

LEGAL SERVICES COMMISSION BOARD

MINUTES OF THE MEETING HELD ON 20 OCTOBER 2010

[Note: These minutes are subject to be reviewed and the information that is exempt from disclosure under the Freedom of Information Act will be deleted and replaced by an explanation of the exemption that applies.]

Present: Sir Bill Callaghan, Chair
Barry Elliott
Professor Carolyn Hamilton
Tom Jones OBE
Julian Lee
Beryl Seaman CBE
Dr David Wolfe
Carolyn Downs, Chief Executive
Andrew Emmett, Finance Director

Attendees: Hugh Barrett, Executive Director for Commissioning
Hazel Parker-Brown, Executive Director for Corporate Services
Helen Riley, Director of Case Management
Ruth Wayte, Director of Legal, Commissioning and Operational Policy
Holly Perry, Head of CEO's Office and Governance
Cate Jolley, Corporate Governance Policy Manager
Hannah Stephenson, Corporate Governance Officer (minutes)

For particular items: LSC10/79 Jane Cosgrove, Director of Integrated Delivery, and Damon Norville, Programme Director
LSC10/80 Karen Triggs, Director of Communications and Marketing

* * *

The minutes of the meeting held on 29 September were approved without any amendments.

* * *

Matters Arising

There were no matters arising.

* * *

Agenda

LSC10/76 Commission feedback session

The Board received an update on the Audit Committee meeting held on 14 October, at which selected directors had been invited to discuss their mid-year assurance statements, based on those whose areas of work were high risk or where controls were not as strong. Commissioners in attendance had welcomed the openness of discussion and had found this useful for their understanding of the main issues and constraints.

Action log number 97, relating to sign-off of the Framework Document, could be closed now that approval had been given by the Legal Aid Minister and Secretary of State **(HS)**.

Completed.

The Commission noted the updates.

LSC10/77A Finance update – Financial stewardship

[Freedom of Information Act 2000 Exemption: s36 – the free and frank exchange of views for the purpose of deliberations]



In hand/ongoing.

The Board was informed that Owen Mapley, currently Director of Finance at HMCS, had been appointed to the LSC as the new Finance Director. Owen would take up the post in December and there would be a significant handover period with the interim Finance Director.

The Board received an update on the PAC actions, 22 out of 26 of which were now complete. Outstanding actions related to overpayments, integrated delivery, fund forecasting, and fraud, all of which were being addressed. The number of contract terminations had increased significantly on the previous year, indicating a more robust approach.

The Board was provided with an assurance that staff were coordinated in their work with providers, particularly within relationship management and provider assurance.

The Commission noted the update.

LSC10/77B Finance update – Management accounts

[Freedom of Information Act 2000 Exemption: s36 – the free and frank exchange of views for the purpose of deliberations]



The Board discussed the issue of overpayments and whether these were due to the complexity of LSC systems or human error. The Finance Director confirmed that although current relationship manager resource was sufficient, if future reductions had to be made this would be a vulnerable area. However the LSC would need to ensure that robust controls were in place before they approached MoJ to ask for additional resource.

The Board was informed that [REDACTED] the accounts were not likely to be laid in Parliament until early December. The Commission would need to sign these off at their meeting on 24 November.

The Commission noted the accounts.

LSC10/78 Judicial review update

[Freedom of Information Act 2000 Exemption: s36 – the free and frank exchange of views for the purpose of deliberations]

Owing to a previously declared conflict of interest due to her role as a family practitioner, Carolyn Hamilton absented herself from the room and did not take part in discussions relating to the decision whether to appeal the outcome of the judicial review, and did not receive copies of circulated or tabled papers.



The decision was announced on 27 October 2010 via a press release on the LSC website. Non-family contracts commenced on 15 November 2010, with the family contracts extended to 30 November 2011.

Carolyn Hamilton re-joined the discussion and the Director of Legal, Commissioning and Operational Policy updated the Board on the meeting held with representative bodies to discuss next steps.




An additional issue discussed at the roundtable meeting was the allocation of new matter starts, which the Legal Director would be further discussing later in the day and would keep the Board informed.



LSC10/79 Update on Integrated Delivery

[Freedom of Information Act 2000 Exemption: s43 – prejudice to commercial interests]

The Executive Director for Corporate Services introduced the paper on the Integrated Delivery Programme. The programme was closely tied to the PAC actions addressing financial control and the need for more integrated systems. The current priority for the programme team was to review the scope and objectives of what was formally Delivery Transformation (DT) 



The following updates were given:

- The Programme Director agreed on the need to deliver a solution that is flexible and focussed on the essential requirements for the business.
- The Programme Director agreed that contingency and testing needed to be built into the programme timescale.



- The Director of Integrated Delivery confirmed that providers would not need to install additional hardware or software, as the solution would be web based.
- The Programme Director agreed on the need to review the scope and priorities of the programme, which had moved on from DT, which essentially addressed headcount savings and how providers interfaced with the business, to a programme addressing financial stewardship, redundancy of old legacy systems, and the move to executive agency status.
- The Board was informed that the rollout of e-forms had been suspended due to the delay in bringing in electronic document management systems, but would not be withdrawn completely until an improved solution had been rolled out.

The IDP team would keep the Board updated on progress against key milestones and the current plan was to produce a revised delivery plan and objectives for review at the January Board meeting **(HPB/JC/DN)**.

The updated business case for the Integrated Delivery Programme is on the agenda for the January board meeting.

The IDP team would include internal audit in project board membership and add a formal project review point for the auditors **(HPB/JC/DN)**.

Geoff Mountjoy will join the project board to represent the audit function and ensure that what was being built was consistent with audit standards and requirements. An audit of the programme will take place after the production of a new set of agreed plans in the New Year.

The Commission noted the approach set out in the paper.

LSC10/80 Communications strategy

[Freedom of Information Act 2000 Exemption: s36 – the free and frank exchange of views for the purpose of deliberations]

The Director of Communications and Marketing informed the Board that a revised version of the posters contained at annexes A and B was now available. These had been simplified but the messages remained the same.

The Board discussed staff resource within the Communications and Marketing Department. Overall staff numbers had reduced and the budget was underspent. Staff reductions were expected to continue in the long term as the LSC moved towards executive agency status, with the exception of recruitment of some temporary resource for the digital project. The Board was informed that the LSC was required to carry out some work on its website as part of a government wide review of departmental websites, with the LSC's website expected to eventually merge into the Justice website and CLA into DirectGov. The Director of Communications and Marketing provided assurance that Welsh needs would be considered as part of this.



Agenda item LSC10/84 refers.



A pre-meeting is scheduled for 18 November and a paper will be circulated on 15 November.

Commissioners would feed comments on the draft Communications Strategy directly to Karen Triggs by email (**Commissioners**).

Ongoing.

The Commission noted the Communications and Marketing Department workplan and organogram and approved the draft strategy and KPI, subject to any comments received out of committee.

LSC10/81 Quarterly HR update

The Board was informed that since the HR update paper had been circulated, voluntary redundancy expressions of interest had increased and more members of staff had now requested a redundancy calculation. The Board was assured that the process was being properly handled with managers being consulted to ensure resource was retained where needed. The LSC might not be able to afford to fund all applications.

Initial comparison of LSC and MoJ pay bands had indicated that LSC salary bands were very competitive. However a more detailed analysis needed to be done.

The Commission noted current progress.

LSC10/82 Key metrics

As the circulated metrics were now out of date, the latest key metrics would be circulated by the end of October (HPB).

The latest key metrics report was circulated to Commissioners by email on 5 November.

The Commission noted the report.

LSC10/83 Comprehensive spending review

[Freedom of Information Act 2000 Exemption: s36 – the free and frank exchange of views for the purpose of deliberations]

The Chief Executive tabled the MoJ press release on the announcement of the Comprehensive Spending Review. The impact on the LSC was that £350m of legal aid fund savings would be required through changes to scope and fee schemes, although the exact level of reductions was not yet known.



The Board noted the update.

Next meeting

The next Commission meeting would take place on 24 November 2010.