

Crime and Civil Contracts – Significant Changes - 1 July 2004

On Thursday 1 July 2004, following extended consultation, the new General Criminal Contract comes into force. The new contract terms are the old terms with amendments. On the same day, similar amendments to the General Civil Contract (Solicitors) come into force.

The Commission has sent all contractors details of the amendments. Few of them affect the day-to-day performance of Contract Work. As an aid to contractors the table below sets out the most significant amendments.

| Description of Amendment | Clauses |
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| Key Amendments | |
| Emphasis of three key contract terms – standard of services, SQM and payment claiming rules | Foreword |
| LSC and Contractors to work together to achieve best possible value for money | Clause 2.1 |
| Amendments to Specification normally confined to April and October | Clause 11 |
| To enable piloting different methods of contracting, if DCA directs, LSC may terminate all contracts in a specified geographical area, or in specified categories or classes of law, on at least six months notice | Cause 20 |
| Client and Public Interest Amendments | |
| Complete ban on all referral fees for publicly funded work | Clause 12A |
| LSC may disclose information about contractors (not about clients) where it is in the public interest to do so | Clause 13 |
| LSC has right to access information held on IT system for an Official Investigation | Clause 3 |
| Technical Amendments | |
| Technical changes to cover LLPs, incorporated practices and automatic novations for most changes of partnership (but not for changes of more than one third of membership in past 12 months). Provision for annual “constitutional statements” to verify membership | Clause 18 |
| Where there is an intervention or a receiver is appointed with a view to closing a contractor, a list of open and closed cases must be provided, open cases must be promptly transferred and bills for assessment and outstanding claims for payment must be submitted | Clause 16 |

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| LSC has no obligation to pay for work outside the limitation on a certificate even where a court assessment has overlooked the limitation | Clause 16 |
| Where contractor fails to pay a third party without good reason, LSC may pay, and deduct from contractor's payments | Clause 12A |
| Contract ends immediately if there is an intervention by The Law Society | Clause 20 |
| LSC (as well as contractor) may make oral representations on a CRB review | Clause 23 |
| Amendments to Civil Contract only | |
| Basis for the introduction of payment by "average case costs" | Schedule Annex A |
| Contractors must submit court-assessed Licensed (Certificated) Work claims for payment promptly - normally within 1 month of assessment | Clause 12B |
| Amendments to Crime Specification | |
| Removal of some performance standards | Part D Rules 5.1 to 5.5 |
| Specific obligation to notify LSC of very high cost cases | Rule 7.12 |
| Amendments deferred to 1 October 2004 | |
| <i>The amendments below – though shown in the new contract documents - will not come into effect before 1 October 2004 and, in the meantime, further discussions with the representative bodies are underway</i> | |
| Amendments to the Costs Assessment and Appeals procedure | Specifications Rules - Civil 2.14 to 2.18 Crime C1.1 & C10 to C.13 |
| Second technical amendment described above (list of open and closed cases etc) will not apply to interventions before 1 October | Clause 16 |

Any crime contractor that has not received a new General Criminal Contract and any civil contractor that has not received a notice of amendments to the General Civil Contract (Solicitors) should contact the CDS manager or Contract Manager in their Regional Office. Any questions about the amendments should also be raised with them.

All amendments will be included in the first available update to the Commission's Manuals – likely to be December 2004.