



## Spend over £25,000 – Notes on Data

These data reports provide a breakdown of payments exceeding £25,000 for the period April 2010 to September 2010 for the Ministry of Justice and its Arms Length Bodies.

The aim of these reports, alongside other publications, is to increase transparency and enable the public to hold politicians and public bodies to account. This will help to deliver better value for money in public spending, and help us achieve our aim of cutting the record deficit.

The expenditure listed represents individual payments of a commercial nature totalling more than £25,000.

A number of these payments are made to sole traders and the self employed. It should be noted that these payments do not represent the earnings of those individuals. Figures listed are inclusive of VAT as paid. Sole traders will also incur expenses including income tax and National Insurance contributions.

Payments do not always represent the cost of services to the department. For example in some cases the department will make payments for which it can in future recover costs, such as legal aid payments where the legally aided party wins the case and recovers costs from the opponent

Please note this data is un-audited. There is potential for the data to be recorded against the incorrect cost codes.

There are some practical difficulties completing some fields. A brief summary of issues with the main department file is listed below. Other agencies and arms length bodies may have had different issues, or taken a different approach:

**Description:** A free text field on purchase orders is sometimes used to add a description of the goods or services purchased. This field is not consistently used for this purpose. For example, this field is sometimes used to pass messages to from staff processing purchases to those responsible for approving that expenditure, or written using abbreviations understood to specific teams. Other expenditure is made without the use of purchase orders. As a result, this field has been completed by reference to the expense type using an expanded description where jargon has been replaced and abbreviations explained.

**Supplier Type:** Since April 2010 new suppliers added to the MoJ supplier databases have, where appropriate, been flagged as small, medium enterprises (SMEs), to help monitor progress with reforms to open up the public sector market place to small businesses. The MoJ supplier databases in April 2010 already contained thousands of suppliers, and these records have not been updated to add, where appropriate, an SME flag. Currently, no such flag exists for public sector or voluntary and community sector (VCS) suppliers. As a result, it is not possible to publish accurate data on this field at this time.

**Contract number:** Technical difficulties exist in linking the separate IT solutions used in the MoJ to record finance transactions and let contracts. As a result, this field is currently left blank.

We will continue to look for ways to provide as much information to the public as is possible in a cost effective way.

The data has been broken down into monthly files and into constituent elements. The constituent elements cover the following areas: -

1. Ministry of Justice.

This includes

a) Core Areas of the Ministry of Justice including the following Advisory NDPB's which are not identified separately: -

- i) Administrative Justice and Tribunals Council.
- ii) Advisory Committee on Civil Costs.
- iii) Advisory Committees on Justices of the Peace.
- iv) Assessor for Compensation for Miscarriages of Justice.
- v) Civil Justice Council.
- vi) Civil Procedure Rule Committee.
- vii) Court Funds Office.
- viii) Courts Boards.
- ix) Criminal Procedure Rule Committee.
- x) Crown Court Rule Committee.
- xi) Family Justice Council.
- xii) Family Procedure Rule Committee.
- xiii) HM Inspection of Court Administration.
- xiv) HM Inspectorate of Prisons.
- xv) HM Inspectorate of Probation.
- xvi) Judicial Appointments and Conduct Ombudsman.
- xvii) Law Commission.
- xviii) Legal Services Ombudsman.
- xix) Office for Judicial Complaints.
- xx) Official Solicitor and Public Trustee.
- xxi) Prison and Probation Ombudsman.
- xxii) Public Guardian Board.
- xxiii) Restraint Accreditation Board.
- xxiv) Sentencing Council for England and Wales.
- xxv) Tribunal Procedure Committee.
- xxvi) Victims Advisory Panel.

- b) HM Courts Service
- c) Tribunals Service

On 2 June 2010 the Prime Minister announced that the Elections and Democracy Division and Parliament and Constitution Division in the Ministry of Justice (MOJ) Constitution Directorate had transferred to the Cabinet Office. This involved the transfer of 78.4 staff to the new Constitution Group in Cabinet Office. Currently, transactions for this division are still paid from MoJ finance systems. These transactions are included in this report and are not separately identified.

2. National Offender Management Service

This includes

- a) Core Areas of the National Offender Management Service including the following Advisory NDPB's which are not identified separately: -
  - i) Independent Monitoring Boards
  - ii) Independent Advisory Council on Deaths in Custody

### 3. National Probation Trusts

This includes

- a) All 35 Probation Trusts
- ### 4. Executive NDPB's

This includes

- a) Criminal Cases Review Commission
- b) Criminal Injuries Compensation Authority
- c) Legal Services Board
- d) Legal Services Commission
- e) Information Commissioners' Office
- f) Judicial Appointments Commission
- g) Office of Legal Complaints
- h) Office of the Public Guardian
- i) Parole Board
- j) Youth Justice Board

## Further notes on Legal Services Commission payments

The lists of transactions paid to barristers and solicitors from the Criminal Defence Service and the Community Legal Service should be read in conjunction with the caveats below, in addition to the more general caveats captured in notes on data, to gain a full understanding of what the figures represent.

The reported value of final bills in Civil Representation cases is affected differently depending on the nature of any "earlier payments":-

Where the payments prior to the final bill are Payments On Account ("POAs"), then they are not offset and the final bill will show at its full gross amount. POAs are not shown, even if they are £25,000 or over, to avoid apparent 'double counting' of the same work when the bill is reported.

However if the payments prior to the final bill are "interim bills", the cost of these will not be included in determining whether the final bill is £25,000 or over (as these interim bills will themselves have already been reported separately (if £25,000 or over)).

Costs (and other Income) recovered from the opponent will not be taken into account, so they will not affect the data shown.

### Payments to Barristers

1. The amounts paid to each barrister listed can represent payments for work covering many years, for a variety of cases. The amount an individual receives in any year fluctuates widely, and is to a large extent due to the variety of payment processes and schemes used by the Legal Services Commission and the Courts. Fluctuations could also be attributed to legacy payments from cases paid under the old system of individual case assessment where payments were made once the case had finished, prior to the introduction of VHCC (very high cost case) contracts. Additionally the length of a particularly complicated case could make the figure appear inflated.
2. The amount attributed to a barrister may include payments subsequently made to other barristers as remuneration for work carried out on behalf of the named barrister. The figures exclude payments to the named barrister when they have carried out work on behalf of a colleague.
3. All the figures listed are inclusive of VAT as paid, and disbursements incurred (e.g. travelling). Individuals must pay that VAT to HM Revenue & Customs.
4. Barristers pay a percentage of their fees towards professional overheads. Additionally, barristers face the same expenses as any other self employed person, including income tax and National Insurance contributions.
5. Payments are made only after claims are carefully scrutinised by the Legal Services Commission or the Courts, and where necessary

adjusted. The Legal Services Commission and the Courts may make payments many years after cases conclude.

6. While these figures represent gross payments actually made to the barristers, some of those monies have been (or may in the future be) repaid to the Community Legal Service (CLS) fund by other parties. This will happen in cases where the legally aided party wins the case and recovers costs from the opponent. Once those costs are recovered the legally aided party's solicitor refunds some or all of the money to the CLS fund. As a consequence the figures may not reflect the actual cost of the barristers' fees to the fund. In some cases where costs are recovered from the losing party the actual cost to the CLS fund may be very little or even nothing.

## Payments to Solicitors

1. Transactions may include payments for work done in previous years – in some cases over a number of earlier years. For example cases may well have lasted more than one year, overall payments may have been increased by one exceptional case lasting a number of years which have been paid in a given month or there may have been delays in submitting relevant claims.
2. All the figures listed are inclusive of VAT as paid, and disbursements incurred (e.g. travelling and medical report fees). Individuals must pay that VAT to HM Revenue & Customs.
3. While these figures represent payments actually made to the organisations during the year, other parties may in the future repay some of this money to the Community Legal Service (CLS) Fund. This will happen in cases where the legally aided party wins the case and recovers costs from the opponent. Once those costs are recovered the legally aided party's solicitor refunds some or all of the money to the CLS Fund. In some cases where costs are recovered from the losing party the actual cost to the CLS Fund may be very little or even nothing. Costs can also be recovered from a legal aid client when they gain financially from a successful legal action.
4. In the Criminal Defence Service, when a case is completed, a crown court judge can order a defendant who is found guilty to repay all of their legal aid costs by issuing a Recovery of Defence Costs Order (RDCO).
5. Organisations will have to pay wages for solicitors, caseworkers, support staff and overheads, such as office costs or management out of these payments. In addition payments from the LSC will also cover disbursements paid to barristers and interpreters for work carried out in relation to cases being handled by the organisation.