

EXPLANATORY MEMORANDUM TO

The Court of Judicature Fees (Amendment) Order (Northern Ireland) 2016

SR 2016 No. 426

1. Introduction

- 1.1. This Explanatory Memorandum has been prepared by the Department of Justice to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rule is made under section 116(1), (1A) and (4) of the Judicature (Northern Ireland) Act 1978. Section 119 of that Act provides that an Order made under section 116 is not subject to any resolution process, however in making this Order the Department has undertaken to comply with the conventions applicable to the negative resolution procedure.

2. Purpose

- 2.1. The Statutory Rule will introduce fees to be charged in the Court Funds Office (CFO) to users of the services provided with the aim of recovering the running costs of CFO.

3. Background

- 3.1. The current method of cost recovery, from income generated by client funds held, is not sustainable in the current economic climate. As a result, the Northern Ireland Courts and Tribunals Service (NICTS) has borne the cost of operating CFO, which is a pressure to the NICTS budget that is no longer financially sustainable.

4. Consultation

- 4.1. A 12 week public consultation closed in September 2015. All CFO clients were advised of the consultation, so there were in excess of 13,000 consultees. The response rate was low with a total of 26 received. The responses showed that there was support for the introduction of charges.

5. Equality Impact

- 5.1. The proposal for the fee structure was screened for an equality impact and none was found.

6. Regulatory Impact

- 6.1. The proposal was screened for a regulatory impact, but as the charges will only affect CFO clients, who are individuals, there will be no impact on businesses, charities, social economy enterprises or voluntary bodies. Therefore the policy was screened out.

7. Financial Implications

- 7.1. The introduction of fees in CFO will result in additional income for NICTS. This will ease the budgetary pressure that was first created in 2010-11 when the surplus income from funds held by CFO clients no longer met the costs of running CFO.

7.2. The fundamental aim of the proposals is to achieve full cost recovery, so there are no additional funding requirements. Any shortfall in the cost recovery will be met by NICTS.

8. Section 24 of the Northern Ireland Act 1998

8.1. The Department is satisfied that no issues arise regarding section 24 of the Northern Ireland Act 1998.

9. EU Implications

9.1. Not applicable.

10. Parity or Replicatory Measure

10.1. This method of cost recovery is a different approach to that in the Court Funds Office in England and Wales, where fees are not currently charged.

11. Additional Information

11.1. Not applicable.