

PARLIAMENTARY DEBATES

HOUSE OF COMMONS
OFFICIAL REPORT

Third Delegated Legislation Committee

DRAFT CIVIL PROCEEDINGS FEES
(AMENDMENT) ORDER 2021

Tuesday 20 April 2021

No proofs can be supplied. Corrections that Members suggest for the final version of the report should be clearly marked in a copy of the report—not telephoned—and must be received in the Editor’s Room, House of Commons,

not later than

Saturday 24 April 2021

© Parliamentary Copyright House of Commons 2021

This publication may be reproduced under the terms of the Open Parliament licence, which is published at www.parliament.uk/site-information/copyright/.

The Committee consisted of the following Members:

Chair: †IAN PAISLEY

Cadbury, Ruth (*Brentford and Isleworth*) (Lab)

Caulfield, Maria (*Lewes*) (Con)

† Charalambous, Bambos (*Enfield, Southgate*) (Lab)

Clarkson, Chris (*Heywood and Middleton*) (Con)

Cooper, Rosie (*West Lancashire*) (Lab)

Cryer, John (*Leyton and Wanstead*) (Lab)

Davies, David T. C. (*Parliamentary Under-Secretary of State for Wales*)

† Docherty, Leo (*Aldershot*) (Con)

Harris, Rebecca (*Lord Commissioner of Her Majesty's Treasury*)

Lloyd, Tony (*Rochdale*) (Lab)

Mahmood, Shabana (*Birmingham, Ladywood*) (Lab)

Mann, Scott (*North Cornwall*) (Con)

Morris, James (*Lord Commissioner of Her Majesty's Treasury*)

† Philp, Chris (*Parliamentary Under-Secretary of State for Justice*)

† Pursglove, Tom (*Corby*) (Con)

Rutley, David (*Lord Commissioner of Her Majesty's Treasury*)

† Smith, Jeff (*Manchester, Withington*) (Lab)

Kevin Maddison, *Committee Clerk*

† **attended the Committee**

Third Delegated Legislation Committee

Tuesday 20 April 2021

[IAN PAISLEY *in the Chair*]

Draft Civil Proceedings Fees (Amendment) Order 2021

2.30 pm

The Chair: Before we begin I would like to remind Members to observe social distancing and only to sit in places that are clearly defined and marked as available. Mr Speaker has stated that masks should be worn in Committee rooms except, of course, when a Member is speaking. *Hansard* colleagues would be most grateful if Members sent their speaking notes to hansardnotes@parliament.uk.

The Parliamentary Under-Secretary of State for Justice (Chris Philp): I beg to move,

That the Committee has considered the draft Civil Proceedings Fees (Amendment) Order 2021.

It is a great pleasure to serve under your chairmanship, Mr Paisley, for the first time, I believe, and I am sure not for the last time

The purpose of the statutory instrument is very straightforward, namely to support the ongoing work of the Her Majesty's Courts and Tribunal Service to make sure that courts and tribunals operate efficiently and cost-effectively. For that reason, for many years fees have been charged for some services delivered by the courts, particularly in the civil jurisdiction. Those make a contribution to running the wider system including, of course, the criminal courts.

The SI affects civil money and possession claims, which are regulated by the Civil Proceedings Fees Order 2008. The fees were last changed about six years ago. At the moment, a discount is applied if the claim is made online. We propose to align those fees upwards, so that the same fee is paid whether the claim is filed on paper or online, so that there is no longer any difference. The magnitude of the increase is relatively modest; for most fees it is an increase of £10 per application. The largest increase is £45—if someone is making a claim between £5,000 and £10,000, the fee goes from £410 to £455. For the majority of fees, however, the increase is just £10.

We estimate that the fee increases will raise between £9 million and £25 million, every penny of which will be reinvested in the courts system on matters such as sitting days and court maintenance. Indeed, the budget dispensed by the Ministry of Justice also covers legal aid. All of the money raised will go towards supporting our court system as it recovers from coronavirus.

It is worth mentioning that, in total, we raise £724 million a year in fees, but the cost of running HMCTS is about £2 billion, so we are only actually getting about one third of the cost of running the Courts Service back in fees. That income is important, however, because it helps the entire system to run more effectively and minimises the burden on the Exchequer.

That is a summary of the proposals before us. It is a modest but sensible change to make sure that we are doing everything we can to ensure that our justice system is fully funded. I commend the Order to the Committee.

2.33 pm

Bambos Charalambous (Enfield, Southgate) (Lab): It is a pleasure to serve under your chairmanship, Mr Paisley.

As set out by the Minister, the purpose of the SI is a relatively simple one. When making civil money or possession claims, claimants have two choices—to make their claim online, or to submit a paper-based claim. To incentivise more people to make online claims, the Government discounted the online fees that claimants had to pay. Over time, and as more people started to make their claims online, the Government achieved their policy objective. At that point, the MOJ had two options—to continue discounted fees for those who make claims online, or to align the fees for online claims and paper-based claims so that all claimants pay the same. The Government have chosen the former option; effectively they will remove the discount applied to online claimants, so all claimants will pay the same, irrespective of how they lodge their claim.

From personal experience of issuing claims on the possession claims and money claims online portals, I know that the systems are easy to use and work well. Such claims are now most likely the norm, while paper-based claims in triplicate are now very much the exception. On that point, we can broadly agree with the Government. However, it seems unfair that claimants who either do not have internet access or are uncomfortable using it should be forced to pay more for the same service as anyone else.

Labour accept the larger point about the importance of having a properly funded justice system, so that courts and tribunals have the resources to deliver much needed services. Labour cannot accept, however, a measure that represents little more than a drop in the ocean in terms of the additional investment that HMCTS desperately needs.

The Government's impact assessments set out that the SI will save the Ministry between £12 million and £35 million a year from 2022-23 onwards. Although all savings are welcome, they must be taken in context. Due to the closure of many court counters and difficulty in getting through to court staff, many vulnerable court users or people who have difficulty accessing justice are still disadvantaged by not receiving advice on how to pursue or defend a cause of action. Although the Minister has said that the money is set to be reinvested in the courts system, how much of the savings will be reinvested in providing early advice to people who have made applications to the court?

A decade of cuts has left the justice system on the brink of complete collapse. The crisis before us cannot be overstated, nor can it be exaggerated. There is an urgent need for investment in our justice system. As the Minister well knows, the backlog in the criminal courts now stands at a record high of more than 57,000, and in the magistrates courts it is close to 400,000. Victims of serious crime, including rape, are being forced to wait up to four years for justice. Meanwhile, violent offenders

are being allowed to avoid prison because of delays. That is simply unacceptable and a disaster entirely of the Government's own making.

Ten years of Conservative cuts to the courts and sitting days have allowed the backlog to grow to a staggering 39,000 cases, even before the pandemic began. Although covid has put a strain on the system, its foundations have already been eroded by systematic underinvestment.

As the Public Accounts Committee highlighted just last month, justice is—

The Chair: Order. I encourage the hon. Gentleman to make his comments relevant to the Order. I know that you want to get on to some other stuff, but it must be relevant to the issue of fees. I know that you are skilled enough to do that.

Bambos Charalambous: Thank you, Mr Paisley.

The Opposition have no issue with the Government about the SI, and for that reason we will not divide on the matter.

2.37 pm

Chris Philp: I am grateful to the shadow Minister for his support for the measure in hand. I can assure him that the money raised will be in addition to the £377 million extra being invested in the criminal justice system this year. Among other things, that money will support the downstream impact of the 20,000 extra police officers who, I am sure, all of us welcome very strongly.

Question put and agreed to.

2.38 pm

Committee rose.

