

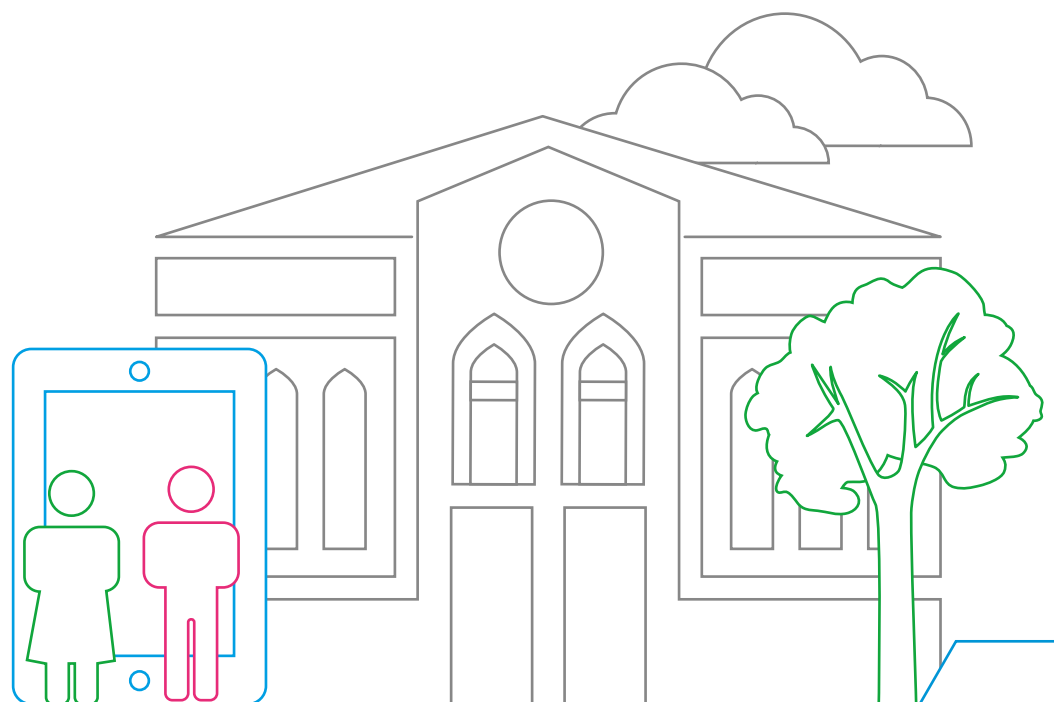


HM Courts &
Tribunals Service

The financial impact of reform

Response to
PAC recommendation 5

January 2019



Public Accounts Committee - Recommendation 5

PAC recommendation:

The Ministry should work with the Treasury to quantify the likely financial implications of the reforms on the wider justice system. They should involve affected parties to address the implications of any cost-shunting and ensure future funding settlements reflect the cost of delivering services in the transformed system.

- 5.1 The Government agrees with the Committee's recommendation.
Target implementation date: January 2019.
- 5.2 Changes to the Criminal Justice System (CJS) aim to make the overall system more efficient, rather than just save money for HMCTS. On that basis, HMCTS have already analysed existing assessments but have agreed the need for a more joined-up model, which is well under way. The model will provide a view of impacts across CJS agencies and will enable the Department to understand the implementation costs and benefits required by each agency split by fiscal year. In turn, this will allow the Department, working with the Treasury, to determine the best funding model to ensure that costs are properly distributed and to prevent 'cost shunting'. The Department recognises that costs and benefits may fall unevenly, and so this is a collaborative approach with the involvement of all agencies.

Response to PAC – Cross-Government Financial Impacts

Impact on partner organisations

1. HMCTS has worked closely with HM Treasury on our Programme Business case 5 and will work closely with HMT on cross-CJS costs, but this is an ongoing process rather than a one-off activity. We have been working collaboratively with partners, agencies and other government departments that are likely to be affected by the Programme to prevent cost-shunting by, wherever possible, co-designing services.

Collaborative Approach

2. We have ensured this close working from the outset. During the Discovery phase of the Crime Programme, between April and November 2018, the Programme team undertook consultations with many of the key partners, agencies and stakeholder groups. These sessions were to test and validate the proposed features of the future service design (as documented in a future Crime Service Model), and also to foster a collaborative approach where the proposals for the future design were transparent to the judiciary and justice partners, providing them with opportunities to feedback, shape and influence the future design
3. An analogous process has been followed in the other jurisdictions. Partner organisations have been involved in the Discovery process on a service-by-service basis. DWP, for instance, have been closely involved in the development of our work on the social security and child support tribunal.

Impact on Civil, Family and Tribunal partner organisations

4. The Civil, Family and Tribunal (CFT) Service Design Model is shared with relevant leads across the following other government departments and agencies when the individual services are being designed in line with the programme plan. The main affected organisations are the Department for Work and Pensions (DWP), Home Office, HM Revenue & Customs (HMRC), Children and Family Court Advisory and Support Service (CAFCASS) and the Legal Aid Agency. DWP, for instance, will benefit from our digitalising Social Security and Child Support (SSCS) tribunals by having quicker processes and removing delays associated with the current manual paper based system. DWP are exploring a potential business case to more fully understand the costs and benefits of this Programme to themselves.
5. As service projects are developed with partner agencies such as Home Office and DWP, we have also set up a number of integrated working groups, covering both technical (including security requirements) and business processes. Partner agencies are involved in the design of the solutions and testing prior to the launch of pilots. They are likewise invited to attend Project Boards and we have implementation groups that include resources from both HMCTS and partner agencies.
6. In addition to department-by-department engagement, the CFT Programme also forms part of a tri-lateral group with MOJ Policy and the Welsh Government, which is chaired by the HMCTS Head of Business Strategy. The programme provides an overview of the services being delivered by the CFT Programme, specific areas relating to Welsh policy and contacts, and the overall vision for the delivery of service provision for Welsh users.

The Criminal Jurisdiction

7. Unlike in civil, family, and tribunals, in the criminal jurisdiction there are effects across the whole system, and we are engaging across the CJS.

The Single Justice Service (SJS) - impact on CJS partner organisations

8. The Single Justice Service introduced certain summary only, non-imprisonable 'guilty plea' or 'proof in absence' cases, to be heard by a single magistrate accompanied by a legal advisor, and removing the requirement for the case to be read aloud in an open court room. The reform programme seeks to make this a primarily digital service, rather than the print-and-post service it has been until now. Because most of the work is high-volume and neither contested, legal-aid funded, nor imprisonable, our focus in working with partners is mainly prosecutorial. The SJS frees up magistrates' time, in addition to reducing prosecution costs.
9. The Single Justice Service affects Transport for London (TfL), Television Licensing Organisation (TVLO), Driver and Vehicle Licensing Authority (DVLA), the Police, Environment Agency, Natural Resource Wales, Local Authorities, and Train and Tram companies. Analysis is already being carried out to calculate the costs and benefits driven from the Single Justice Procedure, introduced in 2014/15 now it is in steady state. Further work is now being carried out to quantify the costs and benefits associated with the digitalisation of paper based processes and how this will operate in the future. Governance and engagement with prosecutors at a national level is through the Single Justice Procedure Operational Working Group. At a project level, DVLA and TVL engagement is managed through fortnightly meetings. At regional and local level engagement is through dedicated Regional Implementation Leads.
10. Through our engagement with DVLA, they have explained that SJP has meant that they have been able to make savings in prosecutors due to the reduction in travel time and in court time, therefore enabling them to re-deploy onto other areas of work. They have also made savings in relation to printing documents for the prosecutor to take into court.

Wider Crime Service Model - Engagement with CJS partner organisations

Engagement with the Judiciary

11. In crime, in addition to judicial engagement through existing channels, such as the Magistrates' and Judicial Engagement Groups (MEG and JEG), a number of judges and magistrates were appointed to take part in a number of judicial working groups formed to consider specific questions and challenges within the discovery process. In mid-2018, to strengthen the judicial involvement with the projects, an overall Judicial Engagement Working Group was established made up of members of the individual working groups. This new group met four times from September to November 2018 and reviewed the Programme's proposals for the service design in the criminal jurisdictions. The comments from this Group played a significant role in shaping the Programme's approach to central aspects of the proposed future design, such as the role of first hearings and the risks and opportunities around online pleas.

Engagement with other criminal justice partners

12. In addition to this engagement through service development, the Programme met representatives of other CJS partners and key groups during 2018, to look at particular aspects of the future service design and to invite feedback. The following is not a complete list but aims to give a flavour of the degree of engagement undertaken:

- CPS – we spent two days with CPS lawyers in early July and in mid-July for additional discussions about Youth with a further session in October.
- Police – day session with case management staff in July and two sessions in March and October, again on Youth.
- HMCTS court staff – User Researchers visited a number of courts in England and Wales between June and August to gather further insights on challenges facing court staff and to provide primary research to support the developing proposals for the service design. Engagement sessions were also held in October and November, and the Programme team periodically briefed the Heads of Crime group within HMCTS on the developing service design.
- Legal Aid – sessions held with Legal Aid Operations, plus MoJ Legal Aid Policy staff in April (Youth specific) and in September.
- Defence lawyers – the Youth Project met with legal professionals in April; evening briefing sessions on the wider Discovery were held in Bristol in

August and in Nottingham, Leeds and Sheffield in November.

- Victims and Witnesses representatives – briefing sessions with these groups were organised by the Public User Engagement team in June and October. In addition, the Discovery team took part in a large-scale public user event in November that was attended by over 200 members of the public, legal professionals, judiciary, staff from partner agencies and representatives of interested charities and lobby groups.
- Defendants representatives – a session with representatives of defendants was held in September.
- Youth Custody Service and PECS – met with Youth Discovery Project in April and August.

Wider Crime Service Model – Impact on CJS partner organisations

13. The Crime Service Model has been shared with relevant leads across the following agencies: HM Prisons & Probations Service (HMPPS), Legal Aid Agency (LAA), Crown Prosecution Service (CPS), Prisoner Escort and Custody Service (PECS), National Compliance and Enforcement Service and the Police. Feedback has been requested on the revised Crime Service Model from these groups and from the judiciary, and the Model is being updated to incorporate these comments as they are received. The fully updated Model taking these comments into account will be presented for formal approval by the Criminal Justice System Integration Board and the Crime Programme Board in February and March 2019.
14. The Criminal Justice System Integration Board aims to reform the CJS by designing and delivering new, unified ways of working between agencies, supported by technology which allows the sharing of information and ensures we do not duplicate effort. It is made up of leaders from across the Criminal Justice System working together to ensure that changes are designed with all users in mind and delivered in a coordinated way. It is supported by a CJ Working Group and Costs and Benefits Working Group with representatives from across CJS agencies.¹
15. There are elements of the Crime Service Model which could impact on the costs of our CJS partners, but some will also bring them financial benefits. Our approach here has been to ensure that we are designing in a collaborative way which aims to reduce the overall shared costs; and then when we have done that to the greatest possible extent, to manage any areas where costs and benefits have fallen unevenly.
16. The Criminal Justice System Integration Board began to look at early estimates of costs and benefits in 2017, with a particular focus on video remand hearings, which have cost and benefit implications for HMCTS, the police, LAA, CPS, HMPPS and others. Early estimates of costs on other partners were high; work to examine what was driving the figures helped to bring them down considerably (for example, the first police estimates of cost assumed not only the purchase of video equipment but the building of new suites to house them – close work with the police reduced those initial estimates by over 90%). Early work was based on each agency independently working on costs and benefits, and was not always consistent. So, through the Criminal Justice Service Integration Board, all partners have agreed to the development of a single analytical model which will include costs and benefits impacts on all agencies in the CJS to enable us to model the optimisation of changes in design which ensures the best balance of costs and benefits across all agencies, not just to HMCTS. The Criminal Justice Service Integration Board will be closely engaged in this work throughout the spring.
17. The optimisation model under development will analyse the variants on the service design across all CJS agencies to enable us to maximise benefits to the tax-payer regardless of where the costs and benefits fall – again, with the emphasis on designing jointly for the best approach, rather than taking an approach and then quantifying costs and benefits afterwards.
18. HMCTS is also represented on the PECS Programme Board (HMPPS), and we are actively discussing the emerging crime service model with HMPPS to inform and support the PECS re-tender exercise.

¹ Information on these groups and their membership is available at: <https://www.gov.uk/guidance/hm-courts-and-tribunals-service-engagement-groups#criminal-justice-engagement-groups>