

Lord Wolfson speech: Legal Wales Conference

It's a pleasure to join you for this year's Legal Wales Conference.

When the previous Lord Chancellor, Robert Buckland, delivered his speech at last year's conference, he remarked that it was a shame that it was not possible for everyone to meet together in Wales, but that he was grateful to the organisers for ensuring that the conference could still take place virtually.

A year on and things are not back to "normal". Echoing the sentiments of a year ago, it is a shame that I am not able to be there in person, but I am pleased that we are at least able to meet on a hybrid basis.

COVID/Courts recovery

When I use the word "normal" I am of course referring to a pre-pandemic age and things will not return to exactly where they were before. The pandemic created a very specific need to adapt quickly, to interact remotely and find digital solutions to everyday tasks. The justice system faced particular challenges.

Whilst we have undertaken swift measures to adapt the justice system to deal with those challenges – for example by increasing the capacity of the courts wherever possible to tackle the accumulation of cases that inevitably built up; and by rapidly expanding the use of technology throughout the system to enable a huge increase in remote hearings – we have, in fact, been looking at innovative, more accessible ways to deliver justice for a number of years.

The reforms we have delivered so far have been vital in supporting the wider HMCTS response to Covid-19, increasing our resilience and throughput, decreasing our reliance on our physical estate, and keeping the wheels of justice turning.

More widely, the pandemic has powerfully illustrated the need for further reform.

The value that our modernised services have added, and the progress we have made to introduce online access to services, has made a substantial difference in maintaining the operation of the courts and tribunals. This has underlined the wider value of reform in supporting a more resilient and adaptable service.

Reform has allowed us to maintain access to justice throughout the pandemic via a number of initiatives.

Our expertise in video and audio technology, for example, has proved crucial in enabling HMCTS and the judiciary to maintain a functioning justice system

during the crisis. We introduced Cloud Video Platform across England and Wales, to hold hearings via video. We rapidly rolled this out to over 150 Magistrates and 70 Crown Courts across England and Wales.

During the initial part of the pandemic, 90% of court and tribunal hearings used some form of remote technology, ensuring that as many hearings as possible that did not need a physical courtroom took place safely.

All Magistrates and Crown Courts that are open have the capability to conduct Cloud Video Platform hearings. And we are now rolling out our Video Hearings Service – a bespoke tool for supporting remote court and tribunal hearings. This will replace and improve upon tools currently in use by providing tailored user support and the functionality needed to ensure hearings are effective.

Our reformed services have enabled effective working through the pandemic, allowing the public to request probate, file for divorce, appeal decisions relating to social security benefits, and administer the Single Justice Procedure.

For example, cases prosecuted by Transport for London, TV Licensing and DVLA involving adults charged with summary-only, non-imprisonable offences are now being dealt with online quickly and efficiently on Common Platform by a single magistrate sitting with a legal adviser outside a traditional courtroom setting, with only 3.71% of cases referred to open court. We have worked with police forces to roll out the Single Justice Procedure for Covid-19 regulation breaches, bringing forward prosecutions and helping with court recovery.

Continuation of reform and completing the digitisation of our remaining services will be key to recovery and improve resilience in future crises.

Digitisation of the courts is something that we were already engaged with before COVID-19. As we begin to move beyond the pandemic, this work is more important than ever – and this inevitably will have implications for the law more widely.

A more digitised world provides more efficient and less expensive ways to gain access to legal services and resolve disputes. I need not rehearse the benefits that this will bring to the people of Wales, particularly in levelling up access to justice to those living in rural and remote areas. But I would like to turn now to some of the other opportunities that digitisation and technology will bring to Wales.

LawTech innovation

I was pleased to see that one of the earlier breakout sessions – hosted by Greg Chamber and Dr Adam Wyner – focused on developments in LegalTech. I am sorry that I was not able to join that session, so I apologise if I repeat anything that might have been said.

The adoption of new technologies and innovations is at the heart of embracing

change. The importance of technology has become apparent to us all in recent times. As the legal services sector continues to evolve, Lawtech will provide it with tools to continue supporting clients in ways that are quicker and more effective.

The UK's legal sector is already championing the kind of innovation that will characterise the law in the future by promoting and developing new technology that will accelerate the delivery of global legal services.

The task for us in government is to support the flourishing Welsh legal services sector and a vital part of that is supporting the development of the Lawtech sector, which is why we have funded and developed LawtechUK, an initiative to help transform the UK legal sector through technology.

LawtechUK has a comprehensive work programme, building on the many initiatives already going on in the sector. Its aim is to support and encourage Lawtech to provide what businesses and society need from legal services and dispute resolution in the modern age.

I was very pleased to see the UK Jurisdiction Taskforce launch the ground-breaking Digital Disputes Resolution Rules earlier this year. These rules will facilitate the fast and efficient resolution of disputes arising from digital assets, smart contracts, blockchain and other new technologies.

think it is really important that government, regulators and the sector really engage with these initiatives to collectively support innovation and build on some of the great initiatives already taking place in Wales such as the Legal Innovation Lab at Swansea University.

International Legal Services in the UK

We are living through a period of unprecedented globalisation, and the law is no exception. The legal services market is estimated to be worth around \$728 billion US dollars, and everyone wants a piece of the pie. As the legal services sector increasingly operates within a global market, it is important we all make the most of every opportunity to capitalise on our strengths and to connect with our counterparts across the world – to support broader trade and investment of all types.

I am sure that the experience in Wales in this regard resembles that of many other countries. Whilst English and Welsh firms continue to be strong players, the challenge has been to develop strategies to ensure that we continue to deliver for our international clients and to grow as a world-leading provider of international legal services.

Thanks to the attractiveness of the England and Wales jurisdiction, our position as a world class dispute resolution hub and the global perspective we adopt to legal services, I am pleased to say that as things stand, four of the 20 largest law firms globally have their main base of operations here in the United Kingdom. Indeed, there are more than two hundred foreign law firms based here, from more than forty different jurisdictions.

The government has sought to support and create opportunities internationally for the sector. This has come to the fore as we negotiate Free Trade Agreements and build stronger trading relations with our global partners. Not only are legal services an important part of these discussions in their own right, but, as we all know, legal services underpin global trade and investment. A flourishing legal services sector therefore supports the growth of global trade and investment for the benefit of Welsh firms as well as those across the UK.

However, access to effective commercial dispute resolution is also a cornerstone of global commerce and the availability of cost-effective and reliable services in this field underpins business confidence itself. In the UK, I firmly believe this is one of our strengths and is one of the reasons why UK firms continue to flourish.

This reputation has undeniably benefitted Wales and – as part of the England and Wales jurisdiction – has made it a popular place to do business internationally. The English and Welsh common law is a critical asset to the UK. English and Welsh common law forms the basis of the legal systems for 27% of the world's 320 legal jurisdictions. English and Welsh law is now, and will remain, an indispensable basis of global business long into the future.

As I see it, there are three core features which make English and Welsh law such an essential component in today's international legal landscape and in supporting global trade and investment:

- Firstly, it is flexible and responds to business need.
- Secondly, it is transparent, stable and predictable.
- And finally, it is globally renowned and trusted.

But we must not be complacent and must look to maintain the attractiveness of our jurisdiction. As disputes become ever more complex, and international in nature, we must learn from our colleagues across the globe and through innovation and the sharing of knowledge and experience.

The international reputation of the UK legal services sector rests very much on our continued commitment to improving diversity and inclusion within the profession. If the UK is to remain a global leader in this space, it must ensure that the sector becomes truly diverse at all levels. This is because in order to deliver real justice, we must be representative of the society we as a profession serve.

Opportunity

Global Britain's future – new partners and collaboration

In this climate of challenge and change, we must stand ready to seize every opportunity.

Our United Kingdom is the most successful political and economic union the world has ever seen, the foundation on which all our businesses and citizens are able to thrive. The UK Government is committed to protecting and

promoting its combined strengths, building on hundreds of years of partnership and shared history.

We are working to strengthen the Union, to ensure the institutions of the United Kingdom are used in a way that benefits people in every part of our country, from Aberdeen to Aylesbury, Belfast to Brecon.

The MoJ's Union Strategy will prioritise the promotion of the UK-wide legal sector and legal services in the three jurisdictions – boosting jobs and the economy in Wales as well as England, Scotland and Northern Ireland.

We are acutely aware of the importance of engaging with emerging markets in Africa and the Middle East and have an extensive programme of work here at the Ministry to do so. A large portion of this is concerned with promoting the value of collaborative international working and developing shared opportunity.

For instance, the events organised by our “Legal Services are GREAT” campaign have promoted UK firms, but have also encouraged collaboration between us and our partners. These types of partnerships can be a great boost to the innovation that will underpin the delivery of legal services in the future.

Those in the sector who have chosen to partner with us have derived great benefit from doing so. At the recent UK-Africa Spring Conference, for example, feedback from the 246 delegates showed that this cooperative event enabled them to sell their own services, build networks of contacts in new markets, and enter into partnerships that will be of huge mutual benefit.

I invite you to consider the involvement of your own firms in similar future events, such as a Middle East Virtual Trade Mission which will take place this summer.

Change

Dispute Resolution

Re-defining the nature of dispute resolution will also form an important component of the government's approach to that change. When it comes to resolving disputes, court is rarely the best option, let's be frank about it. Despite this, parties regularly resort to litigation when simpler and faster alternatives such as mediation and conciliation exist.

For too long, these approaches have been viewed as “alternative” dispute resolution, as an add-on or diversion for people seeking to solve a dispute. I want to change this, and to embrace radical ways to get parties to use processes which achieve resolution without having to go to court. I'm very pleased the Master of the Rolls has recognised that these processes should no longer be seen as “alternative” but as integral to our justice system. Let me be clear about that – integral. This approach is something I want to be at the heart of our new response to building confidence in our justice system and in how we rebuild after COVID-19.

The Ministry of Justice is exploring ways to ensure that parties can access the most appropriate methods for resolving their legal problems – supporting them to resolve disputes more efficiently, so that they can get back to business as quickly as possible. We are looking for input from the sector and warmly welcome ideas on how we could make this work, and I invite you to get in touch with my officials at the Ministry of Justice.

Our aim is to deliver a justice system across our three jurisdictions that is more accessible than any other jurisdiction on this planet. Similar initiatives are underway in Scotland and Northern Ireland. I am confident that together we can make the three great jurisdictions of the UK the best place in the world to resolve a dispute.

Thomas Commission

I have focused on the technological and international future of Welsh firms, but I would like to turn to the wider issue of the future of justice in Wales.

The Counsel General's opening address looked at building a consensus for change for justice in Wales. While the UK Government's position differs from the Welsh Government's on the Thomas Commission's overarching recommendation that justice should be devolved, we are aligned in our desire to continue to improve the way justice is delivered in Wales.

Just as the Welsh Government has restarted its work in implementing the Commission's recommendations, the Ministry of Justice has also been examining the Commission's Report to see what can be taken forward to improve justice in Wales – and indeed is already undertaking work in relation to some of the Commission's recommendations.

I look forward to working with the Counsel General and Welsh Government in taking this work forward.

Close

As you will not be surprised to hear me say, the most pressing challenge at the moment is to ensure a strong recovery from COVID-19 and the Ministry of Justice's priority is to recover, to rebuild and to restore the justice system to its rightful place at the heart of our society, supporting our strong economy. This will require change and will depend on our openness to innovation and to cooperation with partners old and partners new.

For my part, I will continue to do everything possible at home and abroad to contribute to our mutual objectives of advancement and prosperity. Thank you.