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Lord Ramsbotham House of Lords London SW1A 0PW

3 November 2009

Dear David,

Coroners and Justice Bill - Costs of a National Service

During the Report stage debate on 21 October on our model of central leadership from the Chief Coroner, with local delivery from coroners appointed and funded by local authorities, you said "I am concerned over the costings [of the local delivery model], which I think were put into the impact statement in a way to justify the selected case rather than to put the facts" (Official Report, col. 801).

The impact assessment we published in December 2008, which can be found at http://www.justice.gov.uk/publications/coroners-justice-bill.htm, cites at page 3 set-up costs of £10m, with annual running costs of £6.5m, for our proposed model of national leadership with local delivery. This compares with set-up costs of £31m and running costs of £17m for a centralised organisation.

I hope it will help if I set out broadly what these two sets of costs include. The main costs associated with our proposed local delivery model are the setting-up and running of the Chief Coroner's Office, which would include appointments, accommodation and IT, including better access to local performance data; establishing the new systems of appeals and inspection; and providing induction and ongoing training for local coroners and their staff. In short, this new resource will enable the establishment of central leadership to promote effective and efficient local delivery. The national standards which the Chief Coroner will devise – and which will, in part, be based on current best practice – will be an important part of addressing the issue of inconsistency of service delivery.

Setting up a new national organisation would have significant additional costs to those I have mentioned above. When Ministers first decided on the framework for a reformed coroner system in late 2005, they understood that the amount spent on the current system by local authorities and local police authorities was in the region of £70 million per annum. It was recognised that part of that expenditure was integrated with local authority and police overheads not specific to the coroner system, and so an equivalent level of resources could not simply be transferred to a new national organisation, hence the higher set up and running costs associated with this model. I have set out two of the key costs relating to the transition from a local service to a national organisation (which would apply also if coroners were brought into H.M. Courts Service) below.

The first is the cost of salaries, including pensions, of coroners, their officers and support staff. There would be a significant financial impact arising from transferring these posts from their local employers to a central employer. We have learned from the formation of H.M. Courts Service that this would be a complex and expensive process, not least because coroners' officers and support staff currently have a number of different employers, for example the local authority, the local police authority and even a local solicitor's practice (in cases where the part-time coroner for whom they work full time is also a solicitor).

A second substantial additional cost would arise from the provision of both office and court accommodation to support the coroners' administrative and judicial functions. Although, as you said in the debate, some parts of the H.M. Courts Service estate may be under used, that is not to say such buildings would be suitable for coroners without substantial and costly rebuilding work, given that the accommodation would have to take account of the need for coroners' officers and support staff to be co-located, and for the courtrooms to be able to accommodate a jury in some inquests, as well as being geographically convenient for bereaved families to access. We do not, furthermore, believe we could justify asking many coroners to give up the excellent accommodation their local authorities currently provide — Sheffield, Liverpool, and certain London boroughs are cases in point - and the cost of transferring these buildings to national ownership, or setting up leasing arrangements, would be prohibitively expensive. As the option of a national organisation was considered and rejected by the Government in 2005, no further detailed work was done on this particular issue and more specific costings are not available.

This combination of factors, together with the length of time it would take to bring a central organisation into force, in comparison with the two to three years we expect to implement the model set out in the Bill, led the Government to conclude that the policy in the Bill was the best way to proceed.

Finally, on a related note, Lord Thomas of Gresford asked (Official Report, Col. 800) how our reforms will be funded. I can confirm that the additional funding of £10 million set up costs and £6.5 million running costs will be funded by MoJ. This would have been the case whatever model of reform was chosen, and whatever the additional costs.

I am copying this letter to Lord Henley, Lord Thomas of Gresford and Baroness Butler-Sloss. I am also placing a copy in the library of the House.

Your Ge, L.M.

WILLY BACH