMMARY PROCEEDINGS UNDER LEGAL AID (SCOTLAND) ACT 1986 SECTION 23(1)(b)

OFFENCE	DISTRICT COURT		SHERIFF COURT		TOTAL	
	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004
Assault	1	3	137	77	138	80
Theft/housebreaking/robbery	18	14	271	279	289	293
Road traffic offences	4	8	203	253	207	261
Offensive weapons/vandalism/breach of the peace	4	8	192	146	196	154
Drugs	-	2	65	49	65	51
Embezzlement/fraud	2	1	42	34	44	35
Sexual offences	-	-	6	5	6	5
Other	5	9	203	254	208	263
TOTAL	34	45	1,119	1,097	1,153	1,142

NOTE

- Under section 23(1)(b), the court may grant summary criminal legal aid when it is considering a sentence for a convicted person who has not previously been sentenced to imprisonment.

4.14 INTIMATIONS OF AUTOMATIC LEGAL AID FOR OTHER COURTS AND UNDER SECTION 22(1)(d)

TYPE OF INTIMATION

	2004-2005	2003-2004
Glasgow Domestic Abuse Court	201	–
Glasgow Drug Court	53	65
Hamilton Youth Court	269	123
Automatic legal aid under Legal Aid (Scotland) Act 1986:		
– section 22(1)(da) The court determines the trial cannot go ahead because the applicant is insane	11	3
– section 22(1)(db) In relation to an examination of facts and the disposal of the case	1	1
– section 22(1)(dc) Appeal against a finding of insanity	–	–
– section 22(1)(dd) Court appoints solicitor to represent a person accused of sexual offence	4	1
TOTAL	539	193

NOTE

- Automatic legal aid under the Legal Aid (Scotland) Act 1986 sections 22 (1) (da-dd) is where the court appointed a solicitor to act for an unrepresented person accused of a sexual offence.

4.15 APPLICATIONS AND DECISIONS BY GENDER

	MALE APPLICANT				FEMALE APPLICANT			
	2004-2005		2003-2004		2004-2005		2003-2004	
Applications (summary)	72,635	84%	70,336	85%	13,634	16%	12,663	15%
Grants (summary)	66,624	84%	63,800	85%	12,719	16%	11,614	15%
Refusals (summary)	9,473	87%	9,673	87%	1,400	13%	1,467	13%
Grants by the courts – solemn	9,773	89%	10,080	88%	1,194	11%	1,319	12%
Grants by the courts – 23(1)(b)	931	81%	886	78%	222	19%	256	22%

4.16 CRIMINAL APPEALS – APPLICATIONS

	APPLICATIONS RECEIVED	APPLICATIONS GRANTED	APPLICATIONS REFUSED
Leave to appeal			
– against conviction	258	236	3
– against conviction and sentence	246	225	1
– against sentence only	2,137	2,033	9
Total leave to appeal	2,641	2,494	13
Other appeals			
Petition to Nobile Officium, etc.	50	25	15
Crown appeals	22	18	2
Appeal against other disposal	11	4	1
Reference by the Scottish Criminal Cases Review Commission to the High Court	3	3	–
Appeals to the Judicial Committee of the Privy Council	4	4	–
Applications for special leave to appeal to the Judicial Committee of the Privy Council	5	3	1
Total other appeals	95	57	19
TOTAL 2004-2005	2,736	2,551	32
TOTAL 2003-2004	2,782	2,629	27

NOTE

- This table includes grants made under regulation 15 of the Criminal Legal Aid (Scotland) Regulations 1996 (matters of special urgency).

4.17 DUTY SOLICITOR APPEARANCES

	2004-2005	2003-2004
Total number of appearances by duty solicitors	31,701	30,233
Total number of appearances by Public Defence Solicitors' Office as duty solicitor	878	930
Total number of appearances	32,579	31,163

Throughout these Appendices

- figures for grants and refusals of applications do not necessarily equal numbers of applications, since decisions on applications received towards the end of one year may not be reached until the following year
- unless otherwise stated, figures for accounts paid include VAT and are prepared on a “cash” basis and include all accounts passed for payment during the year
- in tables showing accounts paid, unless otherwise stated, “outlays” include all payments other than fees paid to solicitors and advocates – for example, expert witnesses

4.18 SANCTIONS

	APPLICATIONS RECEIVED	APPLICATIONS PART GRANTED	APPLICATIONS GRANTED	APPLICATIONS REFUSED
Summary criminal				
– expert witness	2,227	326	1,663	42
– unusual expenditure	162	6	57	24
– counsel	161	2	88	61
Total summary criminal	2,550	334	1,808	127
Solemn and section 23(1)(b)				
– expert witness	3,456	518	2,491	56
– unusual expenditure	1,061	46	668	154
– counsel	2,288	167	909	823
Total solemn and section 23(1)(b)	6,805	731	4,068	1,033
Criminal appeals				
– expert witness	108	15	73	9
– unusual work	134	5	102	6
– counsel	193	26	106	21
Total criminal appeals	435	46	281	36
TOTAL 2004-2005	9,790	1,111	6,157	1,196
TOTAL 2003-2004	9,525	1,089	5,907	1,087

NOTE

- In this table, and in tables 4.20 and 4.21, summary criminal means summary criminal applications granted by the Board.

4.19 APPLICATIONS FOR EXCEPTIONAL STATUS IN FIXED PAYMENT CASES

	APPLICATIONS RECEIVED	APPLICATIONS GRANTED	APPLICATIONS REFUSED
TOTAL 2004-2005	142	65	83
TOTAL 2003-2004	149	43	100

4.20 APPLICATIONS UNDER REGULATION 15 OF THE CRIMINAL LEGAL AID (SCOTLAND) REGULATIONS 1996 (MATTERS OF SPECIAL URGENCY)

	APPLICATIONS GRANTED	
	2004-2005	2003-2004
Summary criminal	50	57
Criminal appeals	2,319	2,550
TOTAL	2,369	2,607

4.21 REQUESTS FOR CHANGE OF SOLICITOR

	APPLICATIONS RECEIVED	APPLICATIONS GRANTED	APPLICATIONS REFUSED
Summary criminal	2,537	1,878	279
Court granted legal aid	1,779	1,320	112
Criminal appeals	198	128	11
TOTAL 2004-2005	4,514	3,326	402
TOTAL 2003-2004	4,657	3,542	433

CRIMINAL LEGAL ASSISTANCE EXPENDITURE

4.22 ACCOUNTS PAID AND AVERAGE CASE COSTS – CRIMINAL ADVICE AND ASSISTANCE AND ABWOR

SUBJECT MATTER	MINIMUM FEE CASES		DETAILED ACCOUNTS				TOTAL NUMBER OF CASES 2004-2005	TOTAL PAID 2004-2005 £'000	AVERAGE CASE COST 2004-2005 £	AVERAGE CASE COST 2003-2004 £
	NUMBER OF CASES	TOTAL PAID	NUMBER OF CASES	TOTAL PAID	SOLICITOR £'000	OUTLAYS £'000				
		£'000		£'000	£'000	£'000				
Criminal advice and assistance (excluding ABWOR)										
Murder/attempted murder/culpable homicide	143	4	518	63	58	5	661	67	102	93
Assault	3,929	111	13,374	1,085	1,052	33	17,303	1,195	69	67
Theft/housebreaking/robbery	5,528	158	15,916	1,311	1,267	43	21,444	1,468	68	67
Road traffic	3,427	97	11,597	984	959	25	15,024	1,081	72	69
Offensive weapons/vandalism/breach of the peace	5,442	154	18,054	1,466	1,429	38	23,496	1,620	69	67
Drugs	1,896	54	5,877	490	473	17	7,773	544	70	69
Embezzlement/fraud	391	11	1,170	99	96	3	1,561	110	70	72
Sexual offences	205	6	761	77	72	5	966	83	86	81
Appeals	951	26	1,789	242	202	40	2,740	268	98	103
Criminal Procedure (Scotland) Act	4,122	118	3,906	328	313	14	8,028	446	56	53
Mean enquiries/fines	10,557	308	3,566	218	212	6	14,123	525	37	37
Prison rules	397	11	2,079	255	209	46	2,476	266	107	119
Breach proceedings	437	13	947	163	150	12	1,384	175	126	158
Contempt of court	269	8	79	5	5	–	348	13	36	42
Civic Government (Scotland) Act	356	10	1,048	88	86	2	1,404	99	70	66
Criminal Law Consolidation (Scotland) Act	246	7	1,169	94	92	2	1,415	101	72	68
Other	3,555	102	6,474	826	731	96	10,029	929	93	109
Total criminal advice and assistance	41,851	1,196	88,324	7,794	7,406	387	130,175	8,989	69	69
Criminal ABWOR										
Assault	161	4	571	101	96	5	732	105	144	133
Theft/housebreaking/robbery	285	8	1,549	310	303	7	1,834	318	174	162
Road traffic	637	18	4,400	613	600	13	5,037	631	125	117
Offensive weapons/vandalism/breach of the peace	260	7	1,390	228	223	5	1,650	235	143	136
Drugs	108	3	721	128	122	7	829	131	158	132
Embezzlement/fraud	22	1	213	42	41	1	235	42	180	186
Sexual offences	6	–	27	7	7	1	33	7	224	234
Criminal Procedure (Scotland) Act	439	13	1,671	390	383	7	2,110	403	191	170
Breach proceedings	400	12	4,381	1,343	1,251	91	4,781	1,354	283	252
Civic Government (Scotland) Act	24	1	141	23	23	–	165	24	146	110
Criminal Law Consolidation (Scotland) Act	12	–	98	16	15	–	110	16	144	164
Other	226	7	1,519	666	544	122	1,745	673	385	332
Total criminal ABWOR	2,580	73	16,681	3,866	3,607	260	19,261	3,940	205	180
TOTAL CRIMINAL ADVICE AND ASSISTANCE AND ABWOR 2004-2005	44,431	1,269	105,005	11,660	11,013	647	149,436	12,929	87	–
TOTAL CRIMINAL ADVICE AND ASSISTANCE AND ABWOR 2003-2004	47,752	1,358	101,661	11,098	10,427	671	149,413	12,456	–	83

NOTE

- Where minimum fees are paid under ABWOR, this is because solicitors have intimated the case as ABWOR, but have either not proceeded with the case or dealt with it under advice and assistance.
- In this table, payments to advocates and solicitor advocates are included under “outlays”, as regulation 17(1) of the Advice and Assistance (Scotland) Regulations 1996 only provides for payment to the solicitor of fees and outlays.

Throughout these Appendices

- figures for grants and refusals of applications do not necessarily equal numbers of applications, since decisions on applications received towards the end of one year may not be reached until the following year
- unless otherwise stated, figures for accounts paid include VAT and are prepared on a “cash” basis and include all accounts passed for payment during the year
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4.23 DUTY SOLICITOR – ACCOUNTS

	TOTAL PAID £'000	NUMBER OF APPEARANCES	COST PER APPEARANCE £
TOTAL 2004-2005	969	31,701	31
TOTAL 2003-2004	945	30,233	31

NOTE

- The PDSO made 878 appearances as duty solicitor for accused persons (930 appearances 2003-2004). These are excluded from the figures in this table.

4.24 ACCOUNTS PAID AND AVERAGE CASE COSTS BY PROCEEDINGS

PROCEEDINGS	TOTAL PAID £'000	SOLICITOR £'000	ADVOCATE £'000	SOLICITOR ADVOCATE £'000	OUTLAYS £'000	NUMBER OF CASES	AVERAGE COST PER CASE 2004-2005 £	AVERAGE COST PER CASE 2003-2004 £
Total district court	4,527	4,418	2	2	106	11,491	394	397
Sheriff court – summary (fixed payments)	45,159	43,769	112	37	1,241	66,278	681	687
Sheriff court – summary (detailed charges)	1,304	1,156	25	2	120	1,176	1,109	1,131
Total sheriff court – summary	46,463	44,926	138	39	1,361	67,454	689	693
Sheriff court – solemn (detailed charges)	21,427	16,447	2,577	446	1,957	9,959	2,152	2,211
Total sheriff court	67,890	61,373	2,715	485	3,317	77,413	877	879
High Court (non appeals)	17,747	7,144	7,380	1,737	1,486	1,128	15,733	14,033
Appeals	4,141	2,018	1,404	224	495	3,011	1,375	967
Total High Court	21,888	9,162	8,784	1,961	1,981	4,139	5,288	5,362
TOTAL SUMMARY 2004-2005	50,990	49,343	139	41	1,467	78,945	646	-
TOTAL SUMMARY 2003-2004	48,859	47,096	152	57	1,554	75,227	-	649
TOTAL SOLEMN (INCLUDING APPEALS) 2004-2005	43,315	25,610	11,361	2,407	3,937	14,098	3,072	-
TOTAL SOLEMN (INCLUDING APPEALS) 2003-2004	39,870	23,610	10,562	2,343	3,355	12,674	-	3,146
TOTAL ALL PROCEEDINGS 2004-2005	94,306	74,953	11,501	2,448	5,404	93,043	1,014	-
TOTAL ALL PROCEEDINGS 2003-2004	88,729	70,706	10,714	2,400	4,909	87,901	-	1,009

NOTE

- This table shows fees for solicitor advocates in the district and sheriff courts. These charges are for bail appeals which are heard in the High Court but arise in those courts.
- These figures exclude payments for contempt of court and duty.

4.25 NUMBERS OF CASES AND AVERAGE CASE COSTS BY TYPE OF CASE AND COURT

OFFENCE	DISTRICT COURT		SHERIFF COURT		HIGH COURT		ALL COURTS		
	NUMBER OF CASES	AVERAGE COST PER CASE £	NUMBER OF CASES	AVERAGE COST PER CASE £	NUMBER OF CASES	AVERAGE COST PER CASE £	NUMBER OF CASES	AVERAGE COST PER CASE 2004-2005 £	AVERAGE COST PER CASE 2003-2004 £
Murder/attempted murder/culpable homicide			587	3,925	343	20,365	930	9,988	10,025
Assault	2,213	400	18,842	927	87	7,829	21,142	901	920
Theft/housebreaking/robbery	2,500	390	14,040	851	83	15,115	16,623	853	870
Road traffic offences	416	453	9,920	702	32	12,198	10,368	728	708
Offensive weapons/vandalism									
/breach of the peace	4,515	394	16,818	711	11	9,329	21,344	648	639
Drugs	977	374	7,910	1,028	275	14,840	9,162	1,373	1,484
Embezzlement/fraud	102	381	1,468	1,129	3	30,651	1,573	1,137	1,188
Sexual offences	8	374	760	2,280	212	13,567	980	4,706	5,660
Other	760	385	7,068	809	82	15,666	7,910	922	943
Appeals					3,011	1,375	3,011	1,375	967
TOTAL 2004-2005	11,491	394	77,413	877	4,139	5,288	93,043	1,014	-
TOTAL 2003-2004	11,169	397	72,971	879	3,761	5,362	87,901	-	1,009

CHILDREN'S LEGAL ASSISTANCE KEY FIGURES

5.1 TOTAL GRANTS OF CHILDREN'S LEGAL ASSISTANCE

	2004-2005	2003-2004
Children's advice and assistance	5,687	5,728
Legal aid for children	3,658	3,649
Appeals	10	5
TOTAL CHILDREN'S LEGAL ASSISTANCE	9,355	9,382

5.2 TOTAL COST TO THE TAXPAYER OF PROVIDING CHILDREN'S LEGAL ASSISTANCE

	2004-2005	2003-2004
	£'000	£'000
Children's advice and assistance	455	426
Legal aid for children	2,906	2,733
TOTAL CHILDREN'S LEGAL ASSISTANCE	3,361	3,159

CHILDREN'S ADVICE AND ASSISTANCE

5.3 INTIMATIONS OF ADVICE AND ASSISTANCE

	2004-2005	2003-2004
Total advice and assistance intimations for matters relating to Children (Scotland) Act 1995	5,687	5,728

5.4 INTIMATIONS BY GENDER

	MALE APPLICANT		FEMALE APPLICANT		TOTAL
TOTAL 2004-2005	2,057	36%	3,629	64%	5,686
TOTAL 2003-2004	2,060	36%	3,668	64%	5,728

5.5 INCREASES IN LIMIT OF AUTHORISED EXPENDITURE OF CHILDREN'S ADVICE AND ASSISTANCE

	APPLICATIONS FOR INCREASE		INCREASES GRANTED		INCREASES REFUSED	
	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004
Total children	2,071	1,978	1,785	1,617	90	119

NOTE

•Decisions in table 5.5 do not include decisions after reconsideration. These are reported separately in table 5.6.

5.6 RECONSIDERATION OF AN APPLICATION FOR AN INCREASE IN LIMIT OF AUTHORISED EXPENDITURE

	APPLICATIONS FOR RECONSIDERATION		INCREASES GRANTED		INCREASES REFUSED	
	2004-2005	2003-2004	2004-2005	2003-2004	2004-2005	2003-2004
Total children	41	50	23	35	15	14

LEGAL AID FOR CHILDREN

5.7 GRANTS OF LEGAL AID BY THE COURTS UNDER THE CHILDREN (SCOTLAND) ACT 1995

	2004-2005	2003-2004
TOTAL	3,658	3,649

Throughout these Appendices

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- in tables showing accounts paid, unless otherwise stated, "outlays" include all payments other than fees paid to solicitors and advocates – for example, expert witnesses

5.8 SANCTIONS

	APPLICATIONS RECEIVED	APPLICATIONS PART GRANTED	APPLICATIONS GRANTED	APPLICATIONS REFUSED
Children				
– expert witness	220	28	141	8
– unusual expenditure	65	3	45	6
– counsel	135	5	39	71
TOTAL 2004-2005	420	36	225	85
TOTAL 2003-2004	303	28	136	94

5.9 APPLICATIONS TO THE BOARD IN RESPECT OF APPEALS TO THE COURT OF SESSION AND THE SHERIFF PRINCIPAL

	APPLICATIONS RECEIVED	APPLICATIONS GRANTED
TOTAL 2004-2005	25	10
TOTAL 2003-2004	17	5

5.10 SANCTIONS FOR APPEALS

	APPLICATIONS RECEIVED	APPLICATIONS PART GRANTED	APPLICATIONS GRANTED	APPLICATIONS REFUSED
Children's appeals				
– expert witness	–	–	–	–
– unusual expenditure	–	–	–	–
– counsel	2	2	2	–
TOTAL 2004-2005	2	2	2	–
TOTAL 2003-2004	9	–	5	2

CHILDREN'S LEGAL ASSISTANCE EXPENDITURE

5.11 ACCOUNTS PAID AND AVERAGE CASE COSTS – CHILDREN'S ADVICE AND ASSISTANCE

SUBJECT MATTER	MINIMUM FEE CASES		DETAILED ACCOUNTS				TOTAL NUMBER OF CASES 2004-2005	TOTAL PAID 2004-2005 £'000	AVERAGE CASE COST 2004-2005 £	AVERAGE CASE COST 2003-2004 £
	NUMBER OF CASES	TOTAL PAID	NUMBER OF CASES	TOTAL PAID	SOLICITOR	OUTLAYS				
		£'000		£'000	£'000	£'000				
TOTAL 2004-2005	1,183	34	3,831	421	409	13	5,014	455	91	–
TOTAL 2003-2004	1,272	36	3,680	390	375	15	4,952	426	–	86

NOTE

- In this table, payments to advocates and solicitor advocates are included under "outlays", as regulation 17(1) of the Advice and Assistance Regulations 1996 only provides for payment to the solicitor of fees and outlays.

5.12 ANALYSIS OF ACCOUNTS PAID – CHILDREN'S LEGAL AID

	TOTAL PAID £'000	SOLICITOR £'000	ADVOCATE £'000	SOLICITOR ADVOCATE £'000	OUTLAYS £'000	NUMBER OF CASES	AVERAGE COST PER CASE £
TOTAL 2004-2005	2,906	2,237	422	–	247	2,897	1,003
TOTAL 2003-2004	2,733	2,006	548	–	178	2,557	1,069

CONTEMPT OF COURT

APPENDIX 6

6.1 GRANTS OF LEGAL AID BY THE COURTS UNDER SECTION 30 OF THE LEGAL AID (SCOTLAND) ACT 1986 (CONTEMPT)

	DISTRICT COURT	SHERIFF COURT	HIGH COURT	TOTAL
TOTAL 2004-2005	14	199	14	227
TOTAL 2003-2004	9	182	15	206

6.2 ANALYSIS OF ACCOUNTS PAID

	TOTAL PAID £'000	SOLICITOR £'000	ADVOCATE £'000	SOLICITOR ADVOCATE £'000	OUTLAYS £'000	NUMBER OF CASES	AVERAGE COST PER CASE £
TOTAL 2004-2005	67	49	9	5	5	182	370
TOTAL 2003-2004	87	53	26	5	3	184	474

NOTE

- In addition to legal aid for contempt of court, there were grants of advice and assistance for contempt of court. Information on grants and amounts paid are included in the criminal advice and assistance tables in Appendix 4.

Throughout these Appendices

- figures for grants and refusals of applications do not necessarily equal numbers of applications, since decisions on applications received towards the end of one year may not be reached until the following year
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ANALYSIS OF PAYMENTS

APPENDIX 7

7.1 EXPENDITURE ON CIVIL AND CRIMINAL LEGAL ASSISTANCE

	EXPENDITURE				INCOME			TOTAL 2004-2005		TOTAL NET COST 2003-2004 £'000
	ADVICE & ASSISTANCE	ABWOR	LEGAL AID	TOTAL GROSS COST	CONTRIBUTIONS FROM ASSISTED PERSONS	EXPENSES FROM OPPONENTS	AMOUNTS AWARDED TO ASSISTED PERSONS	TOTAL INCOME	TOTAL NET COST	
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Civil										
Family/matrimonial	7,227	–	16,035	23,261	1,234	529	754	2,517	20,744	21,299
Debt	939	13	524	1,476	23	70	34	127	1,349	1,340
Reparation	2,061	–	10,392	12,453	51	8,791	142	8,984	3,469	3,748
Judicial review	178	–	485	662	2	103	–	105	557	309
Appeals	46	–	517	563	11	113	4	128	435	479
Recovery of heritable property	105	–	174	279	10	41	1	52	227	271
Other	8,108	2,623	2,694	13,425	72	166	52	290	13,135	12,670
Total civil	18,664	2,636	30,821	52,120	1,403	9,813	987	12,203	39,917	40,116
Criminal										
Murder/attempted murder/ culpable homicide	67	–	9,289	9,356	–	–	–	–	9,356	8,197
Assault	1,195	105	19,042	20,343	–	–	–	–	20,343	18,874
Theft/housebreaking/robbery	1,468	318	14,180	15,966	–	–	–	–	15,966	16,320
Road traffic offences	1,081	631	7,544	9,255	–	–	–	–	9,255	9,447
Offensive weapons/vandalism/ breach of the peace	1,620	235	13,837	15,692	–	–	–	–	15,692	13,936
Drugs	544	131	12,576	13,252	–	–	–	–	13,252	13,044
Embezzlement/fraud	110	42	1,788	1,940	–	–	–	–	1,940	2,057
Sexual offences	83	7	4,612	4,702	–	–	–	–	4,702	4,341
Other	2,541	2,469	7,297	12,307	–	–	–	–	12,307	12,104
Appeals	268	–	4,141	4,409	–	–	–	–	4,409	2,853
Duty	–	–	969	969	–	–	–	–	969	945
Contempt	13	–	67	80	–	–	–	–	80	99
Total criminal and contempt	8,989	3,940	95,342	108,271	–	–	–	–	108,271	102,217
Children	455	–	2,906	3,361	–	–	–	–	3,361	3,159
TOTAL 2004-2005	28,108	6,576	129,069	163,752	1,403	9,813	987	12,203	151,549	–
TOTAL 2003-2004	28,364	5,990	122,487	156,841	1,450	8,738	1,162	11,350	–	145,491

NOTE

- Expenditure and income are not necessarily linked and income can be expected to vary from year to year. Some income, such as that from property recovered and preserved or contributions paid over 20 months (the majority), may be received by the Board well after the original case has concluded, in some cases years later.
- Total expenditure excludes miscellaneous payments and PDSO expenditure, which are shown in Appendix 11.

7.2 ANALYSIS OF PAYMENTS FOR ALL CATEGORIES

TYPE	NUMBER OF CASES	FEES (INCLUDING VAT)			TOTAL FEES		OUTLAYS		TOTAL 2004-2005		TOTAL 2003-2004 INCLUDING VAT £'000
		SOLICITOR	ADVOCATE	SOLICITOR ADVOCATE	INCLUDING VAT	EXCLUDING VAT	INCLUDING VAT	EXCLUDING VAT	INCLUDING VAT	EXCLUDING VAT	
		£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	
Advice and assistance	270,592	31,355	–	–	31,355	26,660	3,328	3,328	34,683	29,988	34,353
Civil legal aid	12,253	17,793	4,384	3	22,180	19,057	8,641	8,638	30,821	27,695	29,994
Criminal legal aid	93,043	74,953	11,501	2,448	88,901	75,781	5,404	5,069	94,306	80,850	88,729
Duty	***	942	1	–	943	810	26	22	969	832	945
Children's legal aid	2,897	2,237	422	–	2,659	2,273	247	231	2,906	2,504	2,733
Contempt of court	182	49	9	5	63	54	5	4	67	58	87
TOTAL 2004-2005	378,967	127,329	16,317	2,456	146,102	124,634	17,650	17,293	163,752	141,927	–
TOTAL 2003-2004	381,759	122,940	15,446	2,408	140,794	120,053	16,047	15,711	–	–	156,841

NOTE

- Duty solicitors made 31,701 appearances on behalf of accused persons. The PDSO also made 878 appearances as duty solicitor.
- In this table, advice and assistance payments to counsel and solicitor advocates are included under "outlays", as regulation 17(1) of the Advice and Assistance Regulations 1996 only provides for payment to the solicitor of fees and outlays.

Throughout these Appendices

- figures for grants and refusals of applications do not necessarily equal numbers of applications, since decisions on applications received towards the end of one year may not be reached until the following year
- unless otherwise stated, figures for accounts paid include VAT and are prepared on a "cash" basis and include all accounts passed for payment during the year
- in tables showing accounts paid, unless otherwise stated, "outlays" include all payments other than fees paid to solicitors and advocates – for example, expert witnesses

COMPLAINTS ABOUT THE SCOTTISH LEGAL AID BOARD

APPENDIX 8

We encourage members of the public and legal profession to raise issues of concern with us. We use the information we get from looking into and resolving these to identify problem areas and improve our service. The level of complaints about our service remains low, when considered against the high number of applications we deal with each year.

We received 170 formal complaints during the year, almost 5% fewer than during the previous year. These figures include both initial complaints made to any member of staff and reviews, where someone is unhappy with how their initial complaint has been dealt with, and asks the Chief Executive or Chairman to explore it further. 13 complaints were also carried over from the previous year.

We cleared 84% of these complaints within our target of 28 calendar days. (Of those received in 2003-2004, we achieved the target in 70% of cases.) These 28 days do not include time we spend waiting for further information from third parties.

Of the complaints that we cleared, we considered that 37% were justified, a decrease from 47% the previous year.

If, after the Chairman or Chief Executive has considered a complaint, someone is still unhappy with our response, we give them details of how to complain to the Scottish Public Services Ombudsman. The Ombudsman informed us of one complaint that she investigated about the Board in 2004-2005. In this case, concerning an application for legal aid, the Board accepted the Ombudsman's recommendation that there was evidence of maladministration and that inconvenience and distress had been caused to the person. The Board made a formal apology and also made a compensation payment of £500.

8.1 COMPLAINTS AND REVIEWS RECEIVED AND CLEARED

	2004-2005	2003-2004
Initial complaints received	135	146
Reviews received	35	33
Total new complaints received	170	179
Total complaints carried forward from previous year	13	33
Total complaints under consideration	183	212
Total complaints cleared	158	198

8.2 COMPLAINTS CLEARED WITHIN TARGET

	2004-2005	2003-2004
Total cleared within 28 days	134	139
% cleared within 28 days	84%	70%

8.3 CLEARED COMPLAINTS CONSIDERED JUSTIFIED

	2004-2005	2003-2004
Total complaints justified	58	94
% justified	37%	47%

REQUESTS UNDER THE FREEDOM OF INFORMATION (SCOTLAND) ACT 2002 APPENDIX 9

The Freedom of Information (Scotland) Act 2002 (FOISA) came into force in January 2005. During the period 1 January to 31 March 2005, we received 52 requests for information under the Act. The table below shows the outcome of these.

Total number of requests received	52
Responses provided:	
Information provided free of charge	14
Information provided after payment of fee	1
The Board does hold not the requested information	1
Refusal notice(s) issued	21
Projected cost over £600 and we will not supply the information*	6
Total number dealt with	43
Number carried forward	9

* Where we refused to supply the information because the projected cost was over £600, this was generally because, although we hold the information on, for example, case files, we could only retrieve it by a manual trawl of a large number of files. In some of these cases, we have given the applicant some information we have been able to retrieve from, for example, computer records.

All of the closed requests were dealt with within the 20 working day maximum timescale.

We received six requests for review of refusal notices. Of these, we confirmed our decisions in three cases, and three cases were still undecided at the end of March. All reviews were dealt with within the 20 day period allowed.

About the Public Defence Solicitors' Office (PDSO)

The Public Defence Solicitors' Office (PDSO) opened on 1 October 1998 at 37 York Place, Edinburgh. It was the first public defender service in the UK. Its aims were to provide legal advice, assistance and representation in court for those who cannot afford to pay for it themselves, and handled criminal cases in all the courts in Edinburgh.

The Edinburgh PDSO ran as a five-year pilot to compare the provision of criminal legal aid by private solicitors with salaried solicitors employed by the Board. Under the legislation that set up the PDSO, Scottish Ministers had to publish a report into the operation of the PDSO within 3 years. A substantial and detailed research report was published in 2001. The pilot was considered to have been worthwhile and had created much useful information on how the criminal legal aid system was working.

Ministers announced their intention to continue the PDSO Edinburgh office and to create up to two more offices in different locations when the Criminal Justice (Scotland) Bill was introduced in the Scottish Parliament in March 2002. As a result, two further PDSO offices have opened in Glasgow and Inverness in May 2004.

About this section

Within our statistical tables and accounts we report on the volumes of work undertaken by PDSO, and its costs. This appendix brings together key information on PDSO's work.

10.1 EXPENDITURE

	2004-2005 £'000	2003-2004 £'000
Criminal defence costs – outlays	35	15
Salaries and wages	408	230
Social security costs	37	22
Accommodation	209	62
Audit fees	2	2
Depreciation	19	5
Revaluation/permanent diminution in value of fixed assets	–	(2)
Other operating costs	121	42
Total	831	376

NOTE

- This table is produced on an accounting basis and includes adjustments for accounts and prepayments.

10.2 PDSO COSTS AND VOLUMES

	1998/1999	1999/2000	2000/2001	2001/2002	2002/2003	2003/2004	2004/2005
Total cost of PDSO £ '000s	405	430	390	364	319	376	831
Total number of cases	417	1,034	1,202	1,194	1,123	1,186	1,565
Number of solemn cases	–	1	26	34	25	28	54
Number of accused persons represented by PDSO as duty solicitor	–	–	–	–	1,092	930	878

NOTES

- As well as the caseload shown in this table, PDSO has put through cases at the custody court for other solicitors as part of the service when acting as duty lawyers.

ANALYSIS OF SPEND

FOR THE YEAR ENDED 31 MARCH 2005

APPENDIX 11

This section does not form part of the statement of accounts. This information explains the relationship between the accounts, which are prepared on an accruals basis, and the statistical tables, which are produced on the basis of actual expenditure.

SCOTTISH LEGAL AID FUND

Payments (including outlays) made to solicitors, counsel and PDSO in respect of:

	2004-2005 £'000	2003-2004 £'000
Civil	30,821	29,994
Criminal	95,275	89,674
Advice and assistance	34,683	34,353
Children's	2,906	2,733
Contempt	67	87
Miscellaneous	51	87
Public Defence Solicitors' Office	827	376
	164,630	157,304

This was financed by:

Contributions from assisted persons	1,403	1,449
Recovery of expenses	9,813	8,737
Losses recovered from damages received	987	1,162
Miscellaneous	60	27
Government grant	153,614	146,772
	165,877	158,147

Movement in non-cash and creditor items	(1,247)	(843)
	164,630	157,304

NOTE

- The difference between table 7.2 and the above table is PDSO and miscellaneous expenditure.

The relationship between the cash expenditure figures above and the figures shown in the accounts is:

	2004-2005 £'000	2003-2004 £'000
Fund expenditure	164,630	157,304
Net movement in non-cash and creditor items	6,364	12,046
Operating costs (including PDSO)	170,994	169,350
Fund cash receipts – net	12,204	11,375
Non-cash adjustments to debtors	1,165	1,865
Operating income	13,369	13,240

PUBLIC DEFENCE SOLICITORS' OFFICE

	2004-2005 £'000	2003-2004 £'000
Criminal defence costs – outlays	35	15
Salaries and wages	408	230
Social security costs	37	22
Accommodation	209	62
Audit fees	2	2
Depreciation	19	5
Permanent diminution in value of fixed assets	–	(2)
Other operating costs	121	42
	831	376

GRANT-IN-AID

	2004-2005 £'000	Restated 2003-2004 £'000
Payments	11,258	10,494
This was financed by:		
Government grant	10,970	10,248
Bank	38	134
Pension receipts	250	112
	11,258	10,494

NOTES

- Although the Board's accounts are prepared on an accruals basis, these tables have been produced on the basis of actual expenditure and are consistent with the statistical tables in the Appendices.
- The expenditure of the Public Defence Solicitors' Office amounted to £831,000 on an accounting basis and the funding provided was £827,000. The difference is due to adjustments for accruals and prepayments.

STATEMENT OF ACCOUNTS

FOR THE PERIOD 1 APRIL 2004 TO 31 MARCH 2005.

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BOARD MEMBERS

	Date appointed
Jean Couper (Chairman: from 1998)	April 1994
William Gallagher	April 2000
Peter L Gray QC	September 2002
Graeme McKinstry	April 2002
Susan McPhee	January 2005
Ellen Morton	December 2002
David J C Nicol	April 2002
Yvonne Osman	To December 2004
Professor Ian Percy CBE	April 2000
Elaine Rosie	January 2005
Sheriff Kenneth Ross	April 2004
Margaret Scanlan	September 1997
Satnam Singh	April 2004
Malcolm Thomson QC	April 1998

Executive Team

Lindsay Montgomery, Chief Executive
 Tom Murray, Director of Legal Services and Applications
 Andrew Menzies, Director of Corporate Services and Accounts
 Ian Middleton, Director of Audit and Compliance

Auditors

Audit Scotland

Bankers

Royal Bank of Scotland

FOREWORD

PRINCIPAL ACTIVITIES

The principal activities of the Scottish Legal Aid Board ("the Board") are to assess and where appropriate grant applications for legal aid; to scrutinise and pay legal aid accounts submitted by solicitors and advocates; to collect expenses and contributions; and to advise Scottish Ministers on legal aid matters.

REGISTER OF BOARD MEMBERS' INTERESTS

The Board keeps a register of Board members' interests, which is on its website at www.slab.org.uk, or available in a paper copy from the Board's Communications department (Tel. 0131 2401985).

BACKGROUND

The Board presents its accounts for the financial year ended 31 March 2005. The accounts have been prepared in a form directed by Scottish Ministers in accordance with section 5 (2) of the Legal Aid (Scotland) Act 1986, as amended by the Public Finance and Accountability (Scotland) Act 2000, and the Executive Non-Departmental Public Bodies Annual Reports and Accounts Guidance 2004-2005.

The Board is a Non-Departmental Public Body set up in 1987 under the Legal Aid (Scotland) Act 1986, and is accountable to Scottish Ministers. A key objective for the Board is to operate within its administration budget and to manage the Legal Aid Fund. Separate accounts have been prepared for the Legal Aid Fund ("the fund") and for the administrative income and expenditure of the Board ("the grant-in-aid").

SCOTTISH LEGAL AID FUND

The Income and Expenditure account shows the income and net cost of operations, excluding notional charges, but including pension costs. The surplus transferred to the General Fund is £2.068m (2003/04: £1.739m). This includes the estimated value of work done on legal aid certificates outstanding as at 31 March 2005 of £75.5m (2003/04: £69.1m). The basis of preparation for the annual accounts (the "accruals basis") results in accounting adjustments, including certain notional charges, depreciation, accruals and prepayments. While the accounts that follow show a surplus on the Income and Expenditure Account, this should not be taken as an indication of surplus cash balances.

SCOTTISH LEGAL AID BOARD – ADMINISTRATION EXPENDITURE (GRANT-IN-AID)

The Income and Expenditure account, prepared on an accruals basis, shows the income and net cost of operations, excluding notional charges, but including pension costs. The deficit transferred to the General Fund is £1.600m (2003/04: £2.430m).

ACCOUNTING FOR PENSIONS

In line with the "Executive Non-Departmental Public Bodies Annual Report and Accounts Guidance", issued annually by HM Treasury, these annual accounts are required to reflect Financial Reporting Standard 17: Retirement Benefits. This requires entities to recognise in their accounts, the costs, the assets and the liabilities of pension schemes.

As shown in note 26 the actuarial estimate of the Board's accrued pension liabilities is £19.5m. This reflects the inclusion of liabilities falling due in future years. The Board's pension scheme, being 'unfunded', has no tangible assets. Rather, in accordance with arrangements set out in the Legal Aid (Scotland) Act 1986, pensions and other liabilities are met from grant-in-aid as they fall due, resulting in the scheme's reliance on future funding from the Board's sponsoring department, the Scottish Executive Justice Department. Accounting rules and convention currently prohibit the Board anticipating such funding in these accounts, resulting in the Scottish Legal Aid Board Grant-In-Aid balance sheet on page 87, showing 'net liabilities' and 'negative taxpayer's equity'.

The technical accounting practice has no impact on the underlying basis for meeting the Board's current and ongoing pension liabilities. These will be met out of the Board's funding from the Scottish Executive Justice Department, in accordance with arrangements set out in the Legal Aid (Scotland) Act 1986. The Scottish Executive Justice Department has given the Board a written assurance that there are no plans to change the existing arrangements whereby they fund the Board's administrative costs, including the provision for the net pension costs, through grant in aid. Further, they state that there are no plans to wind up the Board, and that if this was ever to become a possibility, then the liabilities falling under the pension scheme would be a matter which the Executive would require to recognise through the legislation that was considered by Parliament. Accordingly, it has been considered appropriate to adopt a going concern basis for the preparation of these financial statements.

EMPLOYEE COMMUNICATION

The Board issues a monthly newsletter and occasional circulars for staff about matters of concern to them, including performance. Managers and staff discuss these during team briefing sessions. The Board conducts an employee opinion survey every two years to obtain staff views on issues such as communications, training and development, management practices, and quality of service. A Joint Consultative Committee of management and union representatives meets regularly.

As an Investor in People, the Board continues to give staff the opportunities and support needed to develop their skills in meeting the organisation's objectives.

CREDITOR PAYMENT POLICY

The Board's payment policy for suppliers in respect of grant-in-aid expenditure is to agree payment terms when placing orders for goods and services and, whenever necessary, ensure that suppliers are aware of the Board's terms of payment. The Board aims to comply with these terms subject to satisfactory performance by the supplier. The Board adheres to "The Better Payment Practice Code". The target turnaround time for invoices is 30 days. In 2004/05, the Board met this target in 98.7% of cases (2003/04: 98.5%).

AUDIT

Audit Scotland carried out the audit of the Board's accounts for the financial year ended 31 March 2005. The agreed fee for this service was £40,000, which relates solely to the provision of statutory audit services.

EQUAL OPPORTUNITIES

The Board is committed to the development and promotion of equality of opportunity for all. It is committed to providing equal opportunities in employment. It does not treat any job applicant or employee less favourably because of gender, race, colour, religion, nationality, age, disability, sexual orientation or marital status. This applies in the recruitment, reward, training and promotion of both new and existing employees. It also applies to grievance, disciplinary, or other procedures, employee benefits and all terms and conditions of employment.



Lindsay Montgomery

Chief Executive and Accountable Officer

23 June 2005

STATEMENT OF BOARD'S AND CHIEF EXECUTIVE'S RESPONSIBILITIES

The Legal Aid (Scotland) Act 1986 ("the Act"), as amended by the Public Finance and Accountability (Scotland) Act 2000, states that the Board must prepare a statement of accounts for each financial year in the form and on the basis determined by Scottish Ministers. The accounts are prepared on an accruals basis and must show a true and fair view of the Board's state of affairs at the year-end and of its income and expenditure and cash flows for the financial year.

In preparing the accounts the Board must:

- observe the accounts direction issued by Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies consistently;
- make judgements and estimates reasonably;
- state whether applicable accounting standards have been followed, and show and explain any material departures in the financial statements;
- prepare the financial statements on a going concern basis, unless it is inappropriate to presume that the Board will continue to operate.

The Accountable Officer for the Scottish Executive Justice Department has designated the Chief Executive of the Scottish Legal Aid Board as the Accountable Officer for the Board. His relevant responsibilities as Accountable Officer are set out in the Non-Departmental Public Bodies' Accountable Officer Memorandum. They include his responsibility for the propriety and regularity of the public finances for which he is answerable and for keeping proper records.

The Board is responsible for the maintenance and integrity of its website. The information published on the website has been prepared under United Kingdom Company Law and may not be in accordance with the legal requirements of other countries from which the information can be accessed.



Lindsay Montgomery

Chief Executive and Accountable Officer

23 June 2005

STATEMENT ON THE SYSTEM OF INTERNAL CONTROL

1. Scope of responsibility

As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of the Scottish Legal Aid Board's policies, aims and objectives, whilst safeguarding the public funds and departmental assets for which I am responsible, in accordance with the responsibilities assigned to me.

The Board is a non-departmental public body sponsored by the Scottish Executive Justice Department. The Board has a Chairman appointed by Scottish Ministers and consists of not less than 11 and not more than 15 members who are appointed by Scottish Ministers. Board members have reserved responsibility for determining the Board's strategic aims, approving its corporate plan, monitoring expenditure and operations and providing advice to Scottish Ministers and reviewing Board performance.

2. The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to achieving departmental 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 system of internal control has been in place in the Board for the year ended 31 March 2005 and up to the date of approval of the annual report and accounts, and accords with Scottish Executive guidance.

3. Capacity to handle risk

The Board and the Executive Team lead the Board's risk management process. Ownership of every identified risk lies with a named director. The Executive Team has named a senior manager as Risk Management Co-ordinator to deal with training, administrative and reporting issues within the Board's risk framework.

The Risk Management Co-ordinator has undertaken training accredited by the Institute of Risk Management and further training is scheduled to ensure the Board continues to be aware of and able to apply best practice.

The Board's internal auditors have assured the Board that its risk management procedures comply with best practice, in the form of the Risk Management Standard of the Institute of Risk Management.

The Board provides training for all staff on risk management theory and practice. It encourages all staff to apply risk management techniques to setting and reviewing their personal and departmental objectives, and to contribute to preparing and reviewing risk registers. The Board has documented its risk management process in its "Risk Policy and Framework" document, which is available to all staff. This document, and the staff training, explains the principles of risk appetite. The Board also has a delegated authority matrix. This documents the limits of post holders' authority in specified areas, while setting out the procedures, such as business cases, for new ventures that involve costs and risk but may be beneficial to the Board's stakeholders.

4. The risk and control framework

The key elements of the Board's risk management strategy are:

- clear and concise documentation and training for all staff on the Board's definition of risk, its objectives in having a risk framework, and staff roles and responsibilities;
- a documented and communicated process of identifying and evaluating risks, assessing risk appetite, identifying and implementing suitable responses to risks, providing ongoing assurance about the effectiveness of the framework, and processes to embed and review risk awareness;
- multi-level review and reporting processes throughout the risk cycle, involving staff, managers, the Executive Team, internal audit, the Audit Committee and the Board; and
- identification and regular review of both the continuing appropriateness of the risks and responses identified and of the on-going status of the identified or planned responses to risks.

The key ways in which risk management is embedded in the Board are:

- the link between corporate planning and risk management processes;
- including risk in routine, regular operational reporting processes;
- the ownership of risks by directors and managers;
- involving the Audit Committee and the Board in agreeing and reviewing strategic and operational risks;
- including risk management in training plans;
- using risk registers for each of the Board's projects, as part of the PRINCE2 project management methodology; and
- the documented timetable of monthly, quarterly and annual reviews of strategic and departmental risk profiles.

5. Review of effectiveness of the internal control system

As Accountable Officer, I also have responsibility for reviewing the effectiveness of the system of internal control. My review of its effectiveness is informed by the work of the internal auditors and the executive managers within the Board who are responsible for developing and maintaining the internal control framework, and comments made by the external auditors in their management letter and other reports. The Board and the Audit Committee have advised me on the implications of the result of my review of the effectiveness of the system of internal control. A plan to address weaknesses and ensure continuous improvement of the system is in place.

5.1 System of Internal Control

The wider system of internal control is based on an ongoing process designed to identify the principal risks to achieving Board policies, aims and objectives; to evaluate the nature and extent of those risks; and to manage them efficiently, effectively and economically.

5.2 The Board

The Board meets regularly and monitors operational and financial performance, considers the plans and strategic direction of the Board and considers reports from Board Committees set up to deal with areas such as Audit, Legal Services and Remuneration and Appointments. The Chief Executive and Directors also attend Board meetings. The Executive Team and the Audit Committee review, quarterly, the effectiveness of its risk management framework and the content and appropriateness of the Board's departmental and strategic risk registers. The Board reviews this work annually.

5.3 The Executive Team

The Chief Executive leads an Executive Team made up of the directors responsible for all operational and administrative functions of the Board. The Executive Team meets at least twice a month and receives comprehensive management information on all the Board's operations, including information on risk management. The Executive Team receives and reviews monthly updates to risk registers and, in liaison with the Risk Management Co-ordinator and Internal Audit Department, undertakes quarterly reviews of all Board risk registers.

5.4 The Remuneration and Appointments Committee

The Committee considers and makes recommendations to the Board on remuneration and related matters. These include the staff pay remit submitted to the Scottish Executive, remuneration and terms and conditions for the Chief Executive and Executive Directors, and pensions policies and related matters.

5.5 The Audit Committee

The Audit Committee comprises members of the Board and the Chief Executive; and reports direct to the full Board. As part of its remit, it is responsible for advising the Accountable Officer on the effectiveness of the Board's internal control system. The Audit Committee receives and reviews quarterly reports from the Risk Management Co-ordinator about the status of the Board's risk registers and on any risk-related activity, such as training.

The Audit Committee has responsibility for assisting the Accountable Officer and the Board members to perform their individual and collective responsibilities for ensuring that:

- the Board's published financial statements represent a true and fair reflection of the financial position;
- the Board complies with any statutory requirements for the use of public funds;
- the Board operates within agreed limits to its authority and for the use of public funds; and
- Board members comply with the code of conduct for NDPBs published by the Treasury.

The Audit Committee receives regular reports from the Internal Audit Department, to standards defined in the Government Internal Audit Manual. These include the Director of Audit and Compliance's independent opinion on the adequacy and effectiveness of the Board's system of internal control and recommendations for improvement. It is also responsible for overseeing financial reporting, external audit, internal control, and Audit and Compliance Department activities.

5.6 Internal Audit

The Board has an internal audit service supervised by the Director of Audit and Compliance. Internal audit work concentrates on areas of key activity determined from an analysis of the areas of greatest risk. These are scheduled in the annual audit activity plan approved by the Audit Committee and the Accountable Officer. The Director of Audit and Compliance is responsible to me as the Chief Executive and makes quarterly reports to the Audit Committee. He has direct access to Board members and to the Convener of the Audit Committee.

The Director of Audit and Compliance has issued an Assurance Statement to me, which provides his opinion on the adequacy and effectiveness of the internal control system and the extent to which it can be relied on. The external auditors also report to me, the Audit Committee, and to the Board, any internal control issues that they identify during their normal audit activities.



Lindsay Montgomery

Chief Executive and Accountable Officer

23 June 2005

INDEPENDENT AUDITOR'S REPORT

SCOTTISH LEGAL AID FUND

To the members of the Scottish Legal Aid Board, the Scottish Parliament and the Auditor General for Scotland

I have audited the financial statements on pages 80 to 87 under the Legal Aid (Scotland) Act 1986. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 82.

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 the Code of Audit Practice approved by the Auditor General for Scotland and for no other purpose, as set out in paragraph 43 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by Audit Scotland, dated July 2001.

Respective responsibilities of the Scottish Legal Aid Board, the Chief Executive and Auditor

As described on page 74 the Scottish Legal Aid Board and the Chief Executive are responsible for the preparation of the financial statements and for ensuring the regularity of expenditure and receipts. The Scottish Legal Aid Board and the Chief Executive are also responsible for the preparation of the Foreword and other contents of the Annual Report. My responsibilities, as independent auditor, are established by the Public Finance and Accountability (Scotland) Act 2000 and the Code of Audit Practice approved by the Auditor General for Scotland, and guided by the auditing profession's ethical guidance.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Legal Aid (Scotland) Act 1986 and directions made there-under and whether, in all material respects, the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers. I also report if, in my opinion, the Foreword is not consistent with the financial statements, if the Scottish Legal Aid Board has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I review whether the statement on pages 76 and 77 complies with Scottish Executive guidance on statements on the system of internal control. I report if, in my opinion, it does not comply with the guidance, or if the statement is misleading or inconsistent with other information I am aware of from my audit. I am not required to consider whether the statement covers all risks and controls, or form an opinion on the effectiveness of the Scottish Legal Aid Board's corporate governance procedures or its risk and control procedures.

Basis of audit opinions

I conducted my audit in accordance with the Public Finance and Accountability (Scotland) Act 2000 and the Code of Audit Practice, which requires compliance with relevant United Kingdom Auditing Standards issued by the Auditing Practices Board.

An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of expenditure and receipts shown in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Scottish Legal Aid Board and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Board's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error, and that, in all material respects, the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinions

Financial statements

In my opinion the financial statements give a true and fair view of the state of affairs of the Scottish Legal Aid Fund at 31 March 2005 and of the surplus, total recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the Legal Aid (Scotland) Act 1986 and directions made thereunder.

Regularity

In my opinion, in all material respects the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Arwel Roberts, Director

Audit Scotland
18 George Street
Edinburgh
EH2 2QU

28 June 2005

GRANT-IN-AID

To the members of the Scottish Legal Aid Board, the Scottish Parliament and the Auditor General for Scotland

I have audited the financial statements on pages 88 to 96 under the Legal Aid (Scotland) Act 1986. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on page 90.

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 the Code of Audit Practice approved by the Auditor General for Scotland and for no other purpose, as set out in paragraph 43 of the Statement of Responsibilities of Auditors and of Audited Bodies prepared by Audit Scotland, dated July 2001.

Respective responsibilities of the Scottish Legal Aid Board, the Chief Executive and Auditor

As described on page 74 the Scottish Legal Aid Board and the Chief Executive are responsible for the preparation of the financial statements and for ensuring the regularity of expenditure and receipts. The Scottish Legal Aid Board and the Chief Executive are also responsible for the preparation of the Foreword and other contents of the Annual Report. My responsibilities, as independent auditor, are established by the Public Finance and Accountability (Scotland) Act 2000 and the Code of Audit Practice approved by the Auditor General for Scotland, and guided by the auditing profession's ethical guidance.

I report my opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Legal Aid (Scotland) Act 1986 and directions made thereunder and whether, in all material respects, the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers. I also report if, in my opinion, the Foreword is not consistent with the financial statements, if the Scottish Legal Aid Board has not kept proper accounting records, or if I have not received all the information and explanations I require for my audit.

I review whether the statement on pages 76 and 77 complies with Scottish Executive guidance on statements on the system of internal control. I report if, in my opinion, it does not comply with the guidance, or if the statement is misleading or inconsistent with other information I am aware of from my audit. I am not required to consider whether the statement covers all risks and controls, or form an opinion on the effectiveness of the Scottish Legal Aid Board's corporate governance procedures or its risk and control procedures.

Basis of audit opinions

I conducted my audit in accordance with the Public Finance and Accountability (Scotland) Act 2000 and the Code of Audit Practice, which requires compliance with relevant United Kingdom Auditing Standards issued by the Auditing Practices Board.

An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of expenditure and receipts shown in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Scottish Legal Aid Board and Chief Executive in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Board's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error, and that, in all material respects, the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinions

Financial statements

In my opinion the financial statements give a true and fair view of the state of affairs of the Scottish Legal Aid Board (Grant in Aid) at 31 March 2005 and of the deficit, total recognised gains and losses and cash flows for the year then ended and have been properly prepared in accordance with the Legal Aid (Scotland) Act 1986 and directions made thereunder.

Regularity

In my opinion, in all material respects the expenditure and receipts shown in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Arwel Roberts, Director

Audit Scotland
18 George Street
Edinburgh
EH2 2QU

28 June 2005

SCOTTISH LEGAL AID FUND

INCOME AND EXPENDITURE FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2004/05 £000	2003/04 £000
Income			
Grant income	15	153,544	146,772
Movement in accrued grant income	15	6,096	11,072
Amortisation of government grant	14	14	–
Pension receipts	5	48	8
Operating income	2	13,369	13,240
		173,071	171,092
Expenditure			
Operating costs	3	170,994	169,358
Bad debt (net of movement in provision)	6	116	10
		171,110	169,368
Surplus before interest			
Interest receivable		1,961	1,724
Interest on capital (notional)	7	107	15
	8	(1)	(1)
Surplus after interest		2,067	1,738
Add back notional charges		1	1
Surplus on operations excluding notional charges transferred to general fund	15	2,068	1,739

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2005

		2004/05 £000	2003/04 £000
Surplus on operations	15	2,068	1,739
Unrealised surplus on revaluation of tangible fixed assets less supplementary depreciation	16	–	–
Total recognised gains and (losses) relating to the year		2,068	1,739

BALANCE SHEET AS AT 31 MARCH 2005

	Notes	2005 £000	2004 £000
Fixed assets			
Tangible assets	9	30	5
Intangible assets	10	26	–
		56	5
Current assets			
Debtors	11	86,769	79,624
Cash at bank and in hand	12	8,391	7,192
		95,160	86,816
Creditors: amounts falling due within one year	13	(62,017)	(59,092)
Net current assets		33,143	27,724
Total assets less current liabilities		33,199	27,729
Creditors: amounts falling due after more than one year	13	(22,480)	(19,134)
NET ASSETS		10,719	8,595
Represented by:			
Government grant	14	56	–
General fund	15	10,662	8,594
Revaluation reserve	16	1	1
TAXPAYERS' EQUITY		10,719	8,595

The notes on pages 82 to 87 form part of these accounts and should be read in conjunction with the statements above.



Lindsay Montgomery
Chief Executive and Accountable Officer
23 June 2005

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2005 £000	2004 £000
Net cash inflow/(outflow) from operating activities	17	1,199	(160)
Payments to acquire fixed assets	9 & 10	(70)	–
Financed by government grants – current year additions	14	70	–
Increase/(decrease) in cash in the year		1,199	(160)
Reconciliation of movement in cash to movement in net funds			
Opening cash at bank and in hand	12	7,192	7,352
Closing cash at bank and in hand	12	8,391	7,192
Movement in net funds		1,199	(160)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005

1 ACCOUNTING POLICIES

1.1 Basis of accounting

The accounts have been prepared in accordance with the historical cost convention as modified, to include fixed assets at their value to the organisation by reference to their current cost. Without limiting the information given, the accounts meet the accounting and disclosure requirements of the Companies Act 1985 and the Accounting Standards Board, so far as those requirements are appropriate and in accordance with the Accounts Direction given by Scottish Ministers.

1.2 Continuing activities

The results reported in this statement of accounts derive from continuing activities of the Scottish Legal Aid Fund. The Public Defence Solicitors' Office (PDSO) opened on 1 October 1998, the costs of which are charged to the Scottish Legal Aid Fund. The PDSO pilot was originally to run for five years. The Criminal Justice Scotland Act 2003 allows for the continuation of the Edinburgh pilot beyond October 2003 and the creation of additional offices. To date offices have been set up in Glasgow and Inverness.

1.3 Fixed assets

Fixed assets are capitalised at their cost of acquisition and installation and are revalued each year using Business Monitor Producer Price Indices to take account of specific price changes. The threshold for capitalisation of assets is £5,000; however, individual assets whose cost falls below the threshold and pose a risk to fraud or theft but are of a similar nature are grouped and capitalised.

1.4 Depreciation

Depreciation is provided on all fixed assets, on a straight line basis, at rates calculated to write-off the revalued cost, less estimated residual value, of each asset over its expected useful life as follows:

• office equipment	- 5 years
• office furniture	- 10 years
• computer hardware	- 5 years
• personal computer hardware and software	- 3 years
• software licences	- according to length of life of licence

1.5 Notional costs

In accordance with *Government Accounting*, a notional charge for interest on capital is included in the Income and Expenditure Account. An accounting entry reversing this notional charge is also included in the Income and Expenditure Account.

1.6 Accruals and accrued funding

The liability to pay accounts resulting from work in progress as at 31 March 2005 on outstanding legal aid certificates is recognised within the Fund. An accrued liability is established based on the number of outstanding legal aid certificates and estimates of cost and time since the certificate was issued. This liability will be funded in full from a number of possible sources including contributions from assisted persons, expense recoveries, and losses recovered from damages. The government meets the balance. Accordingly a debtor balance, representing accrued funding, is established to match the total accrued liability and amounts due by the Fund to solicitors and advocates.

1.7 Pension costs (PDSO staff)

Pensions and other benefits are payable out of the Scottish Legal Aid Fund and are met as they fall due. They are made in accordance with the Legal Aid (Scotland) Pension Scheme 1988, which is a final salary scheme based on a normal retirement age of 60 for staff who joined after 1 April 1987. Staff scheme members pay a contribution of 6% of salary. Pension increases are made as if the pensions were 'official pensions' as defined and specified in the Pensions (Increase) Act 1971. The Pension Scheme is not a funded scheme and the Board does not make any direct contributions to a fund. The Scheme is in accordance with guidance contained in "*NDPB – A Guide for Departments*".

1.8 Capital expenditure

The Fund represents income received from the Scottish Executive Justice Department and includes an amount to cover capital project expenditure within the Public Defence Solicitors Office. This sum is amortised as the economic benefits are recognised and consumed over the assets' useful economic lives, according to *SSAP 4: Accounting for Government Grants*.

2 INCOME

	2004/05 £000	2003/04 £000
Operating income		
Contributions by assisted persons ¹	1,778	2,491
Expenses recovered ²	10,087	9,381
Amounts recovered out of property recovered or preserved by assisted persons ³	516	180
Other income	2	26
Losses recovered from damages	986	1,162
Total	13,369	13,240

¹ Contribution by assisted persons is shown net of any refunds. Refunds arise mainly from:

- the financial circumstances of the assisted person having changed;
- the total cost of the case being less than the contribution; or
- the cost of a case has been fully recovered from a third party.

The net amounts refunded during 2004/05 were £353,000 (2003/04: £371,000).

² Expenses recovered are shown net of any adjustments, which arise mainly because the legal aid account has been taxed (re-assessed) by the Auditor of Court. Expenses refunded during 2004/05 were £5,000 (2003/04: £29,000). These are incorporated in the operating income table above.

³ Included in the amounts recovered out of property recovered or preserved by assisted persons are sums relating to assets over which the Board has taken a standard security.

Under certain circumstances, the Board will securitise assets such as property until the debt is repaid. Any outstanding sum will attract interest at 8% a year, unless the rate is adjusted by an Act of Sederunt, until the balance is settled. The total value of securitised assets for 2005, including accrued interest, is £296,000 (2004: £368,000).

3 OPERATING COSTS

	2004/05 £000	2003/04 £000
Advice and assistance		
Solicitors' charges	32,252	33,153
Counsels' fees	93	16
Solicitor Advocates' fees	–	–
Outlays	3,235	3,042
	35,580	36,211
Civil legal aid		
Solicitors' charges	23,420	24,584
Counsels' fees	4,384	4,157
Solicitor Advocates' fees	3	2
Outlays	8,644	7,863
	36,451	36,606
Expenses paid to successful unassisted persons	166	61
	36,617	36,667
Criminal legal aid		
Solicitors' charges	75,678	77,179
Counsels' fees	11,502	10,715
Solicitor Advocates' fees	2,448	2,400
Outlays	5,423	4,933
	95,051	95,227
Legal aid for children		
Solicitors' charges	2,124	(32)
Counsels' fees	422	548
Solicitor Advocates' fees	–	–
Outlays	247	179
	2,793	695
Contempt of court		
Solicitors' charges	49	53
Counsels' fees	9	26
Solicitor Advocates' fees	4	5
Outlays	5	3
	67	87
Public Defence Solicitors' Office		
Criminal defence costs – outlays	35	15
Salaries and wages	408	238
Social security costs	37	22
Accommodation	209	62
Audit fees	2	2
Depreciation	19	5
Revaluation/permanent diminution in value of fixed assets	–	(2)
Other operating costs	121	42
	831	384
Other		
Repayable bank interest (note 7)	–	15
Miscellaneous costs	55	72
	55	87
Total operating costs – legal aid	170,994	169,358

These figures include estimates of the value of work done for which payment is outstanding at 31 March. The reported cost of solicitors charges in legal aid for children of £(32k) in 2003/04 is as a result of an adjustment in the estimate between 2002/03 and 2003/04. There has been no significant change in the underlying volumes of work between 2003/04 and 2004/05.

The increase in operating costs of the Public Defence Solicitors' Office reflects the opening of two new offices, in Glasgow and Inverness, during 2004/05.

Operating costs include estimates for work done as a matter of special urgency. Some of this work will not lead to a grant of full legal aid and may be paid under determination by the Scottish Ministers under section 4(2)(c) of the Legal Aid (Scotland) Act 1986. In 2004/05, the expenditure under this scheme was £839,000 (2003/04: £626,000).

Operating costs also include payments to account made to solicitors and advocates under regulation 11 of the Civil Legal Aid (Scotland) (Fees) Regulations 1989. In 2004/05 the expenditure under this scheme was £1,551,000 (2003/04: £1,447,000).

4 PDSO STAFF

	2004/05 £000	2003/04 £000
Staff Costs (PDSO)		
Staff salaries and wages	405	238
Social security costs	37	22
Agency/temporary/contract	3	–
	445	260

	2004/05 WTE	2003/04 WTE
Staff numbers		
Operations and legal services	8	5
Administration and support functions	5	3
Agency/temporary/contract	–	–
	13	8

The PDSO office opened on 1 October 1998. PDSO pensions and other benefits are payable out of the Scottish Legal Aid Fund account. During 2004/05, additional offices were set up in Inverness and Glasgow.

Higher paid staff

received remuneration in the following bands:

	2004/05 Number	2003/04 Number
£35,000 – £39,999	3	–
£40,000 – £44,999	1	–
£45,000 – £49,999	–	–
£50,000 and above	1	1

5 PENSION RECEIPTS

These relate to retained pension contributions from staff and transfers in and out of the scheme.

6 BAD DEBT

	2004/05 £000	2003/04 £000
Irrecoverable contributions from assisted persons	26	48
Irrecoverable expenses	94	(75)
Irrecoverable sums from property recovered or preserved by assisted persons	(4)	37
	116	10

The sums written off during the year were £196,000 (2003/04: £210,000).

7 INTEREST RECEIVABLE

The contract with the Royal Bank of Scotland prescribes quarterly payments of bank interest receivable. Previously this interest earned was returned to the Scottish Executive Justice Department. In line with a Determination by the Scottish Ministers, dated 27th August 2004, this interest is now retained by the Board and used to offset the requirement for drawdown of funding from the Scottish Executive Justice Department.

8 NOTIONAL COSTS

A notional charge for interest on capital is included in the Income and Expenditure Account. This is calculated at 3.5% (2004/05: 3.5%) of the average value of total assets less current liabilities. The notional charge included in the Fund Income and Expenditure Account relates to the assets of the PDSO.

9 TANGIBLE FIXED ASSETS

	Office furniture and fittings £000	Office equipment £000	PC/computer hardware £000	Total £000
Cost or valuation				
Balance at 1 April 2004	5	6	10	21
Additions	–	–	38	38
Disposals	–	–	–	–
Revaluation	–	–	–	–
Permanent diminution	–	–	–	–
As at 31 March 2005	5	6	48	59
Depreciation				
Balance at 1 April 2004	3	3	10	16
Provided during year	2	3	8	13
Disposals	–	–	–	–
Backlog	–	–	–	–
Permanent diminution	–	–	–	–
As at 31 March 2005	5	6	18	29
Net book value at 31 March 2005	–	–	30	30
Net book value at 31 March 2004	2	3	–	5

10 INTANGIBLE FIXED ASSETS

	Software £000
Cost or valuation	
Balance at 1 April 2004	18
Additions	32
Disposals	(1)
Revaluation	–
Permanent diminution	–
As at 31 March 2005	49
Depreciation	
Balance at 1 April 2004	18
Provided during year	6
Disposals	(1)
Backlog	–
Permanent diminution	–
As at 31 March 2005	23
Net book value at 31 March 2005	26
Net book value at 31 March 2004	–

These costs relate to the operation of the PDSO (see notes 1.2 and 3).

11 DEBTORS

	2005 £000	2004 £000
Accrued funding from Scottish Executive	77,400	71,305
Contributions due from assisted persons	4,474	3,827
Expenses to be recovered	3,738	3,468
Amounts due out of property recovered or preserved by assisted persons	983	851
Prepayments	174	173
	86,769	79,624
Amounts falling due after more than one year included above are:		
Accrued funding	22,480	19,134
Contributions due from assisted persons	2,103	1,814
Expenses to be recovered	3,215	2,996
Amounts due out of property recovered or preserved by assisted persons	811	–
	28,609	23,944

Under the Legal Aid (Scotland) Act 1986, all sums properly due from the Legal Aid Fund will be met by the Scottish Executive, except where funds are recovered from third parties. Accrued funding is an estimate of the sums due arising from the value of outstanding legal aid cases at 31 March 2005. This accrued funding has been fully attributed to Scottish Executive.

12 CASH

	2005 £000	2004 £000
Cash at bank and in hand	1,465	433
Principal sums*	6,760	6,613
Funds held under arrestment	166	146
	8,391	7,192

*Principal sums consist of damages and other money recovered on behalf of assisted persons. They are held in an interest bearing account until all the financial transactions for a case are concluded. Once the net liability to the Legal Aid Fund can be settled, the remaining balance due will be transferred to the assisted person. The movement in the account during the year was as follows:

	2005 £000	2004 £000
Balance as at 1 April 2004	6,613	6,744
Received during the year	16,932	14,692
Interest received during year	247	195
	17,179	14,887

Less:		
Sums repaid to assisted persons	15,326	13,692
Interest paid to assisted persons	121	164
Transferred to Scottish Legal Aid Fund	600	–
Losses recovered from damages received	985	1,162
	17,032	15,018
Balance as at 31 March 2005	6,760	6,613

13 CREDITORS

	2005 £000	2004 £000
Accruals (see note 1.6)	75,516	69,140
Amounts due to solicitors and advocates	2,041	2,256
Bank interest held	–	69
	77,557	71,465
Principal sums (note 12)	6,760	6,613
Arrestments	166	146
PDSO	14	2
	84,497	78,226
Amounts falling due after more than one year (included in above)		
Accruals (see note 1.6)	22,480	19,134

14 GOVERNMENT GRANT

	2005 £000	2004 £000
Balance at 1 April 2004	–	–
Government grant	70	–
Government grant amortisation	(14)	–
Balance as at 31 March 2005	56	–

15 GENERAL FUND

	2005 £000	2004 £000
Balance at 1 April 2004	8,594	6,855
Government grant	153,544	146,772
Government grant – movement in accrued funding	6,096	11,072
Net cost of operations (excluding notional charges)	(157,572)	(156,105)
Surplus on operations	2,068	1,739
Balance as at 31 March 2005	10,662	8,594

16 REVALUATION RESERVE

	2005 £000	2004 £000
Balance at 1 April 2004	1	1
Revaluation of cost	–	–
Backlog depreciation	–	–
Balance as at 31 March 2005	1	1

17 RECONCILIATION OF NET COSTS OF OPERATIONS TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	2004/05 £000	2003/04 £000
Net cost of operations	(157,572)	(156,105)
Government grant – movement in accrued funding	6,096	11,072
Indent from Scottish Executive	153,544	146,772
Surplus on operations	2,068	1,739
Depreciation charges	19	5
Permanent diminution in value of fixed assets	–	(1)
Amortisation of government grant	(14)	–
Increase in debtors	(7,145)	(12,962)
Increase in creditors	6,271	11,059
Net cash inflow/(outflow) from operating activities	1,199	(160)

18 LOSSES AND SPECIAL PAYMENTS

	2004/05 £000	2003/04 £000
Write-off of bad debt	196	210
Special payments*	13	26
	209	236

* There are cases where, in good faith, a solicitor or counsel provides advice for which the Board cannot pay under the letter of the Act or Regulations. There are also cases where an error is made by the Board. In such cases, the Board may make an ex-gratia payment, without prejudice, of compensation up to an agreed limit.

19 RELATED PARTY TRANSACTIONS

During the year, the Board entered into transactions of a value greater than £1,000 with the following related parties.

	2004/05 £000	2003/04 £000
Malcolm Thomson QC	–	1
Margaret Scanlan	–	12
Michael Scanlan	1	1
Graeme McKinstry	40	13
Peter Gray QC	2	30
David Nicol	31	102

These related parties are Board members and their spouses or relatives who transacted with the Board at any time during the year. They are active legal aid practitioners and all the transactions arise from providing legal aid to assisted persons in the normal course of their profession. The amounts detailed include outlays and VAT.

20 POST BALANCE SHEET DATE EVENTS

No events occurred between 1 April 2005 and the time these accounts were signed that would materially affect the information provided.

21 CAPITAL COMMITMENTS

No capital commitments existed at the balance sheet date.

SCOTTISH LEGAL AID BOARD GRANT IN AID

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2004/05 £000	2003/04 £000
Income			
Grant-in-aid	23	10,453	9,515
Pension receipts	26	250	112
Amortisation of government grant	35	617	410
		11,320	10,037
Expenditure			
Staff costs	24	7,912	8,069
Operating costs	25	3,266	2,888
Depreciation	29 & 30	555	475
Permanent diminution in value of fixed assets & backlog depreciation	29 & 30	88	125
Loss on disposal of fixed assets	29 & 30	3	–
Impairment of computer hardware	29 & 30	60	–
		11,884	11,557
Deficit before interest		(564)	(1,520)
Interest receivable	27	–	–
Pension Scheme finance costs	26	(1,036)	(910)
Notional interest on capital	28	(63)	(69)
Deficit after interest		(1,663)	(2,499)
Add back notional interest on capital	28	63	69
Deficit on operations excluding notional charges and including pension costs transferred to general fund		(1,600)	(2,430)

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE YEAR ENDED 31 MARCH 2005

	Notes	2004/05 £000	2003/04 £000
Deficit on operations		(1,600)	(2,430)
Pension Scheme – actuarial loss	26	(716)	(21)
Unrealised surplus on revaluation of tangible fixed assets less supplementary depreciation	29 & 30	2	–
Total recognised (losses) and gains relating to the year		(2,314)	(2,451)

BALANCE SHEET AS AT 31 MARCH 2005

Notes	Notes	2005 £000	2004 £000
Fixed assets			
Tangible assets	29	1,198	1,419
Intangible assets	30	279	255
		1,477	1,674
Current assets			
Debtors	31	294	272
Pensions Scheme debtor	32	6	–
Cash at bank and in hand		44	81
		344	353
Creditors: amounts falling due within one year	33	(125)	(99)
Net current assets		219	254
Total assets less current liabilities		1,696	1,928
Deferred income	34	(27)	(79)
Net assets excluding pension scheme liabilities		1,669	1,849
Pension scheme liability	26	(19,493)	(17,259)
NET LIABILITIES		(17,824)	(15,410)
Represented by:			
Government grant	35	1,522	1,621
General fund	36	(19,363)	(17,046)
Revaluation reserve	37	17	15
TAXPAYERS' EQUITY		(17,824)	(15,410)

The notes on pages 90 to 96 form part of these accounts and should be read with the statements above.



Lindsay Montgomery
Chief Executive and Accountable Officer
23 June 2005

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2005

Notes	2004/05 £000	2003/04 £000
Net cash outflow from operating activities	38	(224)
Capital expenditure:		
Payments to acquire fixed assets	29 & 30	(643)
Financed by government grant – current year additions	23	643
Financed by government grant – prior year additions	23	89
Decrease in cash in the year	(37)	(135)
Reconciliation of movement in cash to movement in net funds		
Opening cash at bank and in hand	81	216
Closing cash at bank and in hand	44	81
Movement in net funds	(37)	(135)

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31 MARCH 2005

22 ACCOUNTING POLICIES

22.1 Basis of accounting

The accounts have been prepared in accordance with the historical cost convention, as modified, to include fixed assets at their value to the organisation by reference to their current cost. Without limiting the information given, the accounts meet the accounting and disclosure requirements of the Companies Act 1985 and the Accounting Standards Board, so far as those requirements are appropriate and in accordance with the Accounts Direction given by Scottish Ministers.

22.2 Continuing activities

The results reported in this statement of accounts derive from continuing activities of the Scottish Legal Aid Board.

22.3 Fixed assets

Fixed assets are capitalised at their cost of acquisition and installation and are revalued each year using Business Monitor Producer Price Indices to take account of specific price changes. The threshold for capitalisation of assets is £5,000; however, individual assets whose cost falls below the threshold and pose a risk to fraud or theft, but are of a similar nature, are grouped and capitalised.

22.4 Depreciation

Depreciation is provided on fixed assets on a straight line basis, at rates calculated to write-off the revalued cost, less estimated residual value, of each asset over its expected useful life, as follows:

- office equipment - 5 years
- office furniture - 10 years
- computer hardware and software - 5 years
- personal computer hardware - 3 years
- software licences - according to length of life of licence

22.5 Notional costs

In accordance with *Government Accounting*, a notional charge for interest on capital is included in the Income and Expenditure Account. An accounting entry reversing this notional charge is also included in the Income and Expenditure Account.

22.6 Operating leases

Rentals applicable to operating leases are charged to the Income and Expenditure Account on a straight-line basis over the period of the lease.

22.7 Pension costs

Pensions and other benefits are payable out of the grant-in-aid and are met as they fall due. They are made in accordance with the Legal Aid (Scotland) Pension Scheme 1988, which is a final salary scheme based on a normal retirement age of 60 for staff who joined after 1 April 1987. Staff scheme members pay a contribution of 6% of salary. Pension increases are made as if the pensions were 'official pensions' as defined and specified in the Pensions (Increase) Act 1971. The Pension Scheme is not a funded scheme and the Board does not make any direct contributions to a fund. The Scheme is in accordance with guidance contained in "*NDPB – A Guide for Departments*".

Notional employer costs, which represent the costs if the scheme were a funded scheme, are shown in the Income and Expenditure Account. These are prepared by a professionally qualified actuary.

These accounts have been prepared in line with FRS 17 as far as it is applicable to the Board's pension scheme.

22.8 Deferred income

Deferred income relates to financial incentives from the landlord of 40-44 Drumsheugh Gardens in return for extending the life of the lease. The incentives are released through the Income and Expenditure Account over the period of the lease.

22.9 Capital expenditure

The Government grant-in-aid represents income received from the Scottish Executive Justice Department and includes an amount to cover capital project expenditure. This sum is amortised as the economic benefits are recognised and consumed over the assets' useful economic lives, according to *SSAP 4: Accounting for Government Grants*.

22.10 Going Concern

As explained in the accounting policy note 22.7, pensions and other benefits are payable out of grant-in-aid and are met as they fall due. However, the accounts have been prepared in line with FRS 17 and include an actuarial valuation of the pension scheme liability. As a result the balance sheet shows net liabilities and negative taxpayer's equity. Assurances have been obtained from the Scottish Executive such that it is considered appropriate to adopt a going concern basis for the preparation of these financial statements.

23 INCOME

The Board is financed by a grant-in-aid from the Scottish Executive Justice Department. This covers both revenue and capital items. The revenue grant has been credited to the Income and Expenditure Account and the capital grant has been credited direct to the government grant reserve (note 35).

The Board also retains a proportion of income received from employees' pension contributions and transfers into the pension scheme. For 2004/05 it was agreed that this sum would be £250,000 (2003/04: £112,000).

The amounts were	2004/05	2003/04
	£000	£000
Grant-in-aid (Revenue)	10,453	9,515
Government grant (Capital)	518	732
Pension receipts	250	112
Funding	11,221	10,359

24 STAFF

	2004/05 £000	2003/04 £000
Staff costs		
Board members' emoluments	118	114
Staff salaries and wages	6,306	5,967
Social security costs	488	456
Pension scheme service costs	482	1,128
Payments to pensioners	371	370
Agency/temporary/contract	147	34
	7,912	8,069

The annual emoluments of the serving Board members for the year to 31 March 2005, excluding the Chairman, fell into the following bands:

	2004/05 £000	2003/04 £000
William Gallagher	5-10	5-10
Peter L Gray QC	5-10	5-10
Sheriff Alexander Jessop (not remunerated)	-	-
Nick Kuenssberg OBE	-	5-10
Graeme McKinstry	5-10	5-10
Susan McPhee	0-5	-
Ellen Morton	5-10	5-10
David J C Nicol	5-10	5-10
Yvonne Osman	5-10	5-10
Professor Ian Percy CBE	5-10	5-10
Sheriff Kenneth Ross (not remunerated)	-	-
Elaine Rosie	0-5	-
Margaret Scanlan	10-15	10-15
Malcolm Thomson QC	5-10	5-10
Satnam Singh	5-10	-

The Board members are appointed for a fixed term and receive emoluments and expenses only. Board members are not members of the Board's pension scheme.

The Chairman's total remuneration for the year was £32,984 (2003/04: £29,698). The Chairman's net pension increase, net of inflation, amounted to £349, and the accrued pension amounted to £1,073, at 31 March 2005.

The Chief Executive's total remuneration for 2005 was £89,653 (2003/04: £87,000). The Chief Executive has a permanent contract effective from 1 July 1999 and is entitled to be an ordinary member of the Board's pension scheme.

Higher paid staff (including Directors but excluding the Chief Executive) received remuneration in the following bands:

	2004/05 Number	2003/04 Number
£35,000 – £39,999	6	9
£40,000 – £44,999	6	2
£45,000 – £49,999	2	2
£50,000 and above	4	3

Staff numbers

	2004/05 WTE	Restated 2003/04 WTE
Operations and legal services	204	205
Administration and support functions	104	100
Agency/temporary/contract	6	2
	314	307

24 STAFF (continued)

Remuneration of the Chairman, Chief Executive and Directors:

	Real increase in pension & related lump sum at age 60 £000	Accrued pension at age 60 at 31 March 2005 and related lump sum £000	Cash Equivalent Terminal Value at 31 March 2005 £000	Cash Equivalent Terminal Value at 31 March 2004 £000	Real increase in Cash Equivalent Terminal Value £000	Salary £000
J Couper, Chairman						
Salary	-	-	-	-	-	28.6
Pension	0.3	1.1	-	-	-	-
Related Lump Sum	1.0	3.2	-	-	-	-
Transfer Value	-	-	17.2	11.1	4.0	-
L Montgomery, Chief Executive						
Salary	-	-	-	-	-	83.1
Pension	0.4	35.9	-	-	-	-
Related Lump Sum	1.3	107.8	-	-	-	-
Transfer Value	-	-	540.3	505.7	1.6	-
T Murray, Director of Legal Services and Applications						
Salary	-	-	-	-	-	65.9
Pension	0.6	15.6	-	-	-	-
Related Lump Sum	1.7	46.7	-	-	-	-
Transfer Value	-	-	260.3	236.3	5.6	-
A Menzies, Director of Corporate Services and Accounts						
Salary	-	-	-	-	-	62.8
Pension	0.5	15.2	-	-	-	-
Related Lump Sum	1.6	45.7	-	-	-	-
Transfer Value	-	-	180.6	163.7	2.6	-
I Middleton, Director of Audit and Compliance						
Salary	-	-	-	-	-	50.7
Pension	0.4	15.5	-	-	-	-
Related Lump Sum	1.1	46.3	-	-	-	-
Transfer Value	-	-	260.0	240.8	3.5	-

25 OPERATING COSTS

	2004/05 £000	2003/04 £000
Accommodation	1,088	997
Audit fee	38	36
Staff related costs	216	171
Travel and subsistence	81	87
Print, postage, stationery and telephones	497	517
Office Equipment and maintenance	625	542
Other administrative costs	721	538
	3,266	2,888

26 PENSION ARRANGEMENTS

FRS17 Retirement benefits disclosures are shown below.

- a) The Board operates a defined benefit (final salary) pension scheme whereby pensions and other benefits are payable out of the grant-in-aid and are met when they fall due. PDSO staff are also eligible to be members of the scheme with the same entitlements to benefits, except payments are payable from the Legal Aid Fund.
- b) The Legal Aid (Scotland) Pension Scheme 1988 sets out the conditions for entitlement and determines the rate at which benefits are payable. The scheme is set up under paragraph 8(3) of Schedule 1 to the Legal Aid (Scotland) Act 1986 which gives the Board power to make rules to provide pensions, allowances or gratuities for its employees. The scheme is administered on behalf of the Board by the Scottish Public Pensions Agency, an Executive Agency of Scottish Ministers.
- c) There is no pension fund as such. Scheme benefits, including cost-of-living increases (pensions increases), are met on a pay as you go basis out of the grant-in-aid.
- d) A full revised actuarial valuation was carried out at 31 March 2004 and updated as at 31 March 2005 by the Government Actuary's Department (GAD). The liability for future pension payments was estimated to be £19.5m (2004: £17.3m). The major assumptions used by GAD were:

	31 March 2005	31 March 2004
Rate of increase in salaries	3.9%	6.9%
Rate of increase in pensions in payment	2.4%	5.3%
Discount rate	6.0%	9.0%

- e) Staff scheme members pay a contribution of 6% of salary amounting to £283,000 (2004: £268,000). As there is no scheme fund, these amounts are used to offset grant-in-aid expenditure. Any excess receipts are surrendered to the Scottish Executive and any excess expenditure on pensions, over and above that estimated for the year, is met by the Scottish Executive. GAD estimated a notional employer's contribution of 10.5% (2004: 10.5%) based on the prudent approach that all scheme members retire at age 60.

Analysis of the amount charged to operating profit

	2004/05 £000	2003/04 £000
Current service cost	482	477
Past service cost	-	651
Total operating charge	482	1,128

Analysis of the amount credited to other finance income

	2004/05 £000	2003/04 £000
Expected return on pension scheme assets	-	-
Finance charges on pension scheme liabilities	1,036	910
Net loss	1,036	910

Movement in liability during the year

	2005 £000	2004 £000
Scheme liability at the beginning of the year	17,259	15,200

Movement in year

	2005	2004
Current service cost contributions	482	477
Past service costs	-	651
Other finance charge	1,036	910
Actuarial loss	716	21
Liability in scheme at end of the year	19,493	17,259

27 INTEREST RECEIVABLE

The contract with the Royal Bank of Scotland prescribes quarterly payments of bank interest receivable. The Scottish Executive has proposed that this money should be retained and used to offset the need for drawdown of funds. The creditor balance of £10,000 (2004: £2,000) as at 31 March 2005 (see note 33) is held pending agreement with the Scottish Executive.

28 NOTIONAL COSTS

A notional charge for interest on capital is included in the Income and Expenditure Account. This is calculated at 3.5% (2004: 3.5%) of the average value of total assets less current liabilities.

29 TANGIBLE FIXED ASSETS

	Office furniture and fittings £000	Office equipment £000	PC/computer hardware £000	Total £000
Cost or valuation				
Balance at 1 April 2004	135	161	2,341	2,637
Additions	–	84	378	462
Disposals	(70)	(24)	(128)	(222)
Transfers from tangible assets to intangible assets	–	–	(131)	(131)
Revaluation	3	3	–	6
Permanent diminution in value	–	–	(118)	(118)
As at 31 March 2005	68	224	2,342	2,634
Depreciation				
Balance at 1 April 2004	119	80	1,019	1,218
Provided during year	8	26	435	469
Disposals	(70)	(21)	(128)	(219)
Backlog – revaluation upwards	3	1	–	4
Backlog – permanent diminution in value	–	–	(48)	(48)
Transfers from tangible to intangible	–	–	(48)	(48)
Impairment	–	–	60	60
As at 31 March 2005	60	86	1,290	1,436
Net book value at 31 March 2005	8	138	1,052	1,198
Net book value at 31 March 2004	16	81	1,322	1,419

The transfer relates to a reclassification of some software licences from tangible fixed assets to intangible fixed assets.

30 INTANGIBLE FIXED ASSETS

	Software £000
Cost or valuation	
Balance at 1 April 2004	324
Additions	45
Disposals	–
Transfers from tangible assets to intangible assets	131
Revaluation	–
Permanent diminution in value	(25)
As at 31 March 2005	475
Depreciation	
Balance at 1 April 2004	69
Provided during year	86
Disposals	–
Backlog – permanent diminution in value	(7)
Transfers from tangible to intangible	48
Impairment	–
As at 31 March 2005	196
Net book value at 31 March 2005	279
Net book value at 31 March 2004	255

The transfer relates to a reclassification of some software licences from tangible fixed assets to intangible fixed assets.

31 DEBTORS

	2005 £000	2004 £000
Inter-company debtors	–	–
Prepayments	294	272
	294	272

32 PENSIONS SCHEME DEBTOR

These are refunds of superannuation contributions which are recoverable from Scottish Executive Justice Department against superannuation receipts in 2005/06.

33 CREDITORS

	2005	2004
	£000	£000
Accruals	108	78
Trade creditors	7	19
Interest received due to Scottish Executive	10	2
	125	99

34 DEFERRED INCOME

Deferred Income relates to financial incentives obtained from the landlord of 40-44 Drumsheugh Gardens in return for extending the life of the lease. The lease was extended by 10 years from 5 October 1995 to 4 October 2005, and will be realised as a benefit to the Board over this period.

35 GOVERNMENT GRANT RESERVE

	2005	2004
	£000	£000
Balance at 1 April 2004	1,621	1,299
Government grant	518	732
Government grant amortisation	(617)	(410)
Balance as at 31 March 2005	1,522	1,621

36 GENERAL FUND

	2005	2004
	£000	£000
Balance at 1 April 2004	(17,046)	(14,595)
Deficit on operations (excluding notional charges)	(83)	(392)
Charge for pension scheme costs	(2,234)	(2,059)
Balance as at 31 March 2005	(19,363)	(17,046)

As outlined in the Foreword, on Page 74, because of the pension accounting requirements, described in Note 26, the balance sheet shows net liabilities and negative taxpayer's equity. Assurances have been obtained from the Scottish Executive such that it is considered appropriate to adopt a going concern basis for the preparation of these financial statements.

37 REVALUATION RESERVE

	2005	2004
	£000	£000
Balance at 1 April 2004	15	15
Revaluation of cost	6	-
Backlog depreciation on upward revaluation of cost	(4)	-
Balance as at 31 March 2005	17	15

38 RECONCILIATION OF NET COSTS OF OPERATIONS TO NET CASH OUTFLOW FROM OPERATING ACTIVITIES

	2004/05	2003/04
	£000	£000
Deficit on operations	(1,600)	(2,430)
General fund – pension scheme actuarial loss	(716)	(21)
Deficit on operations and actuarial loss	(2,316)	(2,451)
Deferred income	(52)	(51)
Depreciation charges	555	475
Permanent diminution in value of fixed assets	89	125
Loss on disposal	3	-
Impairment of fixed assets	60	-
Amortisation of government grant	(617)	(410)
Increase in debtors	(27)	(2)
Decrease in stock	-	28
Increase in creditors	2,260	2,062
Net cash outflow from operating activities	(45)	(224)

39 CAPITAL COMMITMENTS

During 2005-2006, the Board will continue its commitment to implementing the "Electronic Delivery of Legal Aid". Contractual commitments to that expenditure made by the Board as at 31 March 2005 were £26,000.

40 OPERATING LEASES

Annual commitments under operating leases are as follows:

	2004/05 Land and buildings £000	Other £000	2003/04 Land and buildings £000	Other £000
Leases expiring:				
in one year or less	–	18	–	12
between one and five years	–	10	–	8
in five years or more	664	–	660	–
	664	28	660	20

Committed expenditure for operating leases during 2005/06 will be similar to the charges in 2004/05

41 POST BALANCE SHEET EVENTS

No events occurred between 1 April 2005 and the time these accounts were signed that would materially affect the information provided.

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December 2005
ISBN 1-902300-29-7