

For the Attention of the Head of Crime Department

31 March 2006

Dear Practitioner,

### **LSC General Criminal Contract Notice**

I am writing to provide notice of changes to the General Criminal Contract (GCC) from 17 May 2006 and to tell you how the Commission intends to deal with all its General Criminal Contracts from 31 March 2007.

### **Amendments to the General Criminal Contract and Guidance Manuals – in force on 17 May 2006**

Following proposals in a consultation paper published by the Commission in November 2005, we enclose a notice of the amendments to your General Criminal Contract and Guidance Manuals, which come into force on 17 May 2006. Following a formal request for a longer consultation period under clause 11 of the Contract Standard Terms, this is just outside the normal April “window”.

The first page of the notice summarises the amendments, which are set out in the remainder of the notice. A comprehensive summary of the Commission’s response to consultation will be published on the website [www.legalservices.gov.uk](http://www.legalservices.gov.uk). Updated versions of the guidance manuals will also be published on the site. We also enclose a document giving details of new claim and outcome codes. The changes apply to all claims made after 30 April 2006. The amendments will appear in the next updates to the on-line and paper versions of the LSC Manual.

### **The Carter Review**

Outside London the terms of the existing contract provide that it will be automatically extended from 31 March 2007 to 31 March 2008 unless the Commission gives at least a year’s notice that there will be no extension. The Commission has decided not to give such notice.

In London contracts have for some time been subject to a three-month notice period. The contract was due to expire on 30 June 2005, but was extended with no specified end date, subject to the Commission's right to give three months' notice. The Commission does not propose any changes to these contract terms.

However, as you are aware, Lord Carter is currently conducting a review of legal aid purchasing. There is a significant prospect that implementation of Lord Carter's recommendations will begin before April 2008 and that such implementation will follow a notice under clause 20.2 of the Contract Standard Terms. This provides that, following a Direction by the Lord Chancellor, the Commission may give six-months notice of contract termination. Such a termination could take place in a particular region or regions, depending on the way the new procurement arrangements are phased in.

It may be helpful if I explain the background to Lord Carter's proposals. As you will know, last summer, the Lord Chancellor asked Lord Carter to examine how to improve the arrangements for purchasing publicly funded legal services. Lord Carter was asked to produce a plan by early 2006 to implement a package of reforms to the way publicly funded legal advice and representation is procured by the state.

Lord Carter published his interim report "Procurement of Criminal Defence Services: Market-based reform" on 9 February 2006. The report can be found at [www.legalaidprocurementreview.gov.uk](http://www.legalaidprocurementreview.gov.uk) and recommends moving in three phases to a market-based approach to procurement. The Commission has welcomed Lord Carter's recommendations, which build on our existing direction of travel and the thinking in our preferred supplier proposals. We expect that Lord Carter's final report will be published in Spring 2006. The final report will contain more detailed proposals including for civil and family legal aid.

You will find enclosed a document provided by Lord Carter's review team, which gives a high level description of the recommendations in the interim report on criminal legal aid. We do not yet know exactly what Lord Carter will recommend for the delivery of this vision, and Lord Carter's detailed proposals will also have to be agreed by both Ministers and the Commission. We would urge providers to engage with the continuing work of Lord Carter and his team through the Law Society and other representative organisations.

### **Preferred Supplier**

You should also look at the Commission's consultation document on preferred supplier, which sets out how our relationship with suppliers will be changed to underpin the reforms on which Lord Carter is working. A key aim will be for the LSC to conduct its business with you electronically, as far as practicable. This would involve you in ensuring that your casework is managed electronically once reforms are fully implemented. The document can be seen on the Commission's website ([www.legalservices.gov.uk](http://www.legalservices.gov.uk)).

If you wish to discuss the contents of this letter please do not hesitate to contact the Regional Contracting Team responsible for managing your contract.

Yours sincerely,



Derek Hill  
Director, Criminal Defence Service

Encl.