

<b>Title:</b> Her Majesty's Courts and Tribunals Service proposals for the closure of Medway County and Family Court  <b>IA No:</b> MoJ059/2020  <b>RPC Reference No:</b> N/A  <b>Lead department or agency:</b> Ministry of Justice <b>Other departments or agencies:</b> HM Courts and Tribunals Service (HMCTS)	<b>Impact Assessment (IA)</b>			
	<b>Date:</b> TBC			
	<b>Stage:</b> Consultation			
	<b>Source of intervention:</b> Domestic			
	<b>Type of measure:</b> Other			
<b>Contact for enquiries:</b> EstatesConsultation@justice.gov.uk				
<b>Summary: Intervention and Options</b>				
<b>RPC Opinion:</b> N/A				

Cost of Preferred (or more likely) Option (in 2016 prices)			
Total Net Present Social Value £m	Business Net Present Value £m	Net cost to business per year £m	Business Impact Target Status NQRP

**What is the problem under consideration? Why is government intervention necessary?**

Medway County & Family Court is located in Chatham, Kent and is the busiest family court in the South East. The current terms of occupation are via a lease arrangement, which expires in January 2021. The landlord has plans for the site and so HMCTS are required to vacate the building. No suitable accommodation for the court has been identified in the local area after feasibility studies and therefore the proposed solution is to relocate hearings to Maidstone Combined Court. The relocation would require the construction of five additional court rooms at Maidstone and because this work cannot commence until consultation has concluded, HMCTS has developed proposals for the interim relocation of work to various sites in Kent. Both the interim and permanent arrangements are subject to public consultation.

**What are the policy objectives and the intended effects?**

The Government's priority is to make sure that effective access to justice is maintained. The associated policy objective is to ensure that the work of Medway County & Family Court can continue to be heard in suitable accommodation within reasonable travelling distance for court users. Our assessment of the available options has been conducted in accordance with our published estates principles, detailed in the *Fit for the Future; transforming the court and tribunal estate* consultation response. We have assessed the options against our overarching principles of: ensuring access to justice; enabling efficiency in the longer-term, and delivering value for money.

**What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base)**

HMCTS are compelled to close the existing court building due to factors outside of its control and no suitable alternative venue could be found in the local area. Given these factors, two options have been assessed, these are:

- Option 0:** Relocate the hearings and work currently heard at Medway County & Family Court to various court sites in Kent - as detailed more fully in the consultation document - and to take no further action.
- Option 1:** To undertake enabling works at Maidstone Combined Court to provide an additional five court rooms and allow for the work at Medway to be permanently relocated.

Option 1 is the preferred option as it best fits with the strategic vision for the HMCTS estate and provides optimum alignment with our estates principles. This option will provide a more focused site for County & Family work going forward, whilst still maintaining some capacity in Medway where travel to Maidstone is not possible. **In neither option does the proportion of people whose public transport times are over two hours increase and so neither option is expected to worsen access to justice by that measure.**

<b>Will the policy be reviewed? Yes/No If applicable, set review date:</b> TBC						
Does implementation go beyond minimum EU requirements?			N/A			
Is this measure likely to impact on international trade and investment?			No			
Are any of these organisations in scope?			<b>Micro</b> Yes/No	<b>Small</b> Yes/No	<b>Medium</b> Yes/No	<b>Large</b> Yes/No
What is the CO <sub>2</sub> equivalent change in greenhouse gas emissions? (Million tonnes CO <sub>2</sub> equivalent)			<b>Traded:</b> N/A		<b>Non-traded:</b> N/A	

***I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.***

Signed by the responsible Minister  Date: 13/07/2020

# Summary: Analysis & Evidence

# Policy Option 1

**Description:** Build additional capacity at Maidstone Combined Court as the final location for most work currently heard at Medway County & Family Court.

## FULL ECONOMIC ASSESSMENT

Price Base Year 20/21	PV Base Year 20/21	Time Period Years 10	Net Benefit (Present Value (PV)) (£m)		
			Low: -£9.1	High: -£14.1	Best Estimate: -£11.1

COSTS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Cost (Present Value)
Low	£10.1m	£0	£9.1m
High	£15.1m	£0	£14.1m
Best Estimate	£12.1m	£0	£11.1m

### Description and scale of key monetised costs by 'main affected groups'

All monetised costs in this Option are attributable to HMCTS. They include:

- Approximately £11m (discounted, including Optimism Bias) of works to upgrade Maidstone Combined Court
- £0.1m of transition costs to move work from the various sites in Option 0 to Maidstone.

### Other key non-monetised costs by 'main affected groups'

All Court Users that previously went to Medway County & Family Court would face longer travel times to reach court.

- **Members of the public:** likely to have longer journeys on average than in Option 0, but this will be minimised through existing listing practices to allocate people to courts near to where they live, subject to judicial discretion.
- **Solicitors, Barristers, CPS, Cafcass, Police:** Also may have some longer travel times (assuming they live/operate close to Medway). This is likely to be offset by allowing them to better strategically plan work and thereby make fewer journeys between courts (e.g. travel between Medway and Maidstone – if they did work at both – will no longer be necessary).

BENEFITS (£m)	Total Transition (Constant Price) Years	Average Annual (excl. Transition) (Constant Price)	Total Benefit (Present Value)
Low	Optional	Optional	Optional
High	Optional	Optional	Optional
Best Estimate	<i>None monetised</i>	<i>None monetised</i>	<i>None monetised</i>

### Description and scale of key monetised benefits by 'main affected groups'

None

### Other key non-monetised benefits by 'main affected groups'

HMCTS do expect some economies of scale from operating out of the larger Maidstone site, but these have not been monetised.

Building additional hearing capacity will result in better justice outcomes for all, when compared with Option 0. By partially maintaining hearing room supply, we will be able to better maintain court performance (such as timeliness).

### Key assumptions/sensitivities/risks

Discount rate (%)

3.5%

The key risk is that case volumes increase leading to insufficient capacity in Kent. These volumes are assumed to be unaffected by the options assessed this IA. As Option 1 builds in additional capacity relative to the baseline, this mitigates against that risk.

## BUSINESS ASSESSMENT (Option 1)

Direct impact on business (Equivalent Annual) £m: N/A			Score for Business Impact Target (qualifying provisions only) £m:
Costs: N/A	Benefits: N/A	Net: N/A	
			N/A

# Evidence Base (for summary sheets)

## A. Background

1. The court estate in Kent is comprised of 11 court and tribunal buildings, of which five are magistrates' courts, one is a tribunal hearing centre while the rest are either combined courts hearing crown and county/family work or county and family courts. The court and tribunal buildings in the county are well-utilised, busy hearing centres accommodating large volumes of work.
2. Medway County Court is the designated Family Court for Kent and is located in Chatham. The building, Anchorage House, is sub-leased from HM Revenue and Customs on a Memorandum of Terms of Occupation<sup>1</sup> (MOTO) with a tenancy that expires in March 2021. Because of this HM Court & Tribunal Service (HMCTS) will need to operationally exit the site in January 2021 to allow time for decant, portage and the decommissioning of IT. The building is also occupied by Cafcass, the Insolvency Service and the National Probation Service. The closure of the court is necessary because the lease is due to expire and the landlord of the building has plans for the site.
3. HMCTS's original plans had been based upon their anticipated occupation at the current site until a short period beyond the term of the lease. However, as this is no longer possible, HMCTS are consulting on a permanent proposal for the relocation of work and an interim proposal for the distribution of work whilst our permanent option is completed.
4. Work was done to investigate alternative sites in Medway, but nothing appropriate was found and so that possibility is not considered in this Impact Assessment (IA). Therefore, this IA is in support of consultation proposals on the closure of Medway County and Family Court and seeks views on:
  - The interim proposals for the relocation of the work heard at Medway County and Family Court to other sites in Kent. This will be in place until the completion of works at our permanent option, until late 2021
  - The permanent proposal to relocate the work of Medway County and Family Court to Maidstone Combined Court.
5. This IA, which accompanies the HMCTS consultation documents, assesses the impact of the closure and relocation options for HMCTS courts and hearing centres in England.

## B. Rationale & Policy Objectives

### Economic Rationale

6. The conventional economic rationales for Government intervention are based on efficiency or equity arguments. Government intervenes if there is a perceived failure in the way a market operates ("market failures") or to correct existing institutional distortions ("government failures"). Government also intervenes for equity ("fairness") reasons.
7. As the justice system as a whole is a public good, this consultation addresses the objective of efficiently delivering that public good. Efficiency in this case covers the system being able to function in a timely manner as set against the cost of delivering that timeliness.
8. Efficiency in the context of this IA is to move existing court work to a site with suitable travel connectivity and facilities and which align with HMCTS operational requirements without generating unreasonable increases in journey times for court users. We seek to ensure that sufficient capacity and operational efficiency is maintained in the court estate in Kent, by retaining – as far as possible

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<sup>1</sup> An agreement between two Crown Bodies which allows them to share the costs of occupying a building or part of a building in cases where the Crown Bodies share costs.

– like for like capacity in the county and thereby off-setting potential economic impacts that may be generated as a result of, for example, increased waiting times or backlogs.

## Policy objective

9. The associated policy objective is to ensure that the work of Medway County & Family Court can continue to be heard in suitable accommodation within reasonable travelling distance for court users. Our assessment of the available options has been conducted in accordance with our published estates principles, detailed in *Fit for the Future; transforming the court and tribunal estate*<sup>2</sup> consultation response. We have assessed the options against our overarching principles of:

- Ensuring access to justice: That any increases to journey times are taken into account alongside the needs of court users, particularly vulnerable victims and witnesses.
- Enabling efficiency in the longer-term: Moving towards a more flexible estate and reducing reliance on buildings with poor facilities that are expensive or difficult to upgrade.
- Delivering value for money: Reducing the current and future cost of running the estate and making sure we maximise the potential capital receipts from the sale of surplus estate.

10. Access to justice will be maintained by ensuring that any court closure is within a reasonable distance by public transport of a retained court and by taking account of:

- The journey times for court and tribunal users and, where necessary, proposing mitigating actions, such as more flexible listing procedures (see “Mitigations” within the Equalities Impacts Assessment section of accompanying consultation document);
- The needs of victims, witnesses and, in particular, those who are vulnerable;
- The requirements of other agencies such as the HM Prison and Probation Service (HMPPS), the Crown Prosecution Service (CPS), Social Services, Police Forces and the Children and Family Court Advisory and Support Service (CAFCASS).

11. Value for money to the taxpayer will be achieved by:

- Reducing the current and future cost of running the HMCTS estate in England;
- Investing in like for like replacement of lost capacity at an alternative site thereby consolidating workloads and allowing sufficient long-term capacity.

12. Enabling efficiency in the longer term will be achieved by:

- Hearing the same amount of cases within the rationalised estate;
- Ensuring there is sufficient hearing estate capacity in the future;
- Providing cost effective, flexible and efficient court capacity.

## C. Description of options considered

13. To meet the policy objectives, the following options are considered in this IA:

- **Option 0/Do minimum:** Relocate the hearings and work currently heard at Medway County & Family Court to various court sites in Kent - as detailed more fully in the consultation document - and to take no further action.

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<sup>2</sup> <https://www.gov.uk/government/consultations/fit-for-the-future-transforming-the-court-and-tribunal-estate>

- **Option 1:** To undertake enabling works at Maidstone Combined Court to provide an additional five court rooms and allow for the work at Medway to be permanently relocated. Additionally, some county and Family work would be done at Medway (Chatham) Magistrates Court.

14. Option 1 is the preferred option as it best fits with the strategic vision for the HMCTS estate and provides optimum alignment with our estates principles. If no action was taken then the work of the court would be heard in line with the interim arrangements detailed in the consultation document. These arrangements would mean shorter journey times for court users but would only be viable for the short-term as they would place considerable strain on resources and listing practices in the long-term.

### **Option 0**

15. We have conducted various feasibility assessments of sites in the Medway towns, including Chatham and the surrounding area, to identify viable alternative sites that could accommodate the court, but none have been identified as suitable. Consideration was also given to increasing capacity at magistrates' courts across the county, however, there is insufficient physical space to make this option viable.

16. A minimum allocation of work upon the required closure of Medway County Court would be as follows:

- As planned in the permanent proposal, some civil and family work will move to Chatham (Medway) Magistrates' Court, and some work will be displaced from Chatham to accommodate this, as has been outlined
- HMCTS will work with local judges to identify all hearings suitable for telephone or video-enabled hearings that would reduce the demand on physical court rooms.
- Any remaining work will be allocated to rooms that will be made available at Dartford County & Family Court, Canterbury Combined Court, Thanet County Court and Maidstone Combined Court (without enabling works).
- Work will be shared across the 5 sites, this would be expected to be done in such a way as to avoid unreasonable journeys for court users.

17. The precise distribution of workloads will be based on each individual hearing and would be subject to a decision by judges as to where to list cases. Our assessment is that the proposed relocation options for both the permanent and interim future of work at Medway County and Family Court are the most effective and viable. The reallocation proposals would allow for the high-volume of work at Medway County and Family Court to be most effectively and efficiently reorganised.

18. Option 0 would provide insufficient flexibility in the court estate in Kent to deal with changing workloads. The option to not take forward the work at Maidstone would represent a significant reduction in capacity in Kent and the wider South East and place a strain on existing infrastructure.

### **Option 1**

19. Under this option, the work of Medway County and Family Court would relocate to Maidstone Combined Court, with some work staying at the nearby Chatham (Medway) Magistrates' Court. This latter option would enable some work to stay within the immediate area providing local access for any users who are unable to travel to Maidstone.

20. The reallocation proposals would allow for the high-volume of work at Medway County and Family Court to be most effectively and efficiently reorganised. The high levels of workload in civil and family courts across the county means that reallocation of work is not straightforward, and it has been determined that moving the majority of the work to a single location would be the preferred option. In each case, measures would be necessary to allow the work to be accommodated.

21. In the case of Maidstone, an additional five courtrooms would need to be constructed, whilst at Chatham (Medway) Magistrates' Court some video-enabled police custody hearings and crime work would need to be relocated across Kent to free up two courtrooms for use of the county and family court. The work relocated from Chatham (Medway) Magistrates' Court would be subject to consultation with judges, who are responsible for listing decisions.

## **D. Affected Stakeholder Groups, Organisations and Sectors**

22. The groups most affected by the options assessed in this IA are as follows:

- The Ministry of Justice (MoJ) and its arms' length bodies, including:
  - HMCTS, including staff working in affected courts;
  - CAFCASS.
- The Judiciary.
- Other court users, including:
  - Barristers, solicitors and members of the Chartered Institute of Legal Executives;
  - Victims of crime;
  - Witnesses of crimes;
  - Defendants
- Other justice system organisations such as the Crown Prosecution Service (CPS) and Police Forces.
- Members of the public who take part in court proceedings.
- Local businesses.
- Public sector partners, such as the Legal Aid Agency, local authorities and other regional stakeholders identified.

## **E. Cost & Benefit Analysis**

23. This IA follows the procedures and criteria set out in the IA Guidance and is consistent with the HM Treasury Green Book.

24. Where possible, this IA identifies both monetised and non-monetised impacts on individuals, groups and businesses in the England & Wales with the aim of understanding what the overall impact on society might be from the options under consideration. These impacts are compared to those of the 'do nothing' option. As the 'do nothing' option would be compared to itself, it has no impacts and no associated net present value (NPV).

25. IAs place a strong focus on the monetisation of costs and benefits. There are often, however, important impacts that cannot sensibly be monetised. Impacts in this IA are therefore interpreted broadly, to include both monetizable and non-monetizable costs and benefits, with due weight given to those that are non-monetizable.

26. Typically an IA supporting a court closure would analyse the costs and benefits of exiting the court. In this case, the option to remain at this location is not available and so the IA compares the merits of options to relocate the work.
27. The savings from no longer running Medway County & Family Court, and the cost of taking on new work at new sites is therefore the same in both options with the exception of:
- a. Enabling Works to build new physical capacity
  - b. Economies of scale from operating at larger sites, which are not quantifiable
28. The analysis is consistent with that has been used in previous IAs covering court closures and presents a set of wider benefits to external stakeholders that it is not possible to monetise.

**Option 1: Build additional capacity at Maidstone Combined Court as the final location for most work currently heard at Medway County & Family Court.**

**Costs of Option 1**

Transitional costs (monetised)

*HMCTS*

29. The primary cost of Option 1 would be the cost of building new capacity at Maidstone Combined Court. The cost of building additional rooms is estimated to be £11m<sup>3</sup>.
30. It is assumed that there would be sufficient capacity in the courts identified in Option 0 to avoid additional capacity needing to be built.
31. For HMCTS, one-off transitional costs would be incurred owing to:
- *Decant and portering costs*: these are the costs associated with decanting work, staff and equipment as well as the portering of documents between buildings.
  - *IT decommissioning and enabling*: these are costs associated with the removal and transportation of IT equipment at closing sites.
32. In this case the costs of moving from Medway County Court are incurred in both Options. These are therefore not counted in the NPV.
33. In Option 1, some transition costs would be incurred in moving from the set of sites in Option 0 to just Maidstone in Option 1. This is estimated to be equivalent to the cost of the initial move from Medway County, without the disposal costs. This is estimated to be £0.1m.
34. Table 1 below presents the total monetised costs of Option 1. Low and High estimates are also presented which are based around a varying enabling works cost. Optimism Bias, which is the same in all the scenarios, has also been applied to these cost estimates.

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<sup>3</sup> Present Value, 19/20 prices including Optimism Bias

**Table 1: Estimated economic costs for Option 1<sup>4</sup>**

Item	Transition Costs (£m)	Optimism Bias (%)	Total Costs (including OB, £m)	Net Present Cost
Enabling Works	£10m	20%	£11m	<b>£11m</b>
Transition (Option 0 to 1)	£0.1m	50%	£0.1m	<b>£0.1m</b>
<b>Option 1 Total</b>	<b>£10.1m</b>	<b>N/A</b>	<b>£12.1m</b>	<b>£11.1m</b>
Option 1 Low	£8.1m	N/A	£10.1m	<b>£9.1m</b>
Option 1 High	£12.1m	N/A	£15.1m	<b>£14.1m</b>

Transitional costs (non-monetised)*HMCTS*

35. For HMCTS, one-off un-monetised costs would be incurred due to:

- *Familiarisation and awareness costs:* These would arise for staff moving to new courts, and involving alternative logistical arrangements. Similarly, it may take some time for staff to settle in their new places of work, particularly as some work practices may differ slightly between courts. These costs are expected to be negligible.
- *Redundancies:* Staff redeployment would be prioritised as a means of redundancy avoidance. If it is not possible to relocate staff within the MoJ or the wider Civil Service, voluntary early departure schemes may also be used as a further redundancy avoidance measure. It is also possible that where redeployments are not feasible, redundancies on voluntary and compulsory terms would need to occur. It is assumed that any redundancy payments would compensate staff for the expected duration of their unemployment before finding a new job. Therefore, these costs would amount to a transfer payment and so have not been monetised in the economic appraisal.

*Court users and other agencies*

36. There would be familiarisation and awareness costs for regular court users relating to where the nearest court is. These costs are expected to be negligible.

On-going costs (non-monetised)*HMCTS*

<sup>4</sup> Number exclude VAT, Total may not add up exactly due to rounding and reporting of Enabling works to nearest £m.

37. On-going costs would include any increase in operational costs at receiving sites, such as those for utilities, property services, maintenance, office expenditure and similar items. These are assumed not to vary by receiving site. There may be operational efficiencies from moving more work to a bigger site (Maidstone), these are discussed further in the Benefits of Option 1.

## **Travel time impacts**

### *Frequent Court Users – Solicitors, Barristers, CPS, Cafcass and the Police*

38. For these court users any increase in these costs (including time and travel) may be partially offset by the better strategic planning of court activities in fewer and larger court centres meaning that some users may need to make fewer journeys to court.

### *Intermittent Court Users*

39. For intermittent users of the courts – defendants, victims, witnesses, some members of the general public and commercial firms – journey times and costs would increase as a result of the closure if court users have to travel further to the alternative ‘receiving’ court than the closing court.

40. To better understand the magnitude of any changes in travel times, further analysis was conducted. This analysis used standard geographical units known as Middle Layer Super Output Areas<sup>5</sup> (MSOAs) for which Medway was the closest county court by travel time. This has been done separately for driving times and for public transport travel times. We then looked at the travel times from those MSOAs to each of the receiving sites.

41. One aspect of access to justice is the ability to attend court when required without it taking an excessive amount of time. In *Fit for the Future* this is defined as over two hours. This analysis therefore assesses the proportion of those people identified in the previous paragraph who are able to arrive at court by 9.30am with a travel time of at least less than two hours.

42. The analysis presented is based on the following assumptions:

- a. Travel times between MSOAs and courts in Kent were taken from Google Maps, with journeys starting at 7:30am on the 15<sup>th</sup> of June 2020. Therefore, a travel time of less than two hours (120 minutes) would indicate that users are likely to be able to reach court by 09:30am – the typical start time for morning hearings.
- b. MSOAs whose closest county court is Medway County Court were identified by looking at travel times. This was done separately for driving and public transport times.
- c. Population figures from mid-2018 were used to proxy court attendance. The analysis therefore assumes that court attendance is proportional to population in each MSOA, and that the travel time from the centre of each MSOA is representative of that for the rest of the MSOA.
- d. Public transport times were obtained during the Coronavirus lockdown, so are likely to be affected by reduced public transport timetables. It is therefore likely that public transport times will improve in the future as timetables return to normal.
- e. Monetisation of travel time impacts was not carried out as it would have required a more detailed set of data than was available for this assessment, covering (i) volumes of individual journeys and (ii) precise routing from starting location to court sites as well as (ii) data on cost of travel time and distance incurred for the full array of different court users (litigants, legal professionals, police etc.).

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<sup>5</sup> <https://data.gov.uk/dataset/2cf1f346-2f74-4c06-bd4b-30d7e4df5ae7/middle-layer-super-output-area-msoa-boundaries>

43. Drive times are relatively low under either option, so there are minimal access to justice concerns from this point of view. Public transport times, however, do vary considerably. Excluding Chatham<sup>6</sup> (which has limited capacity to accept extra work), a substantial fraction of residents in affected MSOAs have each of Canterbury, Dartford and Maidstone as their closest of the receiving sites. Table 2 (below) therefore shows which of the remaining courts would be best for court users, given that only a limited number will be allocated to Chatham.
44. Option 0 would therefore be likely to provide better travel times than Option 1, assuming that hearings are carefully scheduled such that attendees are sent to their closest court.

**Table 2: Closest receiving site by public transport (excluding Chatham)<sup>7</sup>**

	Residents <sup>1</sup> for whom Medway County had been their closest court	Percentage of residents for whom Medway County had been their closest court
Canterbury	101,398	23%
Dartford	144,676	32%
Maidstone	199,955	45%
Margate	0	0%

45. However, as Maidstone is fairly centrally located in the affected region, Option 1 would not cause a substantial increase in travel times for most attendees. Maidstone is the closest of the receiving sites (excluding Chatham, which will only be able to take on a limited amount of County & Family work from Medway) for nearly half of residents in affected MSOAs.
46. In tables 3a & 3b below, the travel time impacts are described in more detail. Each row of the two tables shows how travel times would be distributed if ALL those for who Medway County is currently their closest court were allocated to that alternative court. In practice, listings would look to allocate court users to a court with a reasonable travel time, subject to judicial discretion.

### Driving times

47. This analysis concerns the residents of the 43 Kent MSOAs for which Medway is the closest county court by drive time.
48. For each MSOA, the analysis identifies the driving time to each of the receiving sites in each Option. Table 3a below shows drive times for these residents to each of the receiving sites, split into thirty-minute blocks. Medway (Chatham) Magistrates Court and Maidstone have the shortest average travel times, which was expected as they are closest to Medway County Court.
49. None of the drive times under either option come close to the two-hour threshold that would cause someone leaving at 7:30am to arrive at the court after 9:30am.

**Table 3a: Impacts on drive times by receiving site in each option**

Percentage of residents close to Medway, drive time (mins)						
	0-30	30-60	60-90	90-120	>120	Total
Medway	100%	0%	0%	0%	0%	100%
Same residents, driving time to each of the receiving sites in Option 0 (mins)						
	0-30	30-60	60-90	90-120	>120	Total
Canterbury	0%	100%	0%	0%	0%	100%

<sup>6</sup> As Medway (Chatham) Magistrates Court is located close to Medway County & Family Court, it would be the closest court for all those for whom Medway County & Family Court was their closest court. However, it will only be able to take on a limited amount of Country & Family work and therefore cannot be considered as an option for increased capacity.

<sup>7</sup> Chatham is excluded from the analysis as it a) will only be able to take a limited amount of work and b) would otherwise be the closest court for all residents for whom Medway County & Family court was previously their closest.

Chatham	100%	0%	0%	0%	0%	100%
Dartford	30%	70%	0%	0%	0%	100%
Maidstone	98%	2%	0%	0%	0%	100%
Margate	0%	67%	33%	0%	0%	100%
Same residents, driving time to each of the receiving sites in Option 1 (mins)						
	0-30	30-60	60-90	90-120	>120	Total
Maidstone	98%	2%	0%	0%	0%	100%
Chatham	100%	0%	0%	0%	0%	100%

## Public transport times

50. This analysis concerns the residents of the 59 Kent MSOAs for which Medway is the closest county court by public transport travel time. Note that this is a slightly different group as for the drive time analysis, because for some MSOAs Medway may be the closest court by public transport but not by car, or vice versa (there is however a large overlap).
51. For each MSOA, the analysis identifies the public transport time to each of the receiving sites in each Option. Table 3b below shows public transport times for these residents to each of the receiving sites, split into thirty-minute blocks.
52. Under Option 1, Maidstone will take the majority of the work previously heard at Medway. Maidstone does appear a good choice for this as it has reasonable travel times for most court users and the same proportion with public transport travel times over two hours. However, many court users may have had a shorter travel time under Option 0 as they are closer to other receiving sites and it must be acknowledged that there would be winners and losers from this change (some travel times would get shorter and others longer).

**Table 3b: Impacts on Public Transport times by receiving site in each option**

Percentage of residents close to Medway, public transport time (mins)						
	0-30	30-60	60-90	90-120	>120	Total
Medway	22%	50%	13%	11%	4%	100%
Same residents, public transport time to each of the receiving sites in Option 0 (mins)						
	0-30	30-60	60-90	90-120	>120	Total
Canterbury	0%	5%	31%	5%	60%	100%
Chatham	19%	53%	13%	11%	4%	100%
Dartford	0%	5%	55%	24%	15%	100%
Maidstone	0%	32%	38%	26%	4%	100%
Margate	0%	0%	0%	61%	39%	100%
Same residents, public transport time to each of the receiving sites in Option 1 (mins)						
	0-30	30-60	60-90	90-120	>120	Total
Maidstone	0%	32%	38%	26%	4%	100%
Chatham	19%	53%	13%	11%	4%	100%

53. The outcome of this analysis in terms of access to justice can be summarised as follows:
- Driving Times:** This table 3a shows that all affected court users are comfortably able to arrive at all receiving sites in less than two hours under either option.
  - Public Transport:** Table 3b shows that, with reasonable listing practices – whereby people are not allocated to courts excessively far from their address – neither option should worsen the proportion of court users that cannot arrive at court within 2 hours.

54. Some CPS staff and the Police may have longer travel times to court and an associated increase in costs. These costs may be offset by shorter travel times for other staff where work is transferred to courts closer to CPS or Police locations. Consolidation into one location may also mean fewer individual journeys in total.

#### *Local business*

55. While some businesses that operate in areas near closing courts may see a fall in activity, this should be offset by an increase in activity for businesses located near courts that are receiving the case work from closing sites.

### **Benefits of Option 1**

#### *On-going Benefits (non-monetised)*

#### *HMCTS*

56. For HMCTS, the on-going non-monetised benefits would include any operational efficiencies generated by operating Maidstone Combined court as a larger more efficient site.

57. Direct operational savings from exiting Medway County & Family Court are assumed to be constant across both options.

#### *Wider Public*

58. Building additional capacity, relative to Option 0, would be expected to contribute to improving justice outcomes by improving timeliness, adding resilience to the court estate in the event of unexpected increases in volumes

### **Net Impact: Option 1**

59. As there are no monetised benefits, the NPV for moving all work that had previously been heard at Medway to Maidstone is equivalent to the Net Present Cost in Table 1. This gives an NPV of -£11.1m. This consists primarily of enabling works costs of approximately £11m (20/21 prices, discounted, including Optimism Bias).

60. It is important to note that the benefits of operating out of single larger site to the Police, Cafcass, the judiciary, legal services and others have not been monetised. Despite the additional cost, Option 1 is preferred as it would better align with the estates principles and overall is expected to deliver substantially more benefits to society than in Option 0.

### **Additional Note: Cost savings from exiting Medway**

61. The exit from Medway will generate some savings for HMCTS in reduced running costs. These are generated regardless of the option chosen and so do not appear in the cost-benefit analysis above as they are a) not driven by the decision being made over the future of the work and b) the same in both options.

62. They are presented here for information and are expected to be in the region of £0.3m p.a. after accounting for costs that are estimated to now be borne at the receiving sites.

## **F. Summary and preferred option with description of implementation plan.**

63. Option 1 is preferred as it best aligns with HMCTS's estates principles as detailed in paragraph 9.

64. The benefits of this approach are to have more work out of a single location, allowing some of those who work in the courts – CPS staff, legal professionals and others – to base more of their work in a single location, thereby cutting travel times for those staff when compared with Option 0.
65. There are also likely to be economies of scale from operating out of a larger site rather than attempting to add work to sites which, in some cases, are already close to capacity.
66. Option 1 is more expensive and has an NPV of -£11.1m as none of the benefits have been monetised.
67. Furthermore, travel times analysis for court users suggests that they are likely to have longer travel times to court on average in Option 1 than Option 0. However, Maidstone’s relative proximity to Medway, the addition of some County work in Medway Magistrates court (in both Options) and existing listing practices should minimise any increases.

#### *Implementation Plan*

68. Medway County & Family Court is due to close in January 2021, with the expiry of the lease in March 2021. At this point Option 0 will be enacted, hence its inclusion as the baseline option.
69. Subject to the outcome of the accompanying consultation, Option 1 would involve a tender for the works to expand Maidstone Combined Court with works due to complete in 2023

## **G. Assumptions and Risks**

70. The key modelling assumptions used in the above analysis are described in Table 4 below.

**Table 4: General modelling assumptions**

<b>Category</b>	<b>Description</b>	<b>Assumption</b>
<b>General</b>	Volume	There will be no change in the volume of court cases, the level of court fees or court user waiting times while at court as a result of these proposals.
	Hearings	There will be no impact on the ability to hear cases in magistrates’ courts, and therefore there will be no impact on the prison and remand population.
	Redundancies	Any HMCTS staff made redundant as a result of the closure would be able to find alternative employment. Therefore any redundancy payments have been treated as an economic transfer in line with HMT Green Book guidance and have not been monetised.
	Judicial Costs	Judicial costs have been assumed to remain unchanged. There is a potential risk that judicial costs could increase as a result of the proposed changes if travel times were to increase.

71. The key risk in both options is the capacity to meet local demand. The quantity of enabling works required at Maidstone is based on internal demand forecasts made before the start of lockdown and it is unknown how that demand will change in the coming years.
72. Should demand be shown to be systematically higher, more enabling works may be required for either option to be able to cope with the demand.

## H. Wider impacts

### *Equalities Impact Assessment*

73. We have assessed the potential equality impacts of these proposals in line with the public sector equality duty. For further detail please consult Annex [X] Equality Impact Assessment, published alongside this document. **To be added prior to publication.**

## I. Monitoring & Evaluation

74. The objective of the proposals is to provide appropriate continued capacity for the delivery of court services in Kent. We have developed these proposals in line with our estates principles published in the consultation document. These principles are intended to deliver an efficient and flexible estate which meets the current and future needs of HMCTS.

75. It is expected that a review will be carried out in 2023/24 to enable an effective assessment of the impact of this and other proposed closures on the provision of court services.

## J. Potential trade implications

76. There are no Trade Implications from this change