



National Audit Office

# **Ministry of Justice**

## **2024-25**

December 2025

**OVERVIEW**



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# Summary



## C&AG introduction

In 2025, we set out our [new five-year strategy](#). In delivering our statutory responsibilities, we aim to maximise our contribution to two outcomes – more productive and resilient public services and better financial management and reporting in government.

Our overviews summarise the key information and insights from our examinations of departments and from their annual report and accounts, and explore departments' progress against these crucial outcomes, highlighting positive examples and opportunities to improve.

If you would like more information about our work, or to arrange a briefing with me or one of my teams, please contact our Parliamentary Relations team at [parliament@nao.org.uk](mailto:parliament@nao.org.uk).

### About the Ministry of Justice

|                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Objectives</b>                    | The Ministry of Justice (MoJ) is the lead government department for the justice system in England and Wales, supported by 35 public bodies covering criminal, civil and family justice systems. MoJ focused in 2024-25 on three priority outcomes: punishment that cuts crime, swifter justice for victims, and a beacon for justice and the rule of law.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Financial position in 2024-25</b> | <ul style="list-style-type: none"><li>● <b>£15.5 billion total gross expenditure, £0.9 billion more than last year.</b> Spending on prison and probation services accounted for £7.0 billion (45%), while courts and tribunal services, and legal aid, accounted for more than £2 billion each. The next main area of spending was more than £1.5 billion on capital projects, the majority of which related to creating new prison places. The group also generated £1.9 billion income, £124 million more than last year, reducing overall net spending to £13.6 billion.</li><li>● <b>2% to 3% expected annual increases in budgets over the 2025 Spending Review period.</b> 2.4% average real-terms budget increase per year between 2023-24 and 2028-29 for day-to-day spending, and 3.0% average real-terms increase per year for capital projects between 2023-24 and 2029-30.</li></ul> |

### Messages from our work

|                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Financial management</b>        | <ul style="list-style-type: none"><li>● MoJ's capital spending increased by 213% between 2019-20 and 2024-25 but it has consistently underspent its capital budget, often due to delays in the prison expansion programme. This has allowed it to meet pressures on revenue budgets by releasing capital funding. In 2024-25, there was an underspend of £148 million, and MoJ used £695 million capital funding to support revenue costs.</li><li>● MoJ has incurred significant financial losses in some areas. In 2024-25, there were 17 losses over £300,000, with a total value of £58.5 million (£16.5 million in 2023-24), of which £24 million were related to losses from HM Prison and Probation Service's prison capacity programme.</li><li>● We highlighted the importance of a long-term view, and of joined-up planning and governance. For example, we recommended a long-term strategy to improve the resilience of the prison estate and to make the case for longer-term funding, since a reactive approach to building new prison places urgently had led to cost increases.</li></ul> |
| <b>Productivity and efficiency</b> | <ul style="list-style-type: none"><li>● MoJ rolled out 14 digital services between 2016 and 2025 through its Courts and Tribunals Reform Programme, but it delivered fewer savings for the projects than the £2.3 billion forecast in 2019. We identified scope to further improve data and performance in family courts.</li><li>● HM Courts and Tribunals Service has increased the resources available to courts. Further productivity improvement in the number of cases disposed per sitting day, in particular for Crown Courts, could be achieved by reducing the number of ineffective trials that contributed to increased backlogs and delays.</li><li>● There are challenges of managing supply chain risks across multiple part of the system, including the financial stability of major suppliers.</li></ul>                                                                                                                                                                                                                                                                                 |
| <b>Risk and resilience</b>         | <ul style="list-style-type: none"><li>● Changes in the wider justice system continue to increase demand for services that are already under pressure.</li><li>● We highlighted that measures to reduce pressure on prison capacity have had a knock-on impact on the resilience of probation services. Our recommendations focus on assessing risks and monitoring outcomes.</li><li>● Shortages in prison and probation staff are compounded by an increase in sick leave and a rise in inexperienced staff.</li><li>● Data governance and data quality remain a challenge for MoJ, and there are increased risks from cyber-attacks across MoJ group, crystallising in an attack on the Legal Aid Agency and potential exposure to claims for damages.</li></ul>                                                                                                                                                                                                                                                                                                                                         |

# How MoJ is structured



MoJ is the lead government department responsible for the justice system in England and Wales.

MoJ is responsible for administering:

- courts and tribunals, in partnership with the independent judiciary;
- prisons;
- probation services; and
- other services to help victims of crime, children, vulnerable people and those seeking access to justice, including legal aid.

The Lord Chancellor and Secretary of State for Justice oversees all MoJ business and is supported by two Ministers of State and three Parliamentary Under Secretaries of State.

MoJ focused in 2024-25 on three priority outcomes: punishment that cuts crime, swifter justice for victims, and being a beacon for justice and the rule of law.

MoJ also contributes to the government's Safer Streets mission, which aims to reduce serious harm and improve confidence in policing and the criminal justice system.

**Figure 1**  
The Ministry of Justice (MoJ)'s priority outcomes for 2024-25

MoJ assessed its performance against three priority outcomes

| Priority outcome                                | Summary of MoJ's description of its achievements in 2024-25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Punishment that cuts crime</b>               | <ul style="list-style-type: none"><li>• Took measures, including temporary measures, to reduce pressure on prison and probation capacity.</li><li>• Made progress in recruiting operational staff, onboarding 1,057 trainee probation officers and achieving 96% of targeted staffing figures for Band 3 to 5 prison officers.</li><li>• Introduced the Women's Justice Board to reduce the number of women in prison and better support women in the community.</li><li>• Increased the use of electronic monitoring devices.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>Swifter justice for victims</b>              | <ul style="list-style-type: none"><li>• Increased the number of sitting days in the Crown Court to over 107,700.</li><li>• Closed the HM Courts and Tribunals reform programme, which delivered new digital services in crime, civil, family and tribunals jurisdictions and invested in estate improvements.<sup>1</sup></li><li>• Launched an independent review led by Sir Brian Leveson to explore long-term reform and efficiency of the criminal courts.</li><li>• Developed new legislation, for example, the Crime and Policing Bill, to improve protection for victims of violence against women and girls, including creating a new spiking offence – improving the justice system's response to violence against women and girls forms an important part of the government's Safer Streets Mission. Also launched a pilot of new Domestic Abuse Protection Orders.</li></ul>                                                                          |
| <b>A beacon for justice and the rule of law</b> | <ul style="list-style-type: none"><li>• Rolled out digital services to streamline processes, reduce costs and improve accessibility for those interacting with the justice system.</li><li>• Expanded the Pathfinder – a new model for private family law cases – and extended the family mediation voucher scheme, aiming to resolve cases more quickly, provide better support for children and families and reduce backlogs.</li><li>• Introduced the Arbitration Act 2025, following Law Commission recommendations, enhancing the effectiveness and international competitiveness of the UK's arbitration framework.</li><li>• Strengthened international relationships bilaterally and through multilateral institutions, including relationships with European partners.</li><li>• Supported the legal industry through securing legal services provisions in Free Trade Agreements, hosting the UK's first government-led law tech conference.</li></ul> |

**Note**

<sup>1</sup> Between 2016 and March 2025, HM Courts and Tribunals Service undertook a reform programme which digitised multiple services across all jurisdictions.

Source: National Audit Office analysis of Ministry of Justice [Annual Report and Accounts 2024 to 2025](#), October 2025

# Continued

## How MoJ is structured



MoJ is supported by 35 public bodies covering criminal, civil and family justice systems in England and Wales.

### MoJ sponsors five executive agencies:

**HM Prison and Probation Service (HMPPS)** carries out sentences given by the courts, in custody and the community, and rehabilitates people in its care by addressing education, employment, accommodation and substance misuse needs in England and Wales.

**HM Courts and Tribunals Service (HMCTS)** is responsible for the administration of criminal, civil and family courts and tribunals in England and Wales and non-devolved tribunals in Scotland and Northern Ireland.

**The Legal Aid Agency** administers civil and criminal legal aid and advice in England and Wales.

**Office of the Public Guardian** protects people in England and Wales who may not have the mental capacity to make decisions for themselves, such as about their health and finance.

**Criminal Injuries Compensation Authority** administers compensation for victims of crime who suffer injuries, and victims of overseas terrorism.

### Arm's-length and other bodies include the following:

**Children and Family Court Advisory and Support Service (England) (CAFCASS)** is independent of the courts and represents children in family court cases in England.

**Youth Justice Board for England and Wales** is responsible for overseeing the operation of the youth justice system and the provision of youth justice services.

**Parole Board for England and Wales** is an independent body that carries out risk assessments on prisoners to determine whether they can be safely released into the community.

**Legal Services Board** oversees the regulation of lawyers in England and Wales, approving regulatory arrangements and reviewing the performance of frontline regulators.

**Criminal Cases Review Commission (CCRC)** investigates and reviews possible miscarriages of justice in the criminal courts in England, Wales and Northern Ireland and refers appropriate cases to the appeal courts.

### Advisory non-departmental bodies include the following:

**Civil, family, tribunal and criminal procedure rule committees** make necessary procedure rules to improve and simplify court procedures for the public.

**Sentencing Council** issues guidelines on sentencing and evaluates the impact of guidelines on sentencing practice.

### Office holders include the following:

**HM Inspectorate of Prisons** ensures independent inspection of places of detention, reports on conditions and treatment, and promotes positive outcomes for those detained and the public.

**HM Inspectorate of Probation** reports on the effectiveness of work with offenders on probation to reduce reoffending and protect the public.

**Office for Legal Complaints** operates the Legal Ombudsman scheme, an independent and impartial scheme set up to deal with complaints from consumers on the services they receive from regulated legal providers.

Within the criminal justice system, MoJ bodies lead on trials and hearings, sentencing and overseeing offenders carrying out court sentences (in custody or in the community). It works with a range of other government bodies such as the Home Office, Crown Prosecution Service and police forces on aspects such as arrest, charge and prosecution.

# Where MoJ spends its money



## MoJ's expenditure

MoJ's total expenditure in 2024-25 was £15.5 billion (£14.6 billion in the previous year). It generated income of £1.9 billion (£1.8 billion in the previous year), reducing the overall net cost to the taxpayer to £13.6 billion (£12.8 billion in the previous year).

HM Prison and Probation Service (HMPPS) accounts for the largest area of expenditure within MoJ group (£7.0 billion, 45% of expenditure).

The next largest areas of expenditure are on policy, corporate services and associated offices costs, by HM Courts and Tribunals Service and by the Legal Aid Agency, each with expenditure over £2 billion.<sup>1</sup>

MoJ also receives income from a range of sources, including:

- court fees, payable by an applicant to the court;
- services provided by the Office of the Public Guardian, where the fees charged are used to cover the cost of running the services;
- retained fines and penalties imposed by the judiciary or police, a proportion of which it is permitted to retain; and
- a levy (fee) on the legal profession's approved regulators, to fund the Legal Services Board and the Office for Legal Complaints.



<sup>1</sup> Policy, corporate services and associated offices expenditure include justice digital costs, HMPPS estate costs for properties managed by HMPPS estates and grants to local government.

# Continued Where MoJ spends its money

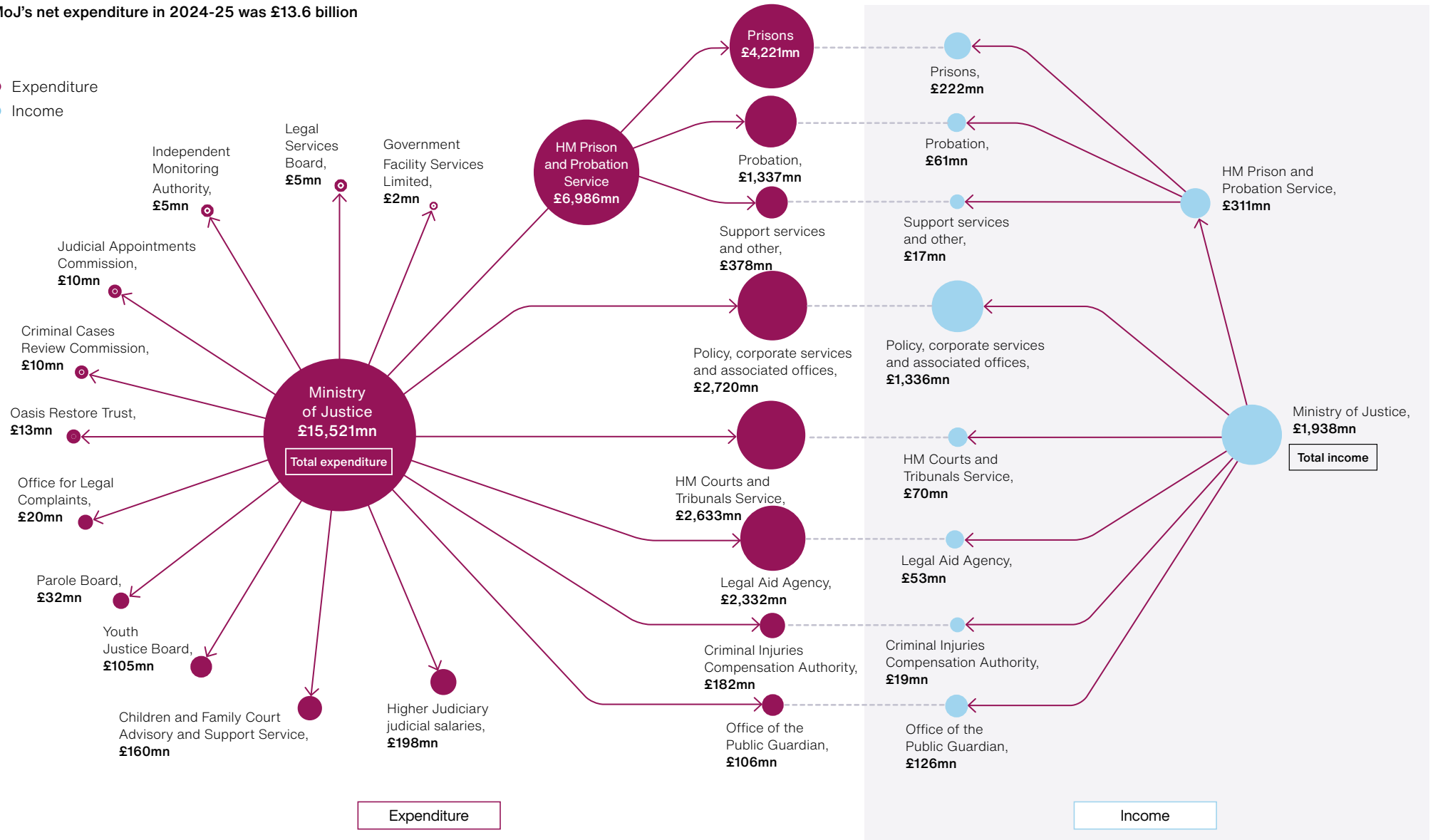


**Figure 2**

Expenditure and income of the Ministry of Justice (MoJ) in 2024-25

MoJ's net expenditure in 2024-25 was £13.6 billion

- Expenditure
- Income



# Continued

## Where MoJ spends its money



### Expenditure and income of the Ministry of Justice (MoJ) in 2024-25 *continued*

#### Notes

- 1 Figures are rounded to the nearest million and may not sum due to rounding.
- 2 Figures have been drawn from the Statement of Outturn against Parliamentary Supply tables in MoJ's [Annual Report and Accounts 2024 to 2025](#) and the segmental analysis (Note 2A) in HM Prison and Probation Service's [Annual Report and Accounts 2024 to 2025](#).
- 3 Bodies without an income value displayed had either no income or income disclosed separately in the Statement of Outturn against Parliamentary Supply tables in MoJ's Annual Report and Accounts 2024 to 2025. The Statement of Outturn against Parliamentary Supply table shows where income is accounted for (for budgetary purposes), rather than where income is generated.
- 4 Figures include resource and capital spending in Departmental Expenditure Limits (DEL), which is the government budget that is allocated to and spent by government departments. Total Annually Managed Expenditure (AME) for MoJ was £296 million and is not included in the figure. AME is more difficult to predict, manage or forecast, so is not subject to multi-year spending limits set in Spending Reviews.
- 5 Oasis Restore Trust is responsible for the operation and management of Oasis Restore, a secure academy for individuals in the youth custody estate.
- 6 The Office for Legal Complaints and the Legal Services Board are funded by levies (fees) on the legal profession's approved regulators. Levies are surrendered to the consolidated fund. Income surrendered to the consolidated fund is not shown.
- 7 The main expenditure and income sources are shown for HM Prison and Probation Service and so do not sum to total expenditure or total income shown.
- 8 The individual accounts of each organisation will not reconcile to the figures shown here due to adjustments made in consolidating MoJ group accounts.
- 9 Circles relating to expenditure below £10 million are not to scale.

Source: National Audit Office analysis of Ministry of Justice [Annual Report and Accounts 2024 to 2025](#), October 2025, and HM Prison and Probation Service [Annual Report and Accounts 2024 to 2025](#), October 2025



# Continued

## Where MoJ spends its money



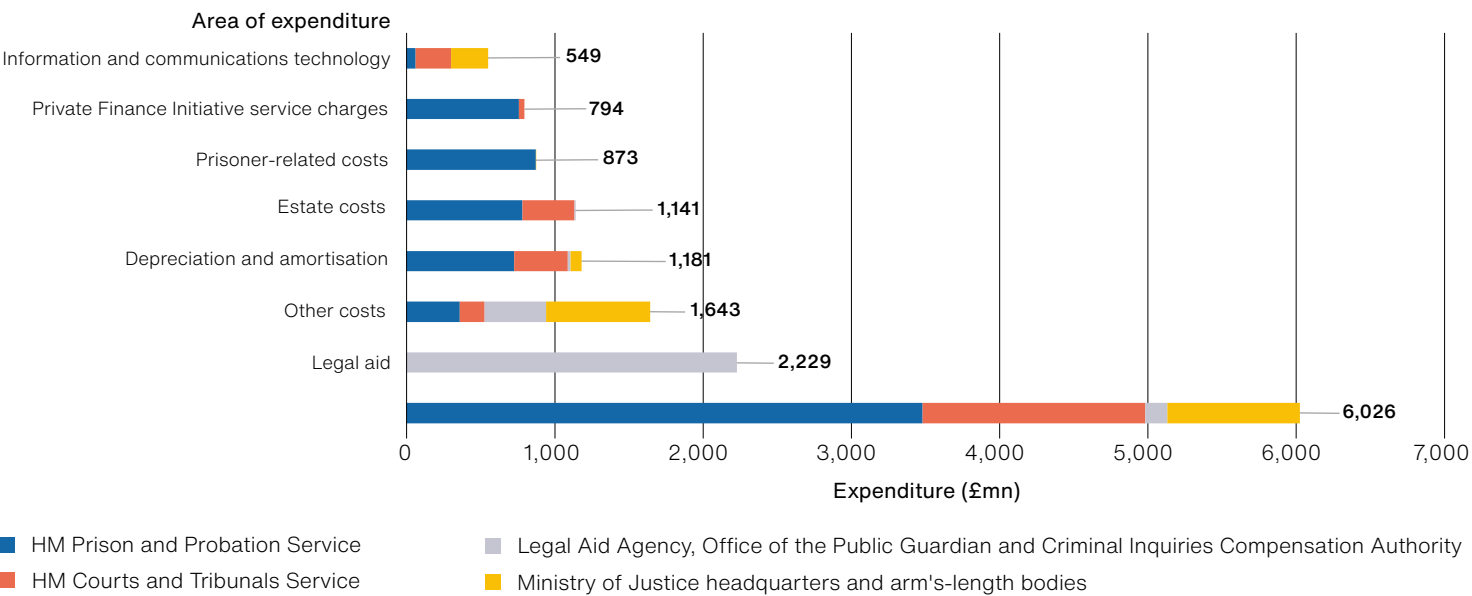
In 2024-25, MoJ spent around half of its running costs on staff costs but also has a sizeable capital budget which was mainly spent on improving infrastructure.

MoJ's gross spending against its day-to-day spending budget (Resource Departmental Expenditure Limit, or RDEL) was £14 billion in 2024-25. The largest area of resource expenditure related to people costs, accounting for £6 billion of expenditure. People costs include wages and salaries, social security costs, pension costs, early departure costs and secondments. After people, the biggest spending is on legal aid.

MoJ spent more than £1.5 billion gross on assets and infrastructure such as buildings and equipment (Capital Departmental Expenditure Limit, or CDEL), of which £1 billion (65%) is spent by HMPPS, most of which is related to MoJ's continued commitment to create 20,000 new prison places. Capital spending on courts and tribunals accounted for another £169 million (11%).

MoJ reported that it experienced financial pressures, reflecting increased demand for services, the impact of inflation, and pay costs being higher than previously planned. It managed these through efficiency measures and by moving ('viring') £695 million capital funding which it was unable to spend, to its day-to-day resource spending.

**Figure 3**  
Ministry of Justice (MoJ) expenditure 2024-25, by category of spend  
The largest area of resource expenditure related to people costs, accounting for £6,026 million of expenditure



- Notes**
- 1 Numbers are rounded to the nearest million.
  - 2 Resource expenditure relates to day-to-day spending on an organisation's objectives or administration.
  - 3 People costs include wages and salaries, social security costs, early departure costs and the net cost of secondments.
  - 4 Other costs of £1.86 billion include: grants (£308.8 million), contracted out costs (£281.8 million), compensation to victims of crime (£252.2 million), other programme costs (£217.7 million), and professional services (£114.8 million). The remainder, spread over various expenditure lines, totals £686 million.
  - 5 For depreciation and amortisation, a negative £153 million attributed to MoJ headquarters and arm's-length bodies were not shown in the chart.

Source: Ministry of Justice, [Annual Report and Accounts 2024 to 2025](#), October 2025



## MoJ's annual report

MoJ prepares consolidated accounts for the department, including its executive agencies and those of sponsored arm's-length bodies.

MoJ published its 2024-25 accounts on 30 October 2025. It has published its annual accounts in the autumn every year since the COVID-19 pandemic. This is largely because MoJ must consolidate two large Local Government Pension Schemes into its group accounts, but the audited balances are not available until the autumn. These balances are material to the group audit.

MoJ's annual report this year highlighted several issues.

- MoJ Group Chief Internal Auditor issued a 'moderate opinion' on the department's framework of governance, risk management and control, stating that this was consistent with previous years but noting a slight downward trend. The Group Chief Internal Auditor issued moderate opinions across all MoJ's public bodies, with the exception of CAFCASS which is 'substantial' and CCRC which is 'limited'. The opinion on CCRC is due to concerns about the impact of senior leadership changes on CCRC's governance and control environment.<sup>2</sup>

- In the financial year 2024-25, there were 17 losses (previous financial year: six) over £300,000, with a total value of £58.5 million (previous year: £16.5 million), of which £24 million were related to HMPPS's prison capacity programme and £17 million for its contract with HM Prison Dartmoor.<sup>3</sup> There are also 14 special payments over £300,000 (previous year: 10) with a total value of £13 million (previous year: £13 million). These related to payments to HMPPS staff, third-party contractors, prisoners, an EU court case and a legal claim.
- ISG and ESS, two key construction sector suppliers to MoJ (and other government departments) went into administration in 2024. As a result, HMPPS had to reprocure the affected prison projects which were due to provide around 3,600 prison places across 13 sites.

## C&AG's audit opinion and extended audit report

The Comptroller and Auditor General (C&AG) issued unqualified true and fair, and regularity audit opinions on MoJ group accounts for 2024-25. The C&AG's extended audit report identified key audit matters including the valuation of property, lease liabilities, provisions, pensions and the impact of the cyber security incident at the Legal Aid Agency.

## Accountability in MoJ's arm's-length bodies (ALBs)

All government bodies are expected to achieve consistent and efficient delivery of policy, outcomes and services in areas they are responsible for. As a sponsor department, MoJ is responsible for ensuring that appropriate systems and controls are in place, to monitor and support its ALBs to meet standards of governance and accountability. Our June 2025 report [\*Accountability in small government bodies\*](#) highlighted that MoJ has developed a bespoke risk-based approach to the accountability, oversight and assurance of its ALBs. We reported that MoJ tailors the support and guidance offered to each ALB, which allows MoJ to oversee the compliance of its smaller ALBs with relevant standards.

<sup>2</sup> [The Justice Committee](#) reported concerns about the leadership and governance arrangements at CCRC in May 2025. The CCRC Chief Executive resigned in July 2025.

<sup>3</sup> One of the 17 losses recognised in financial year 2024-25 was due to fraudulent activity during 2012 to 2015. The £22 million cost of the fraudulent activity was expensed when it occurred, between 2012 and 2015, and therefore does not appear in the £58.5 million in the financial statements.

# Improving financial management



Good financial management is critical to helping government organisations deliver good value for money. We have published [a series of good practice guides on different aspects of financial management in government](#) and commented on this theme in a range of our value-for-money work.

## Taking a long-term view to planning and spending

Our October 2024 report [Lessons learned: a planning and spending framework that enables long-term value for money](#), and December 2024 guidance on [allocating resources](#), emphasised the importance of taking a long term view when making spending choices. It also highlighted that resource allocation decisions should balance short-term pressures with long-term priorities to build resilience and preserve value for money.

Our December 2024 report [Increasing the capacity of the prison estate to meet demand](#) found that HMPPS has lacked a long-term funded strategy for the prison estate, and previous governments had failed to align criminal justice policies with funding for the estate. HMPPS had taken a reactive and expensive approach focused on building new places urgently. We recommended MoJ should develop a long-term strategy to improve the resilience of the prison estate.

Our May 2024 study [Reducing the backlog in the Crown Court](#) also found that much of the court estate was dilapidated due to long-term under-investment, meaning that courtrooms were frequently taken out of action due to, for example, leaks. HMCTS now needed to reach a medium- or long-term funding settlement to support its published estates strategy.

## Joined-up planning and governance

Our report [Lessons learned: a planning and spending framework that enables long-term value for money](#) also emphasised the importance of joint working between departments and that governance and accountability are key conditions for achieving value for money.

Our May 2025 study [Improving family court services for children](#) noted that responsibilities for family justice are dispersed across several government bodies, leading to weak accountability for overall performance. We highlighted that one key pilot initiative for private family law – Pathfinders – reduced court costs but increased local authority spending. This meant that MoJ and wider partners would need to align budgets to the revised cost profile for wider adoption of the pathfinders initiative. [The Public Accounts Committee](#) recommended that MoJ should, in conjunction with the Department for Education, assess how the model will affect spending and how it intends to reallocate funding within the justice system and for local authorities as necessary.

## Using data analytics to tackle fraud and error

Our July 2025 report [Using data analytics to tackle fraud and error](#) showed that the government could better use data analytics to help tackle fraud and error. Between March 2023 and March 2024, the Legal Aid Agency (LAA) piloted data-sharing with HM Revenue & Customs to verify whether around 600 recipients suspected of making fraudulent claims were eligible for legal aid. LAA investigated those who didn't meet income eligibility requirements and estimated that it saved around £500,000 in future erroneous payments.

## Improving cost data and information

Our January 2025 financial management guidance on [monitoring and forecasting](#) highlighted the importance of high-quality data and information for decision-makers.

Our 2024 study [Increasing the capacity of the prison estate to meet demand](#) found that HMPPS did not sufficiently understand the full scope of many prison expansion projects at an early stage, leading to significant cost increases. It also found that reporting did not always give an accurate view of progress.

Our September 2025 report [Improving government's productivity through better cost information](#) highlighted that a lack of cost information for services is a main barrier to practical service improvement, efficiency and productivity.

Our study [Improving family court services for children](#) also recommended that the government needed better data on how much is spent on family justice, in order to understand the full costs and benefits of interventions or whether funding and incentives are well aligned.

# Spending Review 2025



**MoJ's budget will increase by more than 2% per year over the Spending Review period, but it must achieve 5% efficiency savings.**

## The 2025 Spending Review settlement

In June 2025, the government announced its funding plans for day-to-day spending until 2028-29, and until 2029-30 for capital investment.

MoJ's day-to-day (RDEL) spending will increase by an average of 2.4% per year in real terms between 2023-24 and 2028-29. The increase in funding by 2028-29, compared with 2025-26, includes up to £700 million per year to transform the probation system and up to £450 million per year for the court system.

Capital funding (CDEL) will increase by an average of 3.0% per year in real terms between 2023-24 and 2029-30. This allocation includes £7 billion between 2024-25 and 2029-30 to build the remaining 14,000 new prison places from its 20,000-place prison expansion programme.

Capital spending for MoJ has tripled between 2019-20 and 2024-25, increasing by 213%. However, in recent years, MoJ has consistently underspent its capital budget, often due to delays in the prison expansion programme. During 2024-25, MoJ underspent its capital budget by £148 million, in addition to transfers made to running costs.

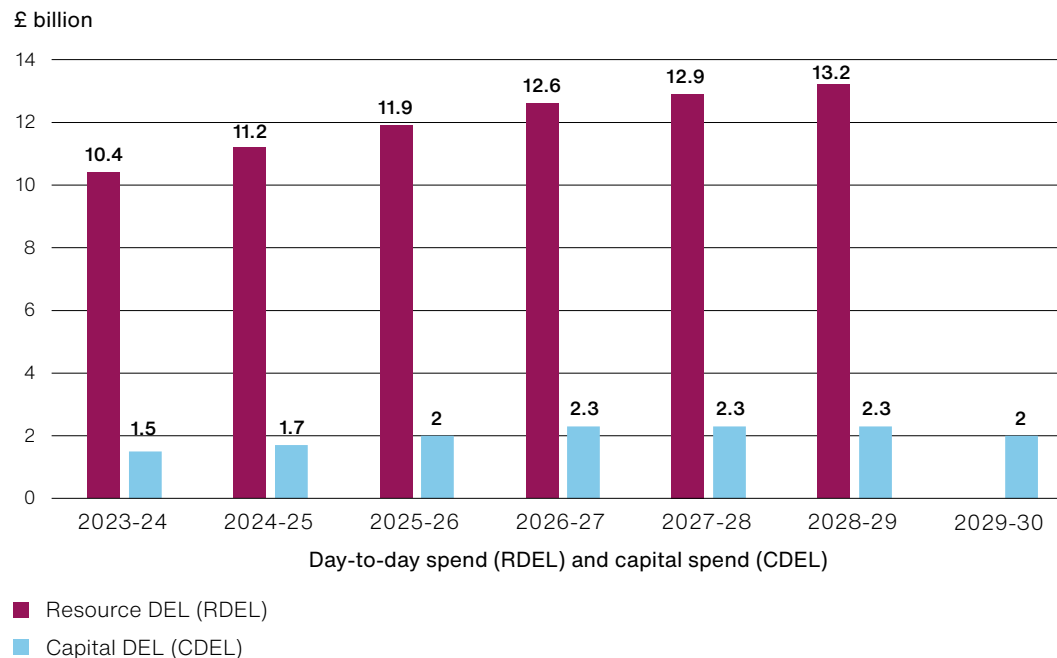
## Efficiency targets

Although MoJ's revenue budget will increase overall, it has committed to delivering at least 5% savings and efficiencies over Phase 2 of the spending review period starting in 2025-26. This will include reductions in administrative staff and using artificial intelligence (AI) to reduce administrative burdens while focusing resources on frontline services that reduce reoffending and keep the public safe. MoJ has agreed to reduce its total departmental administration costs by 15% by 2029-30.

**Figure 4**

The Ministry of Justice (MoJ)'s budget for day-to-day and capital spending in current prices announced in Spending Review 2025

**MoJ's day-to-day and capital spending will increase by an average of 2.4% and 3.0% a year in real terms over the spending review period**



### Notes

- 1 The graph above follows the announcement of MoJ's Spending Review 2025 settlement for the period 2025-26 to 2028-29 for Resource Departmental Expenditure Limit (RDEL) and to 2029-30 for Capital Departmental Expenditure Limit (CDEL) spending.
- 2 RDEL spending includes money that is spent on day-to-day resources and administration costs. The CDEL budget is for capital investment.
- 3 Data for 2023-24 and 2024-25 show actual or planned outturn as published in [Spending Review 2025](#).

Source: National Audit Office analysis of Spending Review 2025, Departmental settlements

# Increasing demand for justice services



Demand for most justice services has increased steadily since 2020-21. The rising demand is increasing pressure on already stretched capacity, reducing performance and increasing the need for productivity gains.

## Rising demand in courts and tribunals

In 2024-25, there were around four million new cases received in courts and tribunals in England and Wales. This number has risen each year since a dip in 2020-21 during the COVID-19 pandemic. Demand for criminal courts, civil courts and tribunals are all increasing, but demand for family courts has declined slightly. For criminal courts, the number of new Crown Court cases was 19% higher in 2024-25 than it was in 2019-20.

Our forthcoming report [\*An analysis of the asylum system\*](#) will cover the management of the asylum system. At 31 March 2025, the total open caseload in the First-tier Tribunal (Immigration and Asylum Chamber) for asylum, protection and revocation of protection cases was 50,976, compared with 27,133 in March 2024 and 7,510 in March 2023.

## Rising demand for prison and probation services

During 2024-25, there were 74,000 people first received into prison, 3% more than in 2023-24.<sup>4</sup> Tougher sentences, and increases in the number of people held on remand due to court backlogs, have contributed to increased demand for prison places. The prison population reached its highest-ever level at the end of August 2024 (88,439). MoJ's response to prison crowding, which includes releasing prisoners early, has shifted demand from prisons to the probation service. The number of new probation cases has risen slightly since 2021-22. In 2024-25, 170,000 new cases started with the probation service, a 5% increase on 2023-24. At the end of March 2025, 242,000 people were on probation. The proportion of cases rated as high or very high risk has also increased.



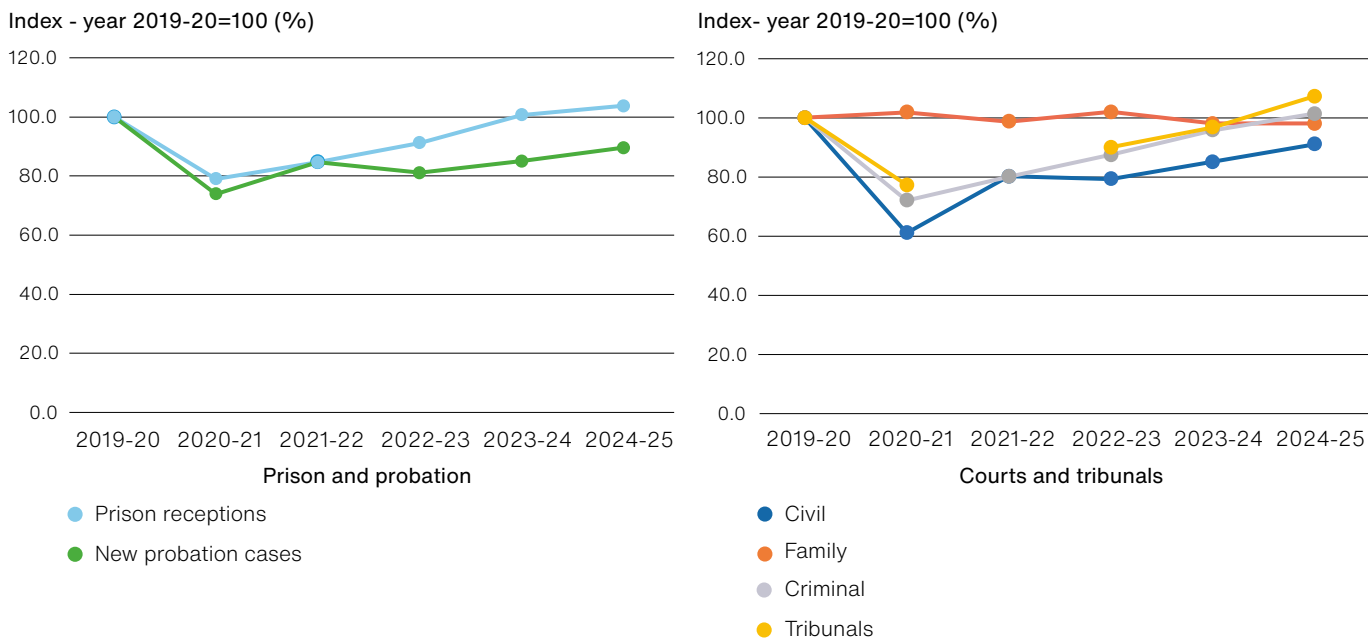
<sup>4</sup> The number of first receptions into prison, including untried people on remand as well as those tried and sentenced to prison.

# Continued Increasing demand for justice services



**Figure 5**  
Trends in demand for some justice services in England and Wales, 2019-20 to 2024-25

Demand for most justice services in England and Wales fell in 2020-21, during the COVID-19 pandemic, but has increased steadily since then



- Notes**
- 2019-20 was used as a baseline to index the trend for all service areas. For tribunals, comparable data were not available for 2020-21.
  - Courts and tribunals services include four main areas of services. Tribunals deal with disputes in several diverse areas of the law including employment, tax, immigration and asylum, and health, education and social care. Family courts deal with legal disputes connected with family matters, including children and the breakdown of relationships. Civil justice captures a wide range of issues, where people, businesses or other organisations are trying to resolve their disputes with each other or ensure that they have their rights respected. Criminal cases come to court after a decision has been made, usually by the police or Crown Prosecution Service, to prosecute someone for an alleged crime. Cases are initially held in the magistrates' court, with more serious cases progressing to the Crown Court.
  - Data points from the latest quarterly statistics published up to June-September 2025 for family courts, criminal courts, civil courts and offender management were used to derive the indices in the figure. For tribunals, publication was delayed and the data used were from publications up to Jan-Mar 2025. The quarterly family statistics do not include activities from the Probate Service.



**Performance in the Crown Courts has been worsening, and there remain several inefficiencies, but performance in family courts is improving.**

We reported on [Reducing the backlog in the Crown Court](#) in 2024. Backlogs in Crown Courts have doubled since 2019 to a record high of 78,329 cases in June 2025, and the average time taken to resolve a case, from offence to completion, increased from 481 days to 685 days.

To help recover performance, MoJ and HMCTS funded an increase in the number of Crown Court sitting days from 81,899 in 2019-20 to 111,250 in 2025-26. However, the number of disposals (completed cases) has not increased accordingly. The number of disposals per sitting day reduced from 1.16 in 2019-20 to 0.90 in 2022-23, before recovering to 1.05 in 2024-25. One reason is a high proportion of ineffective trials, leading to wasted court time and resources. The Public Accounts Committee, in its February 2025 report [Crown Court backlogs](#), recommended MoJ set out the causes of ineffective trials and actions required to address these.

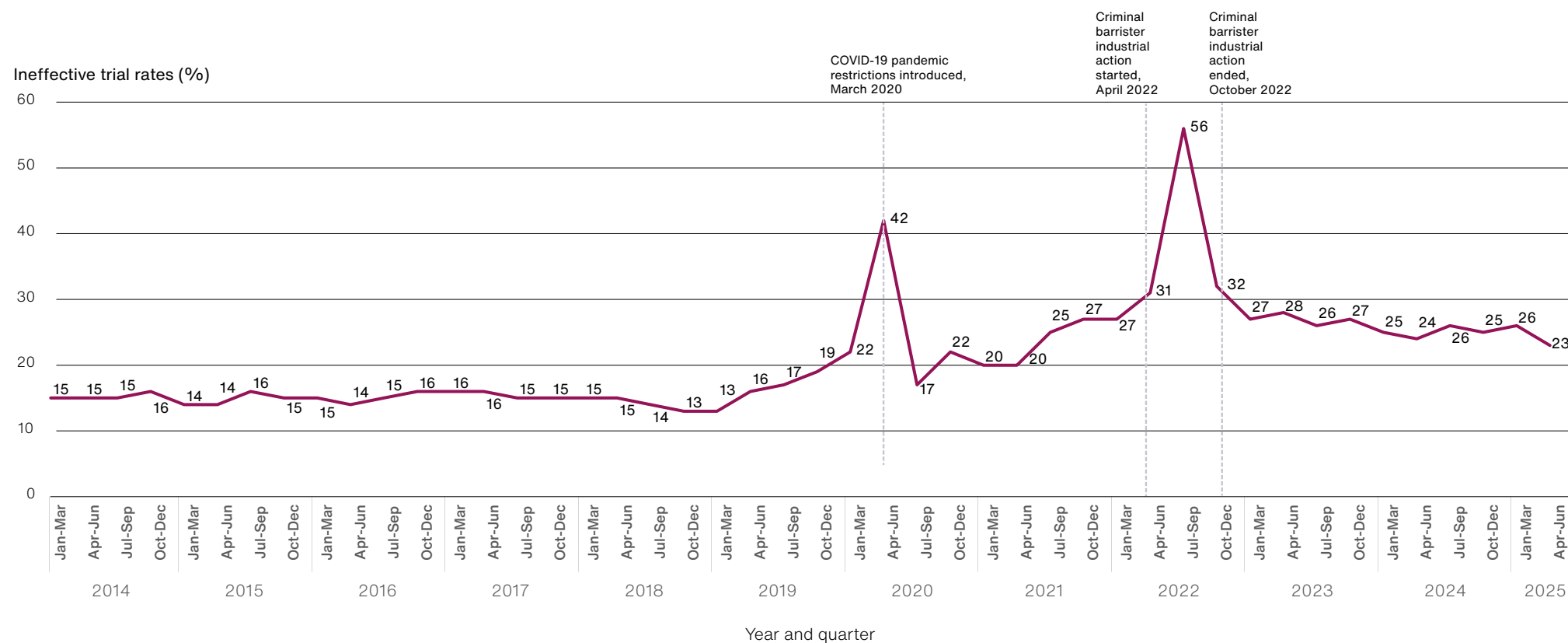
In our study [Improving family court services for children](#) in 2025, we found that the outstanding caseload in family courts had returned to pre-COVID levels, but that too many families and children were still waiting too long for their cases to be resolved. Delays lead to poorer outcomes and higher costs. The average legal aid cost for public family law cases had doubled since 2018, from around £6,000 per case to about £12,000 in 2022. We recommended that MoJ, working with DfE and others, should publish a strategy for family justice improvements, including measurable indicators of quality, efficiency and timeliness, and build on existing work to capture and apply learning about what works.



**Figure 6**

Quarterly ineffective Crown Court trials rates in England and Wales, 2014 to 2025

The proportion of trials which are ineffective in Crown Courts increased from 16% in the quarter April to June 2019 to 23% in the quarter April to June 2025



**Note**

1 'Ineffective trials' occur when a case is not ready on the day it is due to start and is relisted for a later date. The ineffective trial rate is calculated as the total number of ineffective trials for a quarter out of the total number of trials listed for the quarter.

Source: National Audit Office analysis of Ministry of Justice criminal court statistics

# Prison and probation services



Performance in prisons and probation has been poor in 2024-25.

## Prison service performance

Our December 2024 report *Increasing the capacity of the prison estate to meet demand* highlighted links between prison crowding and increasing violence. Crowding also makes it harder for prisoners to access education and to undertake purposeful activity, and for HMPPS to tackle drug use. The rate of positive random drug tests in prisons exceeded 30% in 2024-25.

Prison crowding led to additional costs – including renting temporary capacity in police cells, which cost nearly five times the average daily cost for a prison place (£688 as opposed to £142). Under pressure to provide additional prison capacity, MoJ prioritised speed of delivery over cost. By 2024-25, the prison expansion programme cost at least £4.2 billion more than planned.

## Probation service performance

Our October 2025 report *Building an effective and resilient Probation Service* found that the performance of the service has worsened since March 2022. For example, in 2024-25:

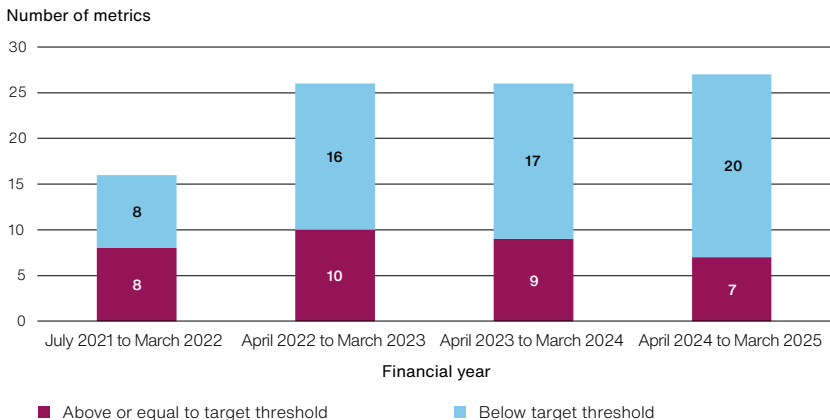
- HMPPS met 26% of its targets, which include timeliness of appointments and delivery of services; and
- only 63% of offenders completed their unpaid work within 12 months, against a 75% target.

In 2024, HM Inspectorate of Probation found that probation practitioners adequately assessed risk of harm in just 28% of cases. HMPPS recognised that probation processes have remained inefficient, with many manual processes and a culture of responding to risks by adding more processes. However, it is trialling ways to improve its productivity such as using service centres for some administrative tasks. We recommended MoJ and HMPPS should assess their approach to risks and monitor the impact on outcomes.

Figure 7

Probation service performance against HM Prison and Probation Service's (HMPPS's) performance framework metrics in England and Wales between July 2021 and March 2025

In 2024-25, HMPPS met or exceeded targets only for 26% (seven out of 27) of its performance framework metrics, compared with 50% (eight out of 16) between July 2021 and March 2022 <sup>1,2</sup>



### Notes

- 1 HMPPS monitors Probation Service performance against its performance framework, which includes a range of service process, output and outcome metrics aligned with the unified target operating model. Metrics include, for example, the percentage of individuals in the community and supervised over the whole of the relevant month, who are offered at least one in-person appointment in each calendar month, and the proportion of individuals in employment at six months post release for custodial sentences.
- 2 HMPPS implemented its performance framework for the unified Probation Service in July 2021. Therefore, data for the 2021-22 financial year do not include the months April to June 2021.
- 3 Each metric has a performance target set by HMPPS. For a small number of metrics, targets may differ over years or between probation regions due to variation between the benchmarked performance and the end state target – in these circumstances, HMPPS does not expect probation regions to deliver services to the level indicated by the end state target from the outset.
- 4 Between 2021-22 and 2024-25, HMPPS has increased the number of metrics it monitors.
- 5 Between April 2024 and March 2025, HMPPS's performance framework included 27 performance metrics and accompanying targets. In April 2024, the Probation Service introduced a change in practice known as probation 'Reset', where probation practitioner engagement is suspended in the last third of an individual's sentence. As a result, from May 2024 onwards, HMPPS recorded data for some metrics using a revised 'Reset' methodology. We have therefore included data for metrics that were measured for at least six months of the 2024-25 financial year. Of these, HMPPS measured 19 out of 27 of its 2024-25 metrics for the full financial year.

Source: National Audit Office, *Building an effective and resilient Probation Service*, October 2025

# Digital technology and processes



Digital transformation, along with commercial efficiencies and policy reform, underpins MoJ's efficiency target of £356 million per year by 2028-29.

## Expansion of electronic monitoring

Electronic monitoring ('tagging') allows the police, courts, probation and immigration services to monitor offenders' locations and compliance with court orders, and act if offenders breach their requirements. Supervision through monitoring can be cost-effective, costing on average £9 per day, a fraction of the £142 per day price for a prison place. The total number of individuals fitted with an electronic monitoring device at the end of June 2025 was 25,562, an increase of 22% from 20,893 on 30 June 2024 and 147% from 10,367 on 30 June 2019. The Independent Sentencing Review, published on 22 May 2025, recommended that more offenders should be managed by the probation service, including the use of electronic monitoring.

## Use of AI and other digital technologies

Our October 2025 report [\*Building an effective and resilient Probation Service\*](#) found that, as part of the HMPPS 'Our Future Probation' programme, the service aims to reduce workloads by 25%, through streamlining processes and improving its digital systems, including developing an AI tool to transcribe and summarise probation supervision meetings.

## Improving digital services in courts

Between 2016 and 2025, HMCTS undertook a £1.3 billion Courts and Tribunals Reform Programme, introducing new technology and working practices, streamlining processes and introducing online services. This included online services for divorce and probate applications, as well as new case management systems. The reform programme comprised 44 projects and launched 14 new digital services across civil, family and criminal court services. However, the extent of reform delivered was significantly reduced compared with initial plans, and the expected savings were at least £310 million lower than the £2.3 billion forecast in 2019.

Our May 2025 report [\*Improving family court services for children\*](#) found that the Core Case Data system, introduced for family courts as part of the reform programme, has helped to reduce paper-based work, saving 2.5 hours per case for around 15,000 cases a year. Our review of the administrative process in family courts against National Audit Office good practice framework on cross-government working and efficiency identified several opportunities for further improvements with the efficient administration of cases. For example, the way the process is managed across administrative and legal staff resulted in multiple errors, duplication or unnecessary effort.

During 2025-26, HMCTS is also rolling out to private family law cases a system similar to the case management system for public family law. It expects the new system to lead to further efficiencies, as seen for public family law cases.

## New or alternative service models

Our May 2025 report [\*Improving family court services for children\*](#) highlighted MoJ's new 'pathfinder' pilots which redesigned the process through the justice system for private family law cases. The pilots aim to improve families' experience of family justice. Early evaluation of the first two pilots indicated that improved communication and earlier information gathering was leading to improved experiences for children and families, and faster resolution of cases.

The new model also reduced the number of hearings per case, although the resulting reduction in court costs was offset by an increase in spending by local authorities. MoJ anticipates the model could lead to future savings as improved outcomes mean fewer cases will be likely to return to court. MoJ, working with DfE and others, are also promoting the use of alternative dispute resolution services, for example family group decision-making meetings before a case came to court, and encouraging greater use of mediation as a more efficient and less adversarial way of resolving conflicts.



**MoJ relies on external contractors to deliver many of its projects and services. In 2024-25, the baseline budget set for its ongoing major projects contracts alone was £2.7 billion.**

At the end of March 2025, it had £118 million non-cancellable contracts for the provision of services, including management of prisons. Improving commercial efficiency is another key element to MoJ's efficiency plans. MoJ aims to engage with its suppliers to produce cash-releasing efficiencies.

Our February 2025 good practice guide [\*Managing the commercial lifecycle\*](#), drawing on 20 years of NAO reports, provided focused advice on how to best manage each part of the commercial lifecycle.

## Understanding requirements, costs and benefits

The good practice guide drew on earlier findings from our 2017 report on MoJ's programme to replace its contracts for electronic monitoring ('tagging') services to highlight the need to understand the requirements, costs and benefits. MoJ had assumed there would be high demand for location monitoring, but it did not run a pilot to test this before launching the programme. It also did not understand the potential financial costs and benefits of expanding location monitoring.

In 2019, our report [\*Transforming Rehabilitation: Progress review\*](#) found that MoJ had designed and implemented its transforming rehabilitation reforms too quickly and without sufficient understanding of probation trusts' delivery models. MoJ sought to transfer the risk of lower volumes of work to Community Rehabilitation Companies (CRCs) through its contracting but only modelled a 2% reduction in volumes – in reality, these were between 16% and 48% lower than anticipated. In February 2019, Working Links and its three CRCs went into administration. MoJ terminated its CRC contracts 14 months early, paying at least £467 million more than was required under the original contracts.

## Monitoring and managing contracts to ensure delivery of services and objectives

In our 2022 study [\*Electronic monitoring – a progress update\*](#), we reported that HMPPS had wasted £98 million through its failed attempt to develop the case management system for electronic monitoring. We found that HMPPS did not escalate significant risks connected with this programme, and MoJ had missed opportunities to provide additional support and detailed scrutiny at key decision points.

In 2023, HMPPS recommissioned its electronic monitoring service, awarding Serco a contract worth up to £330 million, potentially over eight and a half years, to run the tagging service. Early performance has been poor, with large backlogs, exacerbated by increased demand from early releases of offenders from prison to relieve pressure on prison capacity. Increasing electronic monitoring volumes is key to MoJ's plan to improving its productivity, so it will need to monitor the contract carefully as the number of people on tag increases.

## Managing companies in distress

Our October 2023 guide [\*Monitoring and responding to companies in distress: good practice\*](#) highlighted that departments need to ensure they have the skills to appropriately monitor and manage the impact of company distress when relying on contractors to deliver their objectives, including carrying out scenario testing on the impact of company failures. In 2024, our study [\*Increasing the capacity of the prison estate to meet demand\*](#) found that, in summer 2024, HMPPS had reset its expected programme timescales for its prison capacity programme to build 20,000 new prison places. The project would complete around five years later than planned. MoJ's main construction contractor, ISG, then went into administration in September 2024, further delaying delivery of some projects by three to 18 months. However, MoJ had already modelled the impact as a worst-case scenario when resetting timelines, prior to the insolvency, and it does not currently expect this to affect its revised portfolio completion date.

# MoJ's major risks



Our December 2023 good practice guide [Overcoming challenges to managing risks in government](#) highlighted that robust and effective risk management is essential to securing long-term value for money. However, the scale and variety of the risks which the government have to deal with makes risk management in the public sector challenging.

During 2024-25, the Government Internal Audit Agency (GIAA) reported that, overall, the department has an adequate framework in place to ensure the effectiveness of risk management, but, for some areas, improvements are required to enhance its adequacy and effectiveness. GIAA noted that MoJ has carried a high level of risk for some time, struggling to balance high levels of demand with constrained resources in many areas. Of particular concern are: lack of prison capacity, rising backlogs in courts and tribunals, and increasing exposure to cyber security risks.

**Figure 8**

Principal risks highlighted in Ministry of Justice (MoJ) Annual Reports and Accounts 2024 to 2025

MoJ continues to face significant risk; several have increased over the last 12 months

| Risk area                                                                             | Details of risks                                                                                                                                                                                                                                                                                                                                                       | Trend     |
|---------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Operational delivery: service delivery and compliance in operations                   | <ul style="list-style-type: none"> <li>Pressure in prisons from the rising prison population, security threat from drone-enabled contraband delivery, threats to safety of prisoners and prison staff</li> <li>Challenging probation workloads</li> <li>Increasing demand on courts and tribunals services, impacting on timeliness and backlogs</li> </ul>            | Increase  |
| Capacity: sufficient criminal justice system capacity to meet demand                  | <ul style="list-style-type: none"> <li>Demand growth continues to surpass prison capacity with knock-on impact on probation services</li> <li>Ageing property infrastructure across HM Courts and Tribunals Service (HMCTS) and HM Prison and Probation Service (HMPPS) and challenges in maintaining estates that are compliant, operational and efficient</li> </ul> | Increase  |
| People and capability: recruiting and retaining sufficient capable individuals        | <ul style="list-style-type: none"> <li>Recruitment and retention rates in prisons and probations services have improved, but capability remains a concern</li> <li>Training new and existing staff to the required standard remains a challenge with ongoing capacity and operational factors in prisons and probation</li> </ul>                                      | Decrease  |
| Digital: technical debt, resilience and flexibility of digital and technology service | <ul style="list-style-type: none"> <li>Progress made on critical systems but technical debt remains in many areas</li> <li>Issues in attracting technical skills and capability</li> </ul>                                                                                                                                                                             | No change |
| Security and information                                                              | <ul style="list-style-type: none"> <li>Risk from cyber-attacks, as crystallised with the Legal Aid Agency; keeping information secure and complying with legislation such as General Data Protection Regulation (GDPR)</li> </ul>                                                                                                                                      | Increase  |
| Commercial: contracts to support delivery                                             | <ul style="list-style-type: none"> <li>Supply chain risks and issues across multiple industries, including financial stability of major suppliers</li> </ul>                                                                                                                                                                                                           | No change |
| Change: portfolio of change projects                                                  | <ul style="list-style-type: none"> <li>An ambitious portfolio of change projects with a range of risks that require active management to ensure delivery</li> </ul>                                                                                                                                                                                                    | No change |
| Evidence and insight to inform decisions                                              | <ul style="list-style-type: none"> <li>Insufficient capacity to meet demand for data analytical services to generate insight</li> <li>Reliance on other government departments and partners to join up data and systems</li> </ul>                                                                                                                                     | Increase  |
| Property: estate maintenance                                                          | <ul style="list-style-type: none"> <li>Challenges in maintaining an estate that is compliant, operational, environmentally sensitive and efficient</li> </ul>                                                                                                                                                                                                          | No change |
| Climate change and sustainability                                                     | <ul style="list-style-type: none"> <li>Adapting effectively to physical and transition climate change exposures at the pace and scale of change required</li> </ul>                                                                                                                                                                                                    | Increase  |
| Finance: long-term funding uncertainty                                                | <ul style="list-style-type: none"> <li>Long-term funding uncertainty and inflationary pressures on current budgets, including consequent pay settlements and judicial litigation</li> </ul>                                                                                                                                                                            | No change |

Source: National Audit office analysis of the Ministry of Justice [Annual Report and Accounts 2024 to 2025](#), October 2025

# Policies and reforms in response to pressures on the justice system



Faced with significant risk in managing demand across court, prisons and probation, MoJ has commissioned several fundamental reviews of parts of the justice system that seek to increase its resilience.

## Reforms to increase resilience in prison capacity

Between October 2022 and August 2024, the adult male prison estate was operating at between 98.0% and 99.7% capacity. MoJ expected the prison population to increase from 87,919 at the end of March 2025 to between 97,300 and 112,300 by November 2032 if it did not act.

## Emergency measures

MoJ has relied on measures such as early release to relieve pressure on prison capacity. There were 13,325 prisoners released early between October 2023 and September 2024, and a further 26,456 between September 2024 and March 2025 under two separate early release schemes.

## Developing longer term resilience

An [\*Independent Sentencing Review\*](#), published in May 2025, made several recommendations to reform the prison system, including replacing most short custodial sentences with community sentences. It also suggested introducing a progression model, under which most prisoners would be released from prison after serving one-third of their sentence and monitored in the community. The government accepted most of the recommendations. A Sentencing Bill was introduced to Parliament in September 2025 to enact several of the recommendations. The government expects this will reduce demand on prison by 7,500 places in 2028.

An [\*Independent review of Prison Capacity\*](#), commissioned by MoJ in 2024 and published in August 2025, stressed the need to move from crisis management to strategic and systemic improvements to avoid the cycle of repeated prison capacity crises, including ensuring sufficient capacity in probation and community services.

## Reforms to increase resilience in probation and reduce reoffending

Our October 2025 report [\*Building an effective and resilient Probation Service\*](#) describes that, in early 2025, HMPPS established a reform programme called Our Future Probation Service. This programme was in response to very high probation workloads and staff shortages and to provide resilience given expected increases in demand. It is seeking to free up operational capacity by 25% and thereby improve performance. It is doing so by both improving operational processes and changing the scope of what probation services deliver, to reduce the volume of work.

## Proposed reforms to increase resilience in courts

In July 2025, MoJ published Part 1 of [\*The Independent Review of the Criminal Courts\*](#), commissioned by MoJ in response to the growing Crown Court backlog. The report proposed reforms to speed up the Crown Court process such as creating a new intermediate court division for less serious offences and judge-only trials for complex cases. It also proposed changes to reduce demand on the Crown Court through changes to the magistrates' court process and expanding the use of out-of-court disposals. A second part of the review, scheduled for late 2025, will also make recommendations on the efficiency and timeliness of court processes.

# Prison and court estates



A range of challenges with maintenance and dilapidation heighten risks of poor delivery in courts and prisons.

With the second largest government estate, comprising many courts and prisons, MoJ relies on a resilient estate to deliver front-line services.

## The prison estate

Since 2010, HMPPS has indefinitely closed 4,151 cells due to dilapidation, meaning that the net increase in prison places in this period has been only 1,005. MoJ has increased its maintenance spending from £78 million per year between 2016-17 and 2018-19 to £173 million per year between 2020-21 and 2023-24, but the estimated backlog doubled between 2020 and 2024, from £0.9 billion to £1.8 billion. MoJ's [10-year prison capacity strategy](#), published in December 2024, included a commitment to deliver 14,000 more places by 2031, the remaining places from its 20,000 place prison expansion programme. It also stated projected prison population increases of around 3,000 annually. However, in 2025, the National Infrastructure and Service Transformation Authority rated three of MoJ's prison expansion projects 'red' (unachievable).

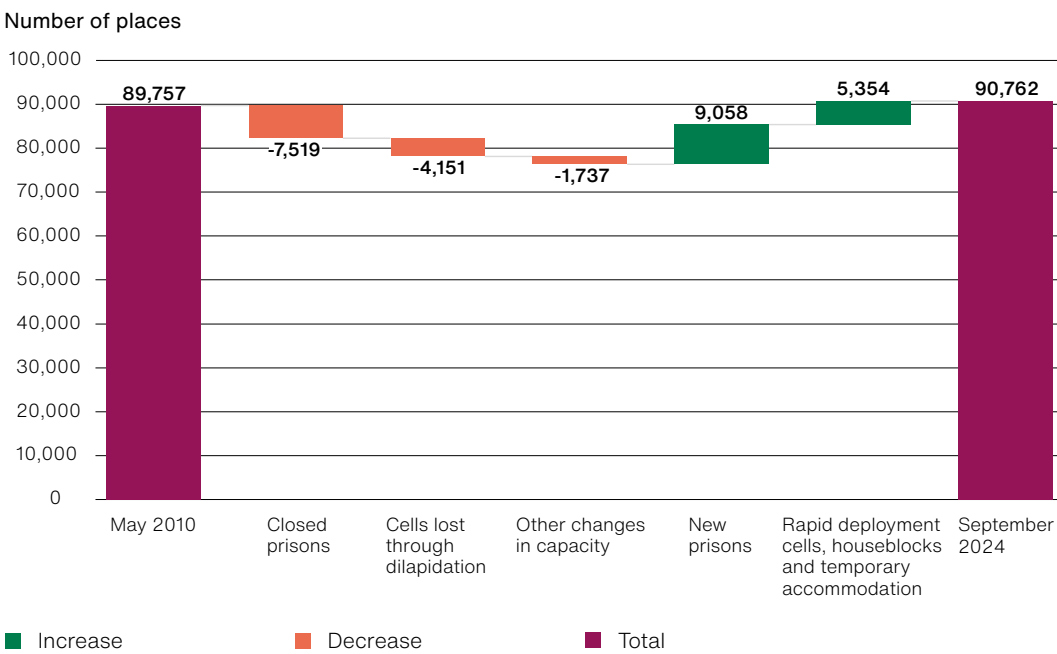
## The court estate

In 2022, MoJ estimated that 50% of Crown Court courtrooms were at risk of closure at any time. Although MoJ committed £220 million for the two years up to March 2025 for essential maintenance and repair work on courts and tribunals, our January 2025 report [Maintaining public service facilities](#) highlighted that the maintenance backlog of courts and tribunals stood at £1.3 billion in 2023-24 and there remained significant risks to the smooth running of courts due to insufficient maintenance of the courts estates.

Figure 9

Net change in prison places between May 2010 and September 2024 in England and Wales

Between May 2010 and September 2024, HM Prison and Probation Service (HMPPS) added a net 1,005 prison places to the estate (new prison places minus cells lost)



### Notes

- 1 Between May 2010 and September 2024, HMPPS closed, or part-closed, 22 prisons and opened six new prisons.
- 2 'Other changes in capacity' includes changes in crowding levels, reconfiguration of cells, and cells temporarily out of use for maintenance. It also includes places lost through the temporary closure of HM Prison (HMP) Dartmoor in July 2024 (HMP Dartmoor had an operational capacity of 599 in May 2010). The net change in prison places therefore depends on the chosen dates within each year.
- 3 'Temporary accommodation' is a place with a shorter lifespan such as COVID-19 units.
- 4 Prison places are expressed in terms of operational capacity. This is the total number of prisoners that an establishment can hold taking into account control, security and the proper operation of the planned regime.

Source: National Audit Office, [Increasing the capacity of the prison estate to meet demand](#), December 2024

# Digital technology and cyber security



MoJ has made progress in improving its digital systems, with some significant investment in digital improvements. However, it still faces significant technical debt, which increases cyber security risks, as crystallised in the 2025 Legal Aid Agency cyber-attack.

## Progress in digital improvements

MoJ's [Digital Strategy for 2022 to 2025](#) outlined its vision to become a data-driven organisation. It has invested in digital transformation programmes, for example HMCTS's courts and tribunals reform programme. Some of these transformation programmes have been slower than planned. For example, of MoJ's four major ICT projects reviewed by the National Infrastructure and Service Transformation Authority, there were three for which the project end-date increased.

Our 2023 study [Progress on the courts and tribunals reform programme](#) described how MoJ had delayed and rescoped its programme several times, reducing the expected benefits. HMCTS reported that it had launched 14 new digital services through this programme between 2016 and 2025, when it closed, including the common platform case management system in courts. HMPPS has also introduced new digital technologies and tools for prison and probation services. However, MoJ acknowledges that significant technical debt still exists, creating risks of business disruption.<sup>5</sup>

## Data availability and quality

Justice services often require inputs from many different bodies, within and outside MoJ group. However, as we highlighted in our study [Improving family court services for children](#), when responsibilities are dispersed across several organisations, data sharing and effective data collection can be more difficult.

Our studies, such as [Reducing the backlog in the Crown Court](#), found several long-standing weaknesses with available data. These issues mean MoJ often does not have all the data it needs to understand and improve performance.

MoJ has identified issues with data quality in some systems. For example, MoJ paused its quarterly statistics on Crown Court caseload during 2024 after identifying data errors.<sup>6</sup> We also noted some weaknesses in family court data, which were being investigated.

## Cyber security risks to legacy systems

Our January 2025 report on [Government cyber resilience](#) highlighted that 'legacy' IT systems are still widely in use by departments across government. Such systems are vulnerable to cyber-attacks because their creators no longer update or support their use, few people have the skills to maintain them, and they have known vulnerabilities.

## The Legal Aid Agency cyber-attack

On 23 April 2025, the Legal Aid Agency (LAA) became aware of a cyber-attack on its legacy systems, involving a significant amount of sensitive personal and financial data relating to legal aid applicants from 2007 to 2025. The LAA had to take the entire system offline and implement contingency measures, including the civil average payment scheme, to maintain access to justice and ensure legal aid providers continue to be paid in a timely manner. Once systems have been restored operational recovery can commence, including recoupment of the average payment scheme. The LAA has received pre-action letters in relation to possible legal claims for damages as a result of the cyber-attack.

<sup>5</sup> Technical debt refers to the estimated value of suboptimal digital systems that are creating inefficiencies or risks, such as security vulnerabilities and the inability to implement change quickly.

<sup>6</sup> MoJ reported that the data issues had since been resolved, and an independent assurance review concluded that MoJ could have significant confidence in the Crown Court caseload statistics.

# Civil service staffing and the market for legal and other professionals



MoJ has continued to experience workforce issues, including staff shortages and inexperience. Our September 2025 framework [Government workforce planning – audit framework](#) highlighted the importance of effective workforce planning. Failure to address these issues systematically will create ongoing risks to performance and reduce resilience across the system.

**MoJ has continued to increase its overall workforce during 2024-25, but key staff shortages remain.** Of all MoJ staff, 68,690 (71%) work in HMPPS, and 15,860 (16%) work in HMCTS. The overall number of staff employed has increased by about 100 full-time equivalent since the previous year. At June 2025, HMPPS had recruited to 95% of its target for prison officers. However, our 2025 study [Building an effective and resilient Probation Service](#) found that, as at March 2025, there were 5,636 probation officers in post, some 79% of its target staffing. In addition, it found that HMPPS had been underestimating the number of staff required for sentence management by about 5,400, leaving it with only about half of the staff it required for sentence management activity. In February 2025, MoJ announced that it would recruit 1,300 new probation officers in 2025-26. HMPPS considers continued shortages of qualified staff, and staff inexperience, to be major contributing factors to poor performance.

## **Some challenges with staff retention and high absence rates remain.**

Within HMPPS, in the year ending March 2025, the rate of staff leaving from the Probation Service was 9.3%, up from 6.2% at March 2021. The proportion of probation officers with more than four years' service has dropped 10 percentage points (from 72% in March 2021 to 62% in March 2025). Similarly, the proportion of band 3 prison officers with two or more years' experience decreased from 82% to 75% between March 2022 and March 2025.

Further, the Probation Service's average annual sickness rate had increased to 13.2 working days in March 2025, up from 8.9 in March 2021. Prison officers had on average 11.7 days of sick leave per person in the year to March 2025.

**There are shortages in market supply for judges, lawyers and social workers.** Our reports [Reducing the backlog in the Crown Court](#), in May 2024, and [Improving family court services for children](#), in May 2025, found that a lack of judicial capacity was affecting Crown Court backlogs and that HMCTS had found it hard to recruit the number of required circuit judges. The issue was particularly pressing for London: for example, for London and South East region, there was a 38% shortfall in district judges for family courts in the first three months of 2023.

The number of lawyers practising in criminal law has also declined. Following industrial action by barristers, in 2022, MoJ implemented a 15% increase to most criminal legal aid fees. However, our 2024 report [Government's management of legal aid](#) noted that legal aid fees for criminal legal aid did not accurately reflect the work undertaken by legal firms. It also commented that MoJ had been slow to respond to market sustainability issues. It also recommended a coherent workforce strategy to consider a steady pipeline of legal aid lawyers for future services. MoJ also conducted a review of civil legal aid fees as part of a wider review of legal aid, and in [July 2025 announced](#) a fee increase for housing and immigration legal aid work.

Our study on family courts also highlighted a shortage of social workers, which limits MoJ's ability to improve family court services, as social workers are key to many proceedings. In 2024, 17.3% of local authorities' children's social worker posts were vacant, and a further 16.2% of staff were from agencies.

# What to look out for



## Criminal courts, prisons and probation

### The Sentencing Bill

The government introduced the Sentencing Bill to Parliament in September 2025 following publication of the Independent Sentencing Review (page 21). The Bill intends to place the prison system on a more sustainable footing through significant changes to the sentencing framework, including how offenders are managed after sentencing.

**Look out for:** progression of the Bill in Parliament, and, if implemented, its impact on prison populations.

### The Independent Review of the Criminal Courts

Following publication of the first stage of the review in July 2025, which recommended measures to relieve pressure on the court system, the second part of the review will focus on the efficiency and timeliness of court processes (page 21).

**Look out for:** what recommendations the government will take forward and how any changes will affect court backlogs.

### Border Security, Asylum and Immigration Bill

This Bill intends to create a framework of enhanced powers and offences to improve UK border security and to strengthen the asylum and immigration system. The Bill aims to make it easier for agencies to apply to the Crown Court and High Court for Serious Crime Prevention Orders.

**Look out for:** the number of new applications to Crown Court and High Court, any impact on the prison population and on legal aid costs.

## Civil and family justice

### Employment Rights Bill

The government has introduced an Employment Rights Bill to Parliament which it said would “represent the biggest upgrade in employment rights for a generation”. Main changes introduced by the Bill include extension from three months to six months for an employee to bring their case to an employment tribunal.

**Look out for:** progress of the Bill and anticipated increase to Employment Tribunal’s caseload.

### Responses to civil legal aid consultation

The government agreed to increase fees for housing and immigration legal aid work in response to its 2025 civil legal aid consultation.

**Look out for:** financial sustainability of civil legal aid providers and access to civil legal aid services.

## Upcoming National Audit Office studies

### Tackling harm from drug use in prisons

Drug use has a significant negative effect on the wellbeing of prisoners and prison staff, and a strong link to reoffending. This study will focus on whether MoJ and the Department of Health & Social Care (DHSC) are taking effective action to reduce harm in prison from illicit drugs.

### Electronic monitoring: responding to increasing demand

Electronic monitoring or ‘tagging’ allows the police, courts, probation and immigration service to monitor offenders’ compliance with court orders and community sentences, with the aim of reducing reoffending and protecting the public. The study will focus on whether HMPPS is on track to deliver an efficient and effective Electronic Monitoring Service.

# About the NAO



The National Audit Office (NAO) is the UK's independent public spending watchdog and is responsible for scrutinising public spending for Parliament. We audit the financial accounts of all departments, executive agencies, arm's-length bodies, some companies and charities, and other public bodies. We also examine and report on the value for money of how public money has been spent.

The NAO is independent of government and the civil service. The NAO's wide remit and unique access rights enable us to investigate whether taxpayers' money is being spent in line with Parliament's intention and to respond to concerns where value for money may be at risk.

We support all Members of Parliament to hold government to account, and we use our insights to help those who manage and govern public bodies to improve public services.

## We produce reports:

- on the annual accounts of government departments and their agencies;
- on the economy, efficiency and effectiveness with which government has spent public money; and
- to establish the facts where there are concerns about public spending issues.

We do not question government policy objectives. We look at how government has spent money delivering those policies and if that money has been used in the best way to achieve the intended outcome.

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## About this report

This report has been produced to provide an overview of NAO's examination of the spending and performance of MoJ.

It is intended to support the Justice Select Committee and Members across the House in their examination of MoJ.

This report updates our previous report, [\*An Overview of the Ministry of Justice for the new Parliament 2023-24\*](#) published on 17 December 2024.

## How we have prepared this report

The information in this report draws on the findings and recommendations from our financial audit and value for money work, and from publicly available sources, including the annual report and accounts of MoJ and its partner organisations. In some cases, to provide the most up to date information, we have drawn on information from MoJ documents. We have cited these sources throughout the guide to enable readers to seek further information if required.

Where analysis has been taken directly from our value-for-money or other reports, details of our audit approach can be found in the appendix of each report, including any evaluative criteria and the evidence base used. Other analysis in the guide has been directly drawn from publicly available data and includes the relevant source as well as any appropriate notes to help the reader understand our analysis.