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The Committee of Public Accounts

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Summary

HM Courts & Tribunals Service's £1.2 billion programme to modernise courts is hugely ambitious and on a scale which has never been attempted anywhere before. Transforming the courts and tribunals system in this way will change how people access justice by digitising paper-based services, moving some types of cases online, introducing virtual hearings, closing courts and centralising customer services. Such sweeping changes will be extremely challenging to deliver. The performance of HMCTS to date shows that it has much to learn if it intends to do everything it plans. Despite extending its timetable from four to six years, HMCTS has already fallen behind, delivering only two-thirds of what it expected to at this stage, and it still has not shared a sufficiently well developed plan of what it is trying to achieve.

The pressure to deliver quickly and make savings is limiting HMCTS's ability to consult meaningfully with stakeholders and risks it driving forward changes before it fully understands the impact on users and the justice system more widely. HMCTS needs to ensure that the savings expected from these reforms are genuine rather than the consequence of shunting costs to other parts of the justice system such as the police, prison service or Crown Prosecution Service, all of which have their own pressures to manage. Without a better grip on these wider issues, there is a significant risk that HCMTS will fail to deliver the benefits it expects.

Introduction

HM Courts and Tribunals Service (HMCTS) is an executive agency of the Ministry of Justice responsible for the administration of criminal, civil and family courts and tribunals in England and Wales. Against a backdrop of financial and operational pressure to improve the administration of the justice system, in 2016 HMCTS established a six-year, £1.2 billion portfolio of change programmes to modernise and upgrade the courts and tribunals system. The reforms aim to alter the way criminal, family and civil courts and tribunals operate by introducing new technology and working practices and changing the way HMCTS uses its buildings and staff. By March 2023, HMCTS expects that 2.4 million cases per year will be dealt with outside physical courtrooms, it will employ 5,000 fewer staff. HMCTS expects to save £265 million a year from these changes, which will come from lower administration and judicial costs, fewer physical hearings and running a smaller court estate. These savings are expected to contribute around half of the total savings the Ministry of Justice committed to in the 2015 Spending Review.

Conclusions and recommendations

1. **We have little confidence that HMCTS can successfully deliver this hugely ambitious programme to bring the court system into the modern age.** While other countries have attempted elements of what HMCTS is doing, no other country has attempted to change its whole system at this scale or pace. Such sweeping changes will be extremely challenging to deliver and the performance of HMCTS to date shows that it has much to learn if it intends to do everything it plans. Despite extending its timetable from four to six years, HMCTS has already fallen behind, delivering only two-thirds of what it expected. The Common Platform Programme, a key part of the reforms, is at significant risk of not delivering. The reforms have suffered from poor progress measures and weak governance, which HMCTS has taken steps to improve. The Infrastructure Projects Authority has also cast doubt on the ability of HMCTS to deliver the programme successfully. There are a number of external factors which could derail progress, such as the delay in primary legislation and uncertainty over long-term funding.

Recommendation: *HMCTS should write to the Committee, by January 2019, to provide assurance about its updated timetable for delivery. It should update the Committee every six months thereafter in the same format so we can monitor progress.*

2. **HMCTS has failed to articulate clearly what the transformed justice system would look like, which limits stakeholders' ability to plan for, and influence the changes.** HMCTS was unable to explain what the transformed justice system would look like and how it would measure whether the changes had been delivered successfully. Organisations representing users of the justice system told us that although the reforms presented many opportunities, they had a poor understanding of what HMCTS is aiming for and how the new system will work in practice. Resolution, the Magistrates Association and the Bar Council told us that they were frustrated with the quality of HMCTS's engagement with them so far and said they felt informed rather than always consulted or meaningfully engaged. This lack of transparency means that interested parties feel that changes are being imposed rather than co-created.

Recommendation: *By January 2019, HMCTS should provide the Committee with a clear and detailed articulation of what the changes will mean in practice for all the users of the justice system, and when users can expect these changes to be in place.*

3. **Despite the revised timescale, HMCTS's imperative to deliver at such a fast pace risks not allowing time for meaningful consultation or evaluation and could lead to unintended consequences.** With so much to deliver in the remaining four years of the programme, HMCTS is operating at a rapid pace. This limits the time available to stand back and consider the wider impacts of the changes on the justice system as a whole and on those that use it. Representatives of the legal profession told us that they are concerned that HMCTS is ploughing ahead without evaluating the impact of changes on user access to justice or consulting properly with stakeholders. They told us that HMCTS was paying "lip service" to engagement, rather than listening to and acting on concerns. Resolution told us that the lack of transparency over the

closure of the court in Chichester led to a protracted debate about the court's use and the impact on users. We share the concerns raised with us that rushing through court closures and fundamental changes to how cases are processed could impede access to fair justice and increase costs elsewhere in the system.

Recommendation: *By November 2018, HMCTS should publish plans on how and when it will engage with stakeholders and be clear about how it will act on the feedback received and adjust plans if necessary.*

4. **HMCTS has not adequately considered how the reforms will impact access to, and the fairness of, the justice system for the people using it, many of whom are vulnerable.** We are concerned that the reforms are being pursued at the possible expense of people's access to fair justice. HMCTS has already closed 258 courts between 2010–11 and December 2017. These courts have been closed before moving services online, meaning that many people are having to travel further to access justice. This can cause many people severe difficulties, particularly for those who rely on public transport or have caring responsibilities. More closures are underway, yet HMCTS has undertaken limited work to review the impact of the closures on users or how demand for court time has been affected. HMCTS has not properly tested the use of new technology in accessing justice. Although HMCTS assured us that it is testing digital services, like online forms, with users, this does not amount to a proper evaluation of the wider impacts of the changes in the real world. We are concerned that HMCTS told us a great deal about processes and products and not enough about how the changes might affect people. Moving services online without assessing the impact could have serious implications for users of the justice system. We share concerns raised by legal professionals and in written submissions that, without sufficient access to legal advice, people could make uninformed and inappropriate decisions about how to plead, and that the roll-out of virtual hearings could introduce bias and lead to unfair outcomes.

Recommendation: *HMCTS should write to the Committee by January 2019, setting out how it will identify and evaluate the impact of changes on people's access to, and the fairness of, the justice system, particularly in relation to those who are vulnerable.*

5. **One third of the way through the programme, the Ministry of Justice still does not understand the financial implications of its planned changes on the wider justice system.** HMCTS expects to save £265 million a year through its planned changes to the courts and tribunal system. These changes will have financial implications across the justice system. Some changes, such as the increased use of video hearings, will create additional costs for other organisations such as the prison service and the police because they will have to buy the new technology needed and make staff available to supervise defendants. However, there may also be indirect costs. These could include costs related to increases in witnesses not attending trials due to the need to travel greater distances to courts or delays processing divorce applications due to staff shortages meaning some people may have to access benefits as they wait for their financial situation to be resolved. Such cost-shunting across the justice system needs to be well understood given the stress that all parts of the system are already under. HMCTS told us that it has established a cross-system group that is

modelling the costs and benefits of the changes to the justice system. Although we recognise work is underway to better understand and address this, we are surprised and disappointed it is not more advanced.

Recommendation: *The Ministry should work with HM 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.*

6. **We remain concerned that the Ministry of Justice is taking on significant amount of change, without a clear sense of its priorities, at a time when it is facing severe financial and demand pressures.** The Ministry faces competing demands for limited resources and increasing demand for its services. The changes to the courts and tribunal system is only one of a number of significant change programmes within the Ministry's portfolio and the prison, probation and legal aid systems are all under significant strain. Brexit also creates uncertainty about the future demand on the courts and tribunals system. The Ministry is under severe financial pressure, which is only likely to increase, and it faces some hard decisions about what it can continue to fund. It is not clear to us how the Ministry aims to flex its priorities and balance its budget whilst maintaining critical public services.

Recommendation: *The Ministry should write to the Committee in advance of the next Spending Review to explain how it plans to ensure its portfolio of change is well-balanced and appropriately prioritised to enable it respond to financial pressures. This should include setting out those elements of reform that are essential and those which could be put on hold.*

1 Delivering the reforms

1. On the basis of a report by the Comptroller and Auditor General, we took evidence from the Ministry of Justice (the Ministry) and HM Courts and Tribunals Service (HMCTS) on early progress in transforming the courts and tribunals system.¹ We also took evidence from the Law Society and Resolution, organisations who represent the legal profession, as well from the charity Transform Justice.

2. In 2016, HMCTS, an executive agency of the Ministry of Justice, established a transformation programme to modernise and upgrade the courts and tribunals system. It aims to introduce new technology and working practices to change the way criminal, family and civil courts and tribunals operate so that the system is more accessible, just and proportionate; in other words, courts are only used for those issues and cases that cannot be dealt with elsewhere. Broadly these changes aim to simplify procedures and move activities online and improve efficiency by reducing demand on court buildings. HMCTS is also reducing the size of its court estate and workforce and introducing new service centres to centralise administration and case management. Once the reforms are complete, HMCTS expects that 2.4 million cases per year will be dealt with outside physical courtrooms, it will employ 5,000 fewer staff, and reduce its annual spending by £265 million.² The transformation programme is expected to cost £1.2 billion and take 6 years. HMCTS reached the end of the first stage of the programme in late September 2017, with the next stage due to complete in January 2019.³

Confidence in delivering the reforms

3. Collectively, the planned changes to the courts and tribunal system are on a scale never before attempted anywhere in the world. HMCTS told us that components of the reforms have been tested elsewhere in different contexts but that nobody has attempted the combination or scale of changes that HMCTS is attempting in this timeframe.⁴ It described the programme as “ground-breaking and world-leading”.⁵ The Ministry accepted that the reforms were very challenging and told us it had learnt lessons from its experiences of the Transforming Rehabilitation and Electronic Monitoring programmes. It acknowledged that, while not failures, both programmes took too long, were over-complex and difficult. It asserted that unlike these “monolithic programmes”, the reforms to the courts and tribunals system were more modular so that a mistake or missed milestone would not threaten the rest of the programme.⁶

4. The reforms were originally due to be completed within 4 years but, following an external review and challenge from Cabinet Office and Treasury, HMCTS added two years to the timetable. HMCTS told us that six years was a “good, reasonable timeframe for a programme of this complexity.”⁷ However, Transform Justice spoke of the reforms “going like an express train” and the need to slow down to take stock and use the time to conduct

1 Report by the Comptroller and Auditor General, [Early progress in transforming courts and tribunals](#), Session 2017–19, HC 1001, 9 May 2018

2 Qq 1, 3; [C&AG’s Report](#), paras 3, 1.7, 1.11

3 Q 136; [C&AG’s Report](#), para 1.13, 2.3

4 Qq 3, 76–77

5 Q 120

6 Q 90–92

7 Qq 49, 75

research and consult properly. It raised particular concerns around the fact that many of the proposed changes have not yet been proven to work on a larger scale and about the unknown impact on access to justice and outcomes.⁸ This sentiment was echoed in written evidence from legal practitioners and academics, which also raised concerns that the speed of change and focus on efficiency could result in negative impacts.⁹ HMCTS acknowledged the importance of evaluation, testing and research, and the need to listen and consult before making changes. It accepted they could, and needed to, do more. However, it also spoke of the need to increase the pace of work in the remaining four years of the programme.¹⁰

5. The reforms delivered 62% of the expected milestones at the end of the first stage of the programme. HMCTS asserted that a further 25% of the milestones from the first stage of the project had been partially delivered and that it had met the most critical milestones, and that only 2% of the milestones were holding up its progress with the programme. We were not, however, convinced this performance was good enough, or that HMCTS' current level of progress was enough to ensure that it would complete the programme to revised deadline. HMCTS told us that it had improved its governance to give itself a better grip and had increased the pace of delivery.¹¹

6. HMCTS admitted that one milestone from the first stage of the project was still outstanding and admitted that it could cause difficulties for other projects if it was delayed any further. Part of the programme relies on making paper forms more accessible so that they can be scanned and digitally processed. HMCTS told us that it has printing services in place, and has let a contract for bulk scanning services, but these are not yet operational so it was having to use work arounds for the services that required it.¹²

7. HMCTS accepted that some critical elements of the reforms were still running behind schedule, the most important of which was the Common Platform Programme, which was originally due to be complete in July 2018 but it now not expected until July 2020. HMCTS co-runs this programme with the Police and Crown Prosecution Service (CPS). HMCTS explained that it had brought the programme within the reform portfolio's governance, re-visited the design and reduced the scope. It also said that it had improved and strengthened governance arrangements and changed the way the technology is developed. It admitted, however, that without further work to increase the pace of delivery, the Common Platform Programme would not deliver everything needed and was at significant risk of not delivering. Witnesses assured us that the police and CPS were closely involved and the programme was being run in a joined-up way.¹³

8. The Infrastructure and Projects Authority's most recent review of the reforms concluded that successful delivery of the reforms was in doubt. The Ministry accepted that this was an accurate assessment, acknowledging that the risk around changes of this scale and ambition is that it can never be totally confident that everything will work all the time.¹⁴ This risk is increased by HMCTS's poor progress measures. The NAO report

8 Qq 2, 5, 8

9 Magistrates Association ([TCT0007](#)); Professor Pablo Cortes ([TCT0003](#)); Professor Roger Smith ([TCT0002](#)); Bail Observation Project ([TCT0017](#))

10 Qq 66, 211

11 Q 46, 50–52, [C&AG's Report](#), para 2.7

12 Q 53–54

13 Qq 52–58, [C&AG's Report](#), para 2.12

14 Q 78, [C&AG's Report](#), para 3.2

highlighted that HMCTS did not have an effective way to monitor performance and we asked HMCTS what it was doing to give it a better oversight of what had and had not been delivered. HMCTS told us that it was confident it had developed more sophisticated measures and it now had the right information and indicators to enable it to intervene early enough to get things back on track.¹⁵

9. New primary legislation is needed in order to support the changes to the justice system. A Prisons and Courts Bill was introduced to Parliament in February 2017 but stalled in April following the announcement of the June general election. A Courts Bill was included in the legislative programme outlined in the Queen’s speech in June 2017.¹⁶ In May 2018, the Courts and Tribunals (Judiciary and Functions of Staff) Bill was introduced to Parliament covering delegation of functions within the courts. The Ministry told us that it expects another three areas to be included in future bills, specifically criminal procedures, online procedures and provisions on employment tribunals. Collectively, these make up the equivalent of the previous Bill.¹⁷ The Ministry asserted that this legislation is required to deliver the “optimum version” of the reforms. However, HMCTS has limited control over the timing and content of these bills and is reliant on parliamentary timetabling. HMCTS explained that the uncertainty around primary legislation is not currently delaying progress but that it would need to be introduced to deliver all the expected savings.¹⁸

10. Another area in which HMCTS faces uncertainty is its long-term funding. There is an estimated funding gap of £61 million from 2020–21 which the Ministry explained was the result of its agreed funding only lasting till the end of the current spending period which runs from 2015–16 to 2019–20. The Ministry said that it would enter into negotiations with the Treasury and hoped to secure funding for the remaining parts of the programme but that it remains an uncertainty.¹⁹

Consulting with users of the justice system

11. The Law Society, Resolution and Transform Justice were supportive of the aims of the reforms and the opportunities they presented to modernise the justice system, improve efficiency and provide a better experience for court users and improved access to justice.²⁰ However, they were concerned by a lack of clarity from HMCTS about what stakeholders and users could expect and the limited detail that was available on how the reformed services will work in practice.²¹ Evidence provided by the Law Society and Resolution and through written submissions from the Magistrates Association and Bar Council called for clearer information on the direction of travel and more meaningful engagement with professional users of the justice system to enable them to properly input and co-create the programme.²² Resolution suggested that current efforts to engage with them felt like lip service, were “fractured and ineffective” and that there were practical barriers for those seeking to engage.²³ Examples given by the Bar Council included: difficulties attending

15 Qq 61–62, 64, [C&AG’s Report](#), para 2.5

16 [C&AG’s Report](#), para 1.25

17 Qq 34–35, 39–40

18 Q 42–45; [C&AG’s Report](#), para 1.25

19 Q79; [C&AG’s Report](#), para 2.14

20 Qq 1, 5

21 Q 32; Magistrates Association ([TCT0007](#))

22 Qq 5, 7, 32

23 Q 5; Resolution ([TCT0016](#))

consultation events where invitations are often sent at short notice and held during working hours; a high volume of meeting and interview requests; and over-crowded agendas with little time for discussion.²⁴

12. The Law Society and Resolution told us that they were also concerned that HMCTS had given insufficient attention to the concerns that they had raised with it. In particular, around the legal representation of people in the new digitised system and the roll-out of flexible operating hours to courts.²⁵ For example, the Law Society was concerned that if people were not given the opportunity to seek legal advice before submitting a claim online, it could lead to invalid cases clogging up the system. HMCTS told us that it had started to engage with the Law Society on this topic but accepted that these conversations had not progressed as far as it would like in resolving the issue.²⁶ We also heard about the case of Chichester combined court where the decision to close it in 2015 was disputed and had led to a protracted, three-year discussion around the adequacy of local court provision.²⁷

13. When we asked the Ministry and HMCTS to explain what successfully transformed services would look like, they spoke in broad terms about the need to ensure that the justice system works better for the public. They were not able to be more concrete about how they would measure this or determine whether the programme had been a success. HMCTS cited examples of user satisfaction scores from digital services but not how it would measure how the reforms affected access to justice or the fairness with which it is administered. The published principles for reform cite the need for the courts and tribunals system to be proportionate, accessible and just. Neither HMCTS nor the Ministry could tell us how government intends to measure the extent to which this is the case.²⁸

14. Transform Justice told us that there has been little engagement with the general public from HMCTS on what is changing, and that publicly available information is limited. Entry to most stakeholder events is by invitation only. Transform Justice told us that there had only been public consultations on the strategy for court closures and some elements of digital court reform. However, as yet there had been no public consultation on the expansion of video hearings, online pleas or the civil and tribunal digital programme.²⁹ After our oral evidence session, HMCTS published a Reform Update for the general public outlining its plans for the reforms.³⁰

24 The Bar Council ([TCT0006](#))

25 Qq 5; 8, Bar Council ([TCT0006](#)); Resolution ([TCT0013](#)); Melanie Benn ([TCT0005](#))

26 Qq 8, 121

27 Qq 7, 19

28 Qq 67, 114–118, 139; [C&AG's Report](#), para 1.8

29 Qq 32, 102, Transform Justice ([TCT0001](#))

30 HM Courts & Tribunals Service, [Reform Update](#), 20 June 2018

2 The possible consequences of reforms

Access to justice

15. Our non-government witnesses and many of the written submissions we received identified that their main concern was that the reforms would reduce access to justice and the fairness of its outcomes. They told us that they were not satisfied that alternative methods of handling cases would maintain the integrity of the justice system and were concerned that increased efficiency was at the expense of ensuring a fair process for all. The prospective changes that illustrated this most clearly were court closures and the increased use of video or virtual hearings.³¹

16. HMCTS closed 258 courts between April 2010 and December 2017.³² HMCTS told us that the closures were because court buildings were under-utilised, that work could be accommodated in other courts and that people would not have an unreasonable distance to travel.³³ However, Resolution, the Law Society and Transform Justice thought that the criteria for closing courts were not transparent and specifically questioned HMCTS' justification of low utilisation rates given these could be the result of the lack of judges to lead hearings rather than a lack of cases. Resolution told us that it is essential to ensure that suitable alternative provision was in place before closing a court. In the case of Chichester, 'pop-up' courts in local council offices were being considered.³⁴

17. Resolution told us that it had conducted a survey of its members on the impact of court closures on travel times which found that 88% of those who had seen their local court close reported increased travel times for them and their clients. In the case of Chichester, some cases are being sent to courts over 80 miles away which can mean some people are unable to attend their appointments, particularly those with childcare or caring responsibilities. Its survey also found that members reported slower processing of applications, offers and other court documents and Resolution attributed this to the closures and staff shortages.³⁵

18. Court closures could also lead to a rise in missed court appointments and may contribute to higher costs for the public purse for example costs associated with rescheduling hearings, wasted court time and having to arrest or detain defendants who fail to attend court. Transform Justice told us that local court closures had led to an increase in the number of people who fail to appear at court. However, HMCTS asserted that there was no statistically significant change in the rate of people who failed to appear at court in the years of the greatest number of court closures.³⁶

19. As part of its plans to move cases out of the physical courtroom, HMCTS is proposing to introduce "virtual hearings" across the court system as well as in tribunals. It already uses video-links in some parts of the justice system. For example, vulnerable witnesses can give evidence by video, and defendants can appear remotely via video links from prison in hearings that are early in the process.³⁷ HMCTS told us that it wants to widen use of

31 Qq 2, 5, 8; Magistrates Association ([TCT0007](#))

32 House of Commons library debate pack, CDP-0081, [Court closures and reform](#), 26 March 2018, p 30

33 Q 70

34 Qq 20, 24-25

35 Qq 7, 22-23; Resolution ([TCT0013](#))

36 Qq 26, 71; Transform Justice ([TCT0014](#)); O Adisa and S Hallsworth, Access to Justice: Assessing the impact of the Magistrate Court Closures in Suffolk, December 2017

37 Q 120

video-links and introduce “virtual hearings”, where all participants can log in remotely to an online court including judges, lawyers, witnesses and defendants. It claimed video hearings can reduce unnecessary disruption for prisoners as they do not need to be moved and prevent time being wasted travelling to court for short hearings. It has engaged the London School of Economics to evaluate its work with video-links and virtual hearings, but explained that this was not yet sufficiently advanced to be able to tell us the results.³⁸

20. Although representatives from the legal profession told us that they welcomed the use of video hearings for administrative issues to progress cases, they were less supportive of the widespread use of the technology for sensitive hearings. They were particularly concerned about how the changes would affect the ability of vulnerable people to participate in hearings, particularly those with mental health problems, learning difficulties, with English as a second language, and those without legal representation. The Law Society asserted that “face to face engagement delivers understanding and communication that is lost when you deal with video-links” and that it was not satisfied that alternative means of dealing with cases would properly protect fairness in the system. Appearing in court online rather than in person could increase the risk of unconscious bias, where pre-existing attitudes or stereotypes can affect the way that people understand others, the way that they act, or the decisions that they make without them being conscious of it.³⁹ Transform Justice told us that some research suggests that appearing via video can make it more difficult for defendants to participate effectively in court and can also impact on the likelihood of a conviction with research indicating that individuals that appear by video link being more likely to receive a prison sentence or be deported than those appearing in person.⁴⁰

21. The Law Society and Transform Justice also raised concerns about allowing people to make a plea online, particularly, the ability of people to make an informed choice without access to legal advice and understanding the implications of pleading guilty. The Law Society asserted that while people could make a claim online, it was still crucial that they received legal advice on whether they had a valid case, what evidence they needed to produce, whether a defence was reasonable, and at what level they should settle a claim. HMCTS told us that it still expects people who enter pleas online to have a conversation with a legal advisor before entering their pleas. The Ministry asserted that online systems can provide better opportunities to give people clear warnings about the implications of their actions. However, it recognised that digital systems will not suit everyone and confirmed that it would retain the option of using paper forms and providing telephone and face-to-face support for those who need it.⁴¹

22. We received written evidence from journalists who raised concerns about the impact of the reforms on the concept of open justice, and stressed the importance of public and media access to court proceedings. Visibility and scrutiny of the justice system are important to build public confidence that decisions and outcomes are just. The submissions raised practical issues on how journalists can continue to get access to information, court staff and hearings when activities are conducted online.⁴²

38 Qq 113, 116

39 Q 8, 10–13

40 Qq 13, 15–16; Transform Justice ([TCT0014](#)); Ministry of Justice, [Virtual Court pilot: Outcome evaluation](#), December 2010

41 Qq 8, 97, 121, 127, 138

42 Q 12; News Media Association ([TCT0015](#)); Transparency Project ([TCT0009](#)); Mark Hanna ([TCT0010](#))

Wider financial implications

23. We have in the past highlighted the risks of Government not understanding the implications of changing one element of a system on the rest of the system, or across other government departments. Changes in one part of government often lead to costs being shunted to another and this could well happen here, for example in prisons, when prison officers will be diverted from usual duties to supervise attendance at virtual hearings.⁴³ We also heard an example where delays to granting divorces in Bury St Edmunds divorce centre, arising from staff shortages, may have led to individuals having to seek state support for housing and benefits while they wait for their financial situation to be resolved.⁴⁴

24. We asked HMCTS how it is managing the risk that changes to the courts system will have wider consequences elsewhere in the justice system. It told us it is making small-scale changes and testing them to try to understand if there are any wider effects before rolling out services more widely, such as using pilots and early adopter areas to test what unintended consequences may arise and understand whether there is a ricochet effect. However, HMCTS admitted that it is extremely difficult to evaluate something that has yet to be done and that the reforms are not yet far enough advanced to say for certain what the impact will be. It did accept that some changes are not cost-neutral such as the need to invest in a video custody suite but the longer term savings from not having to transport prisoners to and from court would make it worthwhile.⁴⁵

25. We asked HMCTS to explain how it was trying to understand the costs of other agencies within the justice system. It explained they had established a Criminal Justice System Integration Board bringing together the police, HM Prison and Probation Service, the CPS and the Legal Aid Agency to work on understanding the costs and benefits of the reforms. It told us that it was not yet in a position to know where the costs will fall, or how to pay for them, but spoke of constructive conversation between the various parties and the ambition to jointly create a cost model together to test what combination of practices might work best. For example, a longer court day could mean more people could be heard in court but may mean more people are in the police station in the day with potentially fewer overnight. However, running hearings later in the day could also mean the added costs of bringing people late to prison.⁴⁶

Balancing competing pressures

26. The Ministry is undergoing significant change in every area of its business.⁴⁷ We have previously commented on elements of these in our reports on offender monitoring tags,⁴⁸ probation and rehabilitation⁴⁹ and mental health in prisons.⁵⁰ The National Audit Office

43 Qq 109; [C&AG's Report](#), para 3.8

44 Q23

45 Qq 103, 107–109, 113, 118

46 Qq 59, 110–112

47 Q 89

48 Committee of Public Accounts, [Offender-monitoring tags](#), Fifteenth Report of Session 2017–19, HC 458, 24 January 2018

49 Committee of Public Accounts, [Transforming rehabilitation](#), Seventeenth Report of Session 2016–17, HC 484, 23 September 2016

50 Committee of Public Accounts, [Mental health in prisons](#), Eighth Report of Session 2017–19, HC 400, 13 December 2017

has observed that every element of the Ministry's services are under significant pressure and its ability to achieve its objectives and live within its spending plans will depend on its ability to manage the risk that its transformation programmes do not deliver to plan.⁵¹

27. The Ministry recognised that its constrained budget was creating pressure to reform and modernise services and that it could not “stand still and run public services with a diminishing budget”. It told us that it was doing its best to reform and improve and to balance priorities and accepted this was very challenging. We asked how the Ministry would prioritise should the need arise, but the Ministry told us that it was not in a position to give its views on this. HMCTS told us that it would be premature to decide without first learning from the services that have been made available. HMCTS said that the reviews by the Major Projects Review Group are the vehicle through which funding and prioritisation decisions will be made. The reviews are expected at the completion of the next stages in the programme with the next one due in January 2019, followed by another in May 2020.⁵²

28. The NAO reports that HMCTS underspent against its budget by £133.3 million and expects to carry this forward to use in future years. HMCTS told us that it is not actively seeking to smooth its spending between years unless the decisions also support value for money. Instead it said it would rather engage with the Treasury on shifting the money to where it is best spent. It spoke of having three lines of defence to manage its funding: within the wider Ministry budget, within HMCTS and the programme itself.⁵³

51 National Audit Office, [A Short Guide to the Ministry of Justice](#), October 2017

52 Q 84–90

53 Q 85–86; [C&AG's Report](#), para 2.10

Formal minutes

Monday 16 July 2018

Members present:

Meg Hillier (in the Chair)

Sir Geoffrey Clifton-Brown	Anne Marie Morris
Chris Evans	Lee Rowley
Caroline Flint	

Draft Report (*Transforming courts and tribunals*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 29 read and agreed to.

Introduction agree to.

Conclusions and recommendations agreed to.

Summary agreed to.

Resolved, That the Report be the Fifty-sixth Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No. 134.

[Adjourned till Wednesday 18 July at 2.00 pm

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Wednesday 6 June 2018

Question number

Richard Miller, Head of Justice, Law Society, **Jo Edwards**, Chair, Family Law Reform Group, Resolution, and **Penelope Gibbs**, Founder, Transform Justice [Q1–32](#)

Richard Heaton, Permanent Secretary, Ministry of Justice, **Susan Acland-Hood**, Chief Executive, and **Richard Goodman**, Change Director and Reform Programme Director, HM Courts and Tribunals Service [Q33–140](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

INQ numbers are generated by the evidence processing system and so may not be complete.

- 1 Bail Observation Project ([TCT0017](#))
- 2 Magistrates Association ([TCT0007](#))
- 3 Mark Hanna ([TCT0010](#))
- 4 Mrs Melanie Benn ([TCT0005](#))
- 5 News Media Association ([TCT0015](#))
- 6 Professor Liz Trinder ([TCT0011](#))
- 7 Professor Pablo Cortes ([TCT0003](#))
- 8 Professor Roger Smith ([TCT0002](#))
- 9 Public and Commercial Services union ([TCT0004](#))
- 10 Resolution ([TCT0013](#))
- 11 Resolution ([TCT0016](#))
- 12 Standing Committee for Youth Justice ([TCT0008](#))
- 13 The Bar Council ([TCT0006](#))
- 14 Transform Justice ([TCT0001](#))
- 15 Transform Justice ([TCT0014](#))
- 16 Transparency Project ([TCT0009](#))

List of Reports from the Committee during the current session

All publications from the Committee are available on the [publications page](#) of the Committee's website. The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

Session 2017–19

First Report	Tackling online VAT fraud and error	HC 312 (Cm 9549)
Second Report	Brexit and the future of Customs	HC 401 (Cm 9565)
Third Report	Hinkley Point C	HC 393 (Cm 9565)
Fourth Report	Clinical correspondence handling at NHS Shared Business Services	HC 396 (Cm 9575)
Fifth Report	Managing the costs of clinical negligence in hospital trusts	HC 397 (Cm 9575)
Sixth Report	The growing threat of online fraud	HC 399 (Cm 9575)
Seventh Report	Brexit and the UK border	HC 558 (Cm 9575)
Eighth Report	Mental health in prisons	HC 400 (Cm 9575) (Cm 9596)
Ninth Report	Sheffield to Rotherham tram-trains	HC 453 (Cm 9575)
Tenth Report	High Speed 2 Annual Report and Accounts	HC 454 (Cm 9575)
Eleventh Report	Homeless households	HC 462 (Cm 9575) (Cm 9618)
Twelfth Report	HMRC's Performance in 2016–17	HC 456 (Cm 9596)
Thirteenth Report	NHS continuing healthcare funding	HC 455 (Cm 9596)
Fourteenth Report	Delivering Carrier Strike	HC 394 (Cm 9596)
Fifteenth Report	Offender-monitoring tags	HC 458 (Cm 9596)
Sixteenth Report	Government borrowing and the Whole of Government Accounts	HC 463 (Cm 9596)
Seventeenth Report	Retaining and developing the teaching workforce	HC 460 (Cm 9596)

Eighteenth Report	Exiting the European Union	HC 467 (Cm 9596)
Nineteenth Report	Excess Votes 2016–17	HC 806 (Cm 9596)
Twentieth Report	Update on the Thameslink Programme	HC 466 (Cm 9618)
Twenty-First Report	The Nuclear Decommissioning Authority's Magnox	HC 461 (Cm 9618)
Twenty-Second Report	The monitoring, inspection and funding of Learndirect Ltd.	HC 875 (Cm 9618)
Twenty-Third Report	Alternative Higher Education Providers	HC 736 (Cm 9618)
Twenty-Fourth Report	Care Quality Commission: regulating health and social care	HC 468 (Cm 9618)
Twenty-Fifth Report	The sale of the Green Investment Bank	HC 468 (Cm 9618)
Twenty-Sixth Report	Governance and departmental oversight of the Greater Cambridge Greater Peterborough Local Enterprise Partnership	HC 896 (Cm 9618)
Twenty-Seventh Report	Government contracts for Community Rehabilitation Companies	HC 897 (Cm 9618)
Twenty-Eighth Report	Ministry of Defence: Acquisition and support of defence equipment	HC 724 (Cm 9618)
Twenty-Ninth Report	Sustainability and transformation in the NHS	HC 793 (Cm 9618)
Thirtieth Report	Academy schools' finances	HC 760 (Cm 9618)
Thirty-First Report	The future of the National Lottery	HC 898 (Cm 9643)
Thirty-Second Report	Cyber-attack on the NHS	HC 787 (Cm 9643)
Thirty-Third Report	Research and Development funding across government	HC 668 (Cm 9643)
Thirty-Fourth Report	Exiting the European Union: The Department for Business, Energy and Industrial Strategy	HC 687 (Cm 9643)
Thirty-Fifth Report	Rail franchising in the UK	HC 689 (Cm 9643)
Thirty-Sixth Report	Reducing modern slavery	HC 886 (Cm 9643)
Thirty-Seventh Report	Exiting the European Union: The Department for Environment, Food & Rural Affairs and the Department for International Trade	HC 699 (Cm 9643)
Thirty-Eighth Report	The adult social care workforce in England	HC 690
Thirty-Ninth Report	The Defence Equipment Plan 2017–2027	HC 880

Fortieth Report	Renewable Heat Incentive in Great Britain	HC 696
Forty-First Report	Government risk assessments relating to Carillion	HC 1045
Forty-Second Report	Modernising the Disclosure and Barring Service	HC 695
Forty-Third Report	Clinical correspondence handling in the NHS	HC 929
Forty-Fourth Report	Reducing emergency admissions	HC 795
Forty-Fifth Report	The higher education market	HC 693
Forty-Sixth Report	Private Finance Initiatives	HC 894
Forty-Seventh Report	Delivering STEM skills for the economy	HC 691
Forty-Eighth Report	Exiting the EU: The financial settlement	HC 973
Forty-Ninth Report	Progress in tackling online VAT fraud	HC 1304
Fiftieth Report	Financial sustainability of local authorities	HC 970
Fifty-First Report	BBC commercial activities	HC 670
Fifty-Second Report	Converting schools to academies	HC 697
Fifty-Third Report	Ministry of Defence's contract with Annington Property Limited	HC 974
Fifty-Fourth Report	Visit to Washington DC	HC 1404
Fifty-Fifth Report	Employment and Support Allowance	HC 975
First Special Report	Chair of the Public Accounts Committee's Second Annual Report	HC 347
Second Special Report	Third Annual Report of the Chair of the Committee of Public Accounts	HC 1399