Sixty-first report of Session 2022-23

Ministry of Justice

Progress on the courts and tribunals reform programme

Introduction from the Committee

HM Courts and Tribunals Service (HMCTS) - an executive agency of the Ministry of Justice (the Ministry) - is responsible for the administration of the criminal, civil and family courts in England and Wales. In 2016, HMCTS launched an ambitious portfolio of reforms which it later consolidated into the courts and tribunals reform programme (the programme). Through its reforms, HMCTS aims to modernise the courts and tribunals system by introducing new working practices and moving inefficient paper-based services online, while also improving access to justice for users of its services, including vulnerable groups. Overall, the reforms are expected to reduce operating costs within the criminal justice system.

The programme comprises 44 projects across five workstreams: criminal courts (crime); civil and family courts and tribunals (civil, family and tribunals); the court and tribunal estate (property) and two workstreams for cross-cutting projects such as video hearing technology. The projects cover a wide range of services, some of which the public can access directly, such as new online portals for probate and divorce applications. HMCTS is also rolling out a new digital case management system for criminal courts called common platform, to address inefficiencies such as paper-based working. Common platform is intended to allow access to all parties involved in a case including the Crown Prosecution Service (CPS), an independent organisation that prosecutes criminal cases in England and Wales.

HMCTS originally planned to deliver the programme within four years but is now seven years into the programme. When we last reported on the programme in 2019, HMCTS had extended its timetable twice and expected to complete the programme by December 2023. In March 2023, following increased delivery risk, HMCTS decided to reset its programme and extend its timetable for the third time. It now plans to deliver most of its projects by March 2024, three months later than planned, and expects to complete delivery of common platform, in March 2025, over a year later than planned. By December 2022, HMCTS had spent £1.1 billion of its £1.3 billion budget for the programme. However, as at December 2022, it only had £120 million of funding left to deliver the rest of the programme as HMCTS was not able to retain unspent funding from previous years. HMCTS expects the reforms to provide £220 million in yearly savings from 2025–26, with a total of £2 billion in lifetime savings, although this does not reflect the impact of its recent reset of the programme.

Based on a report by the National Audit Office, the Committee took evidence on 30 March 2023 from the Ministry of Justice. The Committee published its report on 30 June 2023. This is the government's response to the Committee's report.

Relevant reports

- NAO report: Progress on the courts and tribunals reform programme – Session 2022-23 (HC 1130)
- PAC report: Progress on the courts and tribunals reform programme – Session 2022-23 (HC 1002)

Government response to the Committee

1. PAC conclusion: We are seriously concerned that despite a long history of resets to the programme, HMCTS has had to revise and delay its plans again.

1. PAC recommendation: In the Treasury Minute response, the Ministry and HMCTS should outline what they are doing to assure themselves and Parliament that their plans are now realistic and will not require further resets. The response should state how HMCTS will continue to monitor the feasibility of its plans.

1.1 The government agrees with the Committee's recommendation**.**

Recommendation implemented

1.2 The ambitious reform programme is designed to improve courts and tribunals for both those who use them and for those working in them.

1.3 The programme has undergone one major timeline reset previously. The programme set out a six-year plan to March 2022 in its first approved business case in October 2016 (PBC3). This was later extended to December 2023 in January 2019 (PBC5). In February 2023, the programme had a second major extension, a 3-month extension for the civil family and tribunal elements, and 15-months to ensure there is sufficient time to safely embed the considerable changes in the criminal courts. The programme has been able to do this without exceeding the funding in the last approved business case (PBC6, 2021) due to underspends in previous years.

1.4 HM Courts and Tribunals Service (HMCTS) agrees that it initially under-estimated the complexity of some of the reforms. The programme has always been very ambitious and when it was conceived it was world-leading. The strategic and financial case for the reforms remains strong. HMCTS also under-estimated the impact of the COVID-19 pandemic, which has affected the roll-out of some core infrastructure.

1.5 The programme has maintained momentum in delivering 11 reformed services out of the 15 that remain in scope despite the COVID 19 challenges and wider criminal justice system industrial action. The Ministry of Justice (the department) recognises that it has not got everything right in implementation, and is committed to continuing to learn lessons, including those set out in the most recent National Audit Office (NAO) and Committee reports.

1.6 The programme is conducting ongoing reviews of plans, with oversight by the programme boards, and the overarching portfolio board. The regular reporting provided to the portfolio board, main HMCTS board, and externally includes updated confidence assessments against each portfolio-level milestone. The programme board includes independent critical friends. The programme also updates the MoJ Departmental Board to provide further assurance and continue to complete deep dives conducted by the MoJ Delivery Board.

2. PAC conclusion: HMCTS's failure to engage sufficiently with staff and stakeholders throughout the common platform rollout has increased the burden on courts and staff already under significant pressure.

2. PAC recommendation: HMCTS should set out in its Treasury Minute response how it will improve its approach to engagement and transparency to ensure that staff and stakeholder concerns are responded to adequately. This should include how it will monitor the effectiveness of its new feedback mechanism.

2.1 The government agrees with the Committee's recommendation

Recommendation implemented

2.2 The decision to adjust the timetable for delivering new Common Platform functionality came directly from listening to and responding to feedback.

2.3 The Crime Programme overhauled its staff feedback process to introduce:

- a new digital form with clear service level agreements;
- senior management team sponsors for each HMCTS region;
- feedback data and outcomes made available to all staff;
- monthly feedback webinars and weekly updates to report on action taken; and
- greater staff involvement in directly prioritising and resolving issues.

2.4 The programme will continue working with user focus-groups for efficient prioritisation of fixes and real-time feedback on changes, while maintaining regular engagement with trade unions to discuss plans and gather suggestions for improvement.

2.5 The programme continues to facilitate regular forums and engagement opportunities with partners including the judiciary, police, Legal Aid Agency, Probation and Prison Service, and the Crown Prosecution Service. Defence practitioners can now attend two drop-in sessions every week to get answers to issues, alongside regular additional sessions to give feedback on functionality.

2.6 In the Civil Family and Tribunals (CFT) Programme, a new post go-live implementation support framework is used to ensure staff and judicial office holders are being supported, particularly in the immediate days and weeks following the release of new functionality. This includes the collation of feedback via multiple channels and post go-live webinars to hear more about the functionality and new ways of working, with question-and-answer sessions enabling those responsible to respond to feedback and queries.

3. PAC conclusion: We are concerned that HMCTS does not yet fully understand how reforms are impacting court users, victims, or the public's access to justice.

3. PAC recommendation: HMCTS should outline in its Treasury Minute response:

- ***how it intends to obtain regular feedback on how services are impacting users and access to justice more widely; and***
- ***dates for when it plans to publish access to justice assessments for the remaining services, together with any actions it will take in response to findings for all completed assessments.***

3.1 The government agrees with the Committee's recommendation

Recommendation implemented

3.2 HMCTS already obtains and uses regular feedback on how services are impacting users, for instance, through surveys embedded throughout the digital application process and after submission, through contact with users via contact centres and the web chat facility. HMCTS monitors this and other user related data including Google analytics, speech analytics, complaints, user satisfaction and access to justice metrics. All this data is fed through to service development and improvement and, as necessary, the department also conducts new research with users to get even more targeted feedback on specific areas.

3.3 Four completed Access to Justice assessments will be published in the autumn 2023. Further publications will follow in 2024 and into 2025 as services continue to be rolled out and assessments carried out. The department will then publish them as summary reports on completion. Where impacts are identified, the department will complete further investigative work to understand the underlying cause(s) and, where appropriate, implement a service fix which will be then monitored to ensure improvements are made. In addition to the assessments, the department is conducting an overarching evaluation of the Reform programme which is particularly focussed on access to justice and vulnerable users. An update to the evaluation plans [HMCTS Reform MOJ Evaluation: Progress Report] was published on Gov.UK in March 2023.

4. PAC conclusion: HMCTS and the Ministry cannot fully assess whether the reforms have provided value for money as they have not captured the full costs of the programme.

4. PAC recommendation: The Ministry and HMCTS should write to us within six months setting out how they will assess the full cost of the reform programme. This should include:

- ***costs not included in its most recent business case, such as CPS's development of common platform interfaces;***
- ***costs of additional functionality required to get services up to the standards intended; and***
- ***estimated costs to complete paused projects if it decides to continue them in the future.***

4.1 The government agrees with the Committee's recommendation

Target implementation date: December 2023

4.2 The government will respond to the Committee by the six-month deadline, setting out how it will assess the full cost of the programme, considering the proposed inclusions where they are within the scope of the programme.

4.3 In some cases it will be necessary to rely on estimates rather than full costings as full information may not be available.

5. PAC conclusion: HMCTS has not specified how its recent changes to the programme will impact the savings promised, nor can it demonstrate whether reformed services are on track to deliver the required efficiencies

5. PAC recommendation: As part of its Treasury Minute response, HMCTS should set out:

- ***The impact of recent changes to its plans on the expected savings from the programme; and***
- ***What it is doing to better understand how efficiently reformed services are working and how it will use this information to ensure it is on track to deliver expected savings.***

5.1 The government agrees with the Committee's recommendation

Recommendation implemented

5.2 Recent changes to plans mean that savings will be delivered later than originally envisaged, but the overall Reform programme is still expecting to achieve the full value of 'end state' benefits in the Reform business case. The delay in achieving benefits will result in £50 million fewer recurring annual net savings by the end of 2025-26. However, the full recurring annual net savings of £227 million are still expected once benefits have fully accumulated, in line with the original business case, and this will include additional benefits to restore the £12 million benefits lost from the projects descoped by the recent changes. These full benefits will be achieved a year later than originally expected - by the end of 2026-27.

5.3 HMCTS has developed unit costs of outputs across 15 of its largest services, which are updated quarterly. By tracking changes in unit costs over time, HMCTS can obtain important evidence about the impact of Reform and other changes on the efficiency of service delivery. The unit costs are now showing, for example, that the operational cost of processing a divorce case has reduced from a baseline of £121 (the unit cost estimate prior to the COVID-19 pandemic) to £68 in Quarter 4 of 2022-23. A unit cost is derived using both cost and output levels and is therefore impacted by changes in either of these measures. Unit costs are monitored routinely by the HMCTS Finance and Performance Committee chaired by the HMCTS Chief Financial Officer and are tracked against the unit cost reductions that are expected as a result of HMCTS Reform. Unit costs are also reported to the full HMCTS board.

6. PAC conclusion: The Ministry and HMCTS have not demonstrated that lessons learned from this reform programme and their other major projects have been put into practice effectively.

6. PAC recommendation: The Ministry and HMCTS should write to us as part of the Treasury Minute response setting out how they will ensure lessons learned from digitalising their processes are fed into both the remainder of the programme and into other major departmental projects.

6.1 The government agrees with the Committee's recommendation

Recommendation implemented

6.2 The department has already learnt lessons through a number of processes including early adopter evaluations, outputs of maturity assessments and lessons from the closure of multiple projects.

6.3 The department is planning a series of lessons learnt activities as it approaches each individual programme closure, with a focus in particular on the Common Platform.

6.4 The department is currently piloting a lesson learned platform, the aim of which is to share lessons across all projects, particularly those major projects and programmes on the Government's Major Projects Portfolio. The pilot will be evaluated in the autumn, and subject to its findings, the department intends to launch a lesson learned platform across the department and its agencies/arm's length bodies in spring 2024. New projects will refer to this platform to ensure lessons are being factored in.