



Northern Ireland Audit Office

MEDIA RELEASE

Managing Legal Aid:

Report to the Northern Ireland Assembly by the Comptroller and Auditor General

21 June 2016

In 2011, in the context of the costs of the legal aid system spiralling out of control between 2000 and 2010, the Northern Ireland Audit Office (NIAO) and the Public Accounts Committee (PAC) produced reports identifying a need for improvements in the management of the criminal legal aid system.

The Comptroller and Auditor General, Kieran Donnelly has today published a follow-up report *Managing Legal Aid* examining the management of the criminal and non-criminal legal aid systems by the Department of Justice and the Legal Services Agency (the Agency) .

Mr Donnelly said:

“The costs of legal aid have not been effectively managed. Reforms to improve the governance of the legal aid system have not been implemented within a reasonable timeframe and have not reduced the high costs of legal aid in Northern Ireland.”

The most significant reforms implemented since 2011 have been changes to the remuneration for legal representatives in criminal cases. However, criminal legal aid expenditure has remained consistent at between £48 and £51 million each year.

Non-criminal legal aid has not been reformed to date. Since the PAC’s original report in 2011, expenditure on non-criminal legal aid has increased significantly from £37 million in 2009-10 to £57 million in 2014-15.

Despite legislation for the introduction of a statutory registration scheme for all providers of publicly funded legal services being established in 2003, the Agency has not yet implemented an effective scheme. Mr Donnelly said:

“The continuing failure by the Department of Justice and the Legal Services Agency to implement a statutory registration scheme for legal services providers, impacts significantly on the reform programme and the legal aid system lacks a basic mechanism to ensure quality of service and to deliver accountability and transparency in the use of public money.”

The Agency has not improved the quality of the information it uses to estimate and forecast the cost of legal aid expenditure. Its annual budget has been consistently inadequate to meet demand and the Agency has been reliant upon additional in-year funding to meet its

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costs. Between 2011 to 2015 a total of £317 million was allocated to fund legal aid claims and administration costs. Actual costs over the same period were £432 million.

The need for pro-active counter fraud arrangements was a key recommendation in the 2011 PAC report. However, the Agency's counter fraud strategy is not comprehensive or embedded in day to day management. Internal controls are inadequate to prevent and detect fraud and the Agency is dependent upon third parties to identify suspected fraud.

Notes for Editors

1. The Comptroller and Auditor General is Head of the Northern Ireland Audit Office (the Audit Office). He and the NIAO are totally independent of Government. He certifies the accounts of Government Departments and a range of other public sector bodies. He has statutory authority to report to the Assembly on the economy, efficiency and effectiveness with which departments and public bodies use their resources. His reports are published as Assembly papers.
2. Legal aid exists to ensure that there is fair and equal access to justice in Northern Ireland. The legal aid system provides funds enabling an individual to secure legal representation for both criminal and non-criminal legal matters.
3. On 1 April 2015 the Legal Services Agency (the Agency) was established and assumed the responsibilities of the Legal Services Commission. The report considers the management of legal aid up to this point.
4. The Access to Justice Order 2003 provided for the introduction of a Statutory Registration Scheme for all providers of publicly funded legal services. In 2011 PAC made recommendations on the need for effective governance of the legal aid system, expressing concerns over delays in implementing an effective scheme
5. It is also available on the Audit Office website at www.niauditoffice.gov.uk. The report is embargoed until 00.01 hrs on 1 December 2015.
6. Background briefing can be obtained from the Audit Office by contacting Neil Gray (028 9025 4345) or Sean Beattie (028 9025 1091).