

LEGAL SERVICES COMMISSION BOARD

MINUTES OF THE MEETING HELD ON 28 SEPTEMBER 2011

[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
Tom Jones OBE
Julian Lee
Beryl Seaman CBE
Dr David Wolfe
Carolyn Downs, Chief Executive
Owen Mapley, Director of Finance and Corporate Services

Attendees: Ruth Wayte, Director of Legal and Service Development
Helen Riley, Director of Case Management
Cate Jolley, Governance Manager
Hannah Stephenson, Governance Officer (minutes)

Apologies: Hugh Barrett, Director of Legal Aid Commissioning & Contract Management
Holly Perry, Head of Chief Executive's Office

For particular items: LSC11/65 Melena Ward, Central Commissioning
LSC11/66 Matthew Shelley, Service Development Manager (Crime Higher)

Announcements: The Chair formally thanked Carolyn Downs for her work for the Commission since joining as Chief Executive in March 2010, and in particular for providing strong leadership during a challenging period. She would leave the LSC on 5 December.

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The minutes of the meeting held on 27 July 2011

The minutes were approved subject to the following amendment:

LSC11/50 Commission feedback session

Provider Reference Groups

A note would be added to request that more suitable accommodation be found for future Provider Reference Groups (**JS**).

The minutes of the meeting held on 27 July have been updated and the action added to the Commission action log.

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Matters Arising

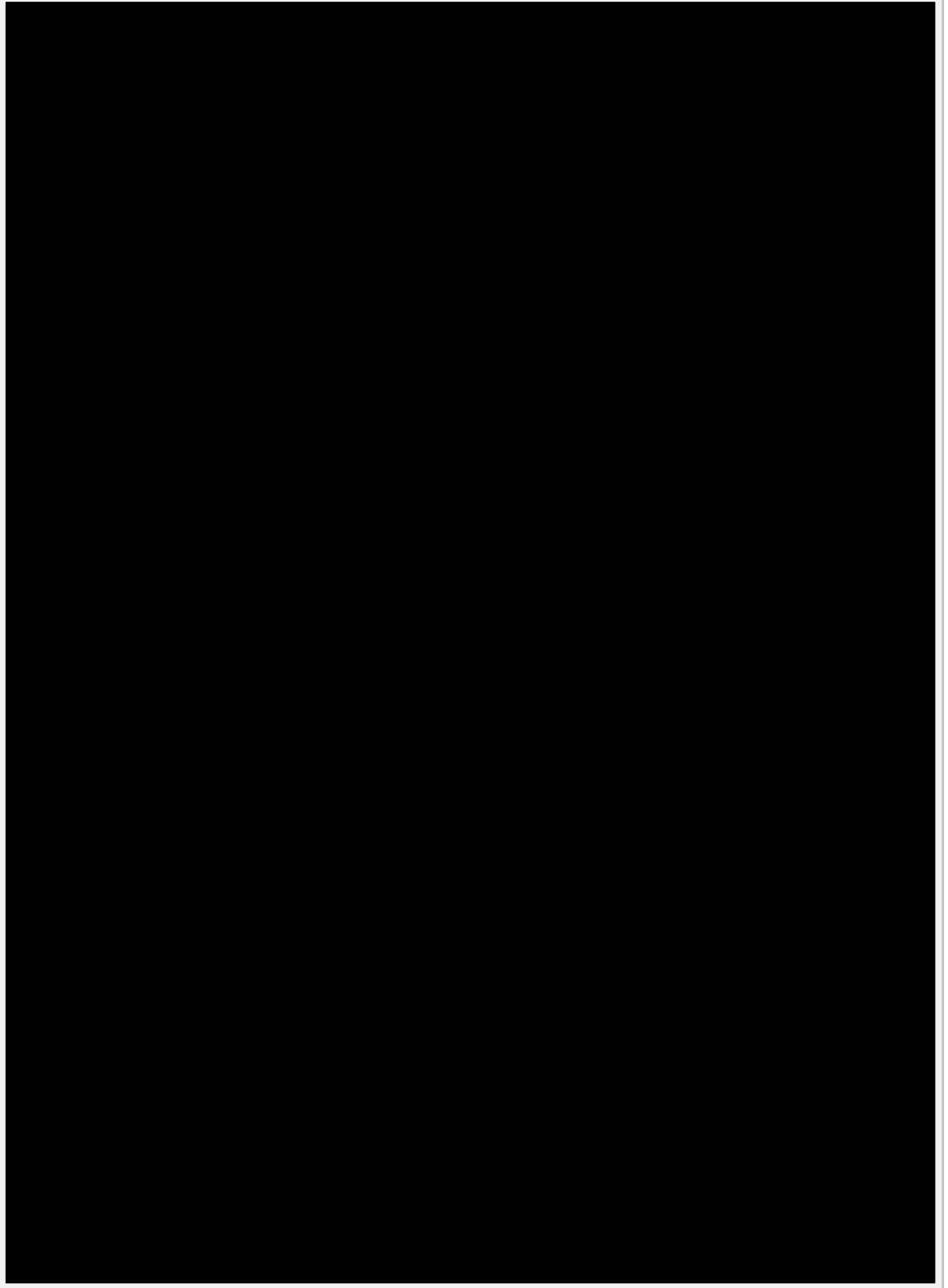
There were no matters arising.

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Agenda

LSC11/64 Strategic analysis of movements in legal aid Fund forecast expenditure

[Freedom of Information Act 2000 Exemption: s36(2)(b)(i) – the free and frank provision of advice]

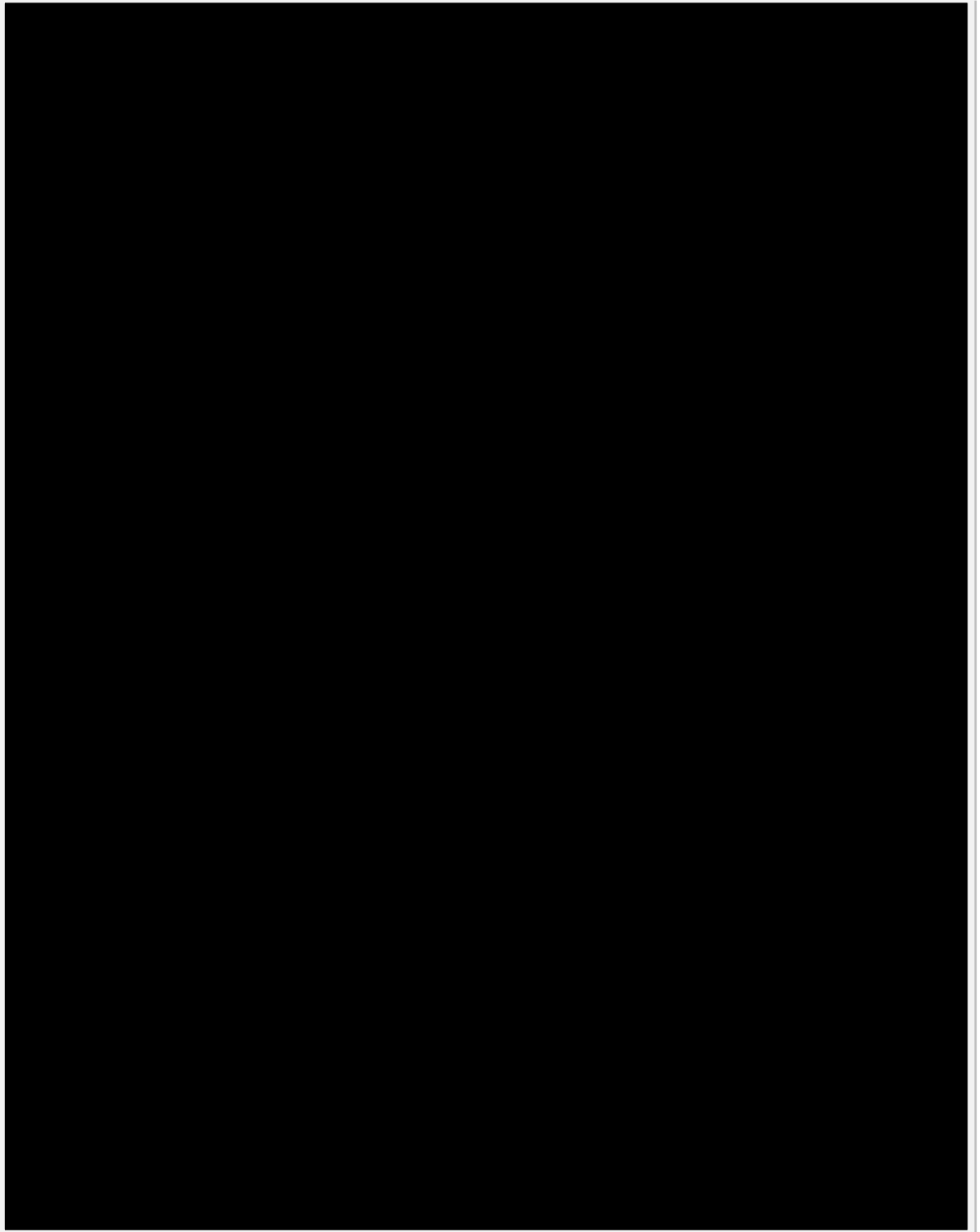


The Commission noted the update, subject to the comments received.

LSC11/65 Commissioning strategy

The paper more accurately represented an 'interim commissioning approach', rather than a commissioning strategy, and had previously been seen by Commissioners at a workshop held on 8 September. The key addition to the latest version was the draft timetable included at part 6.

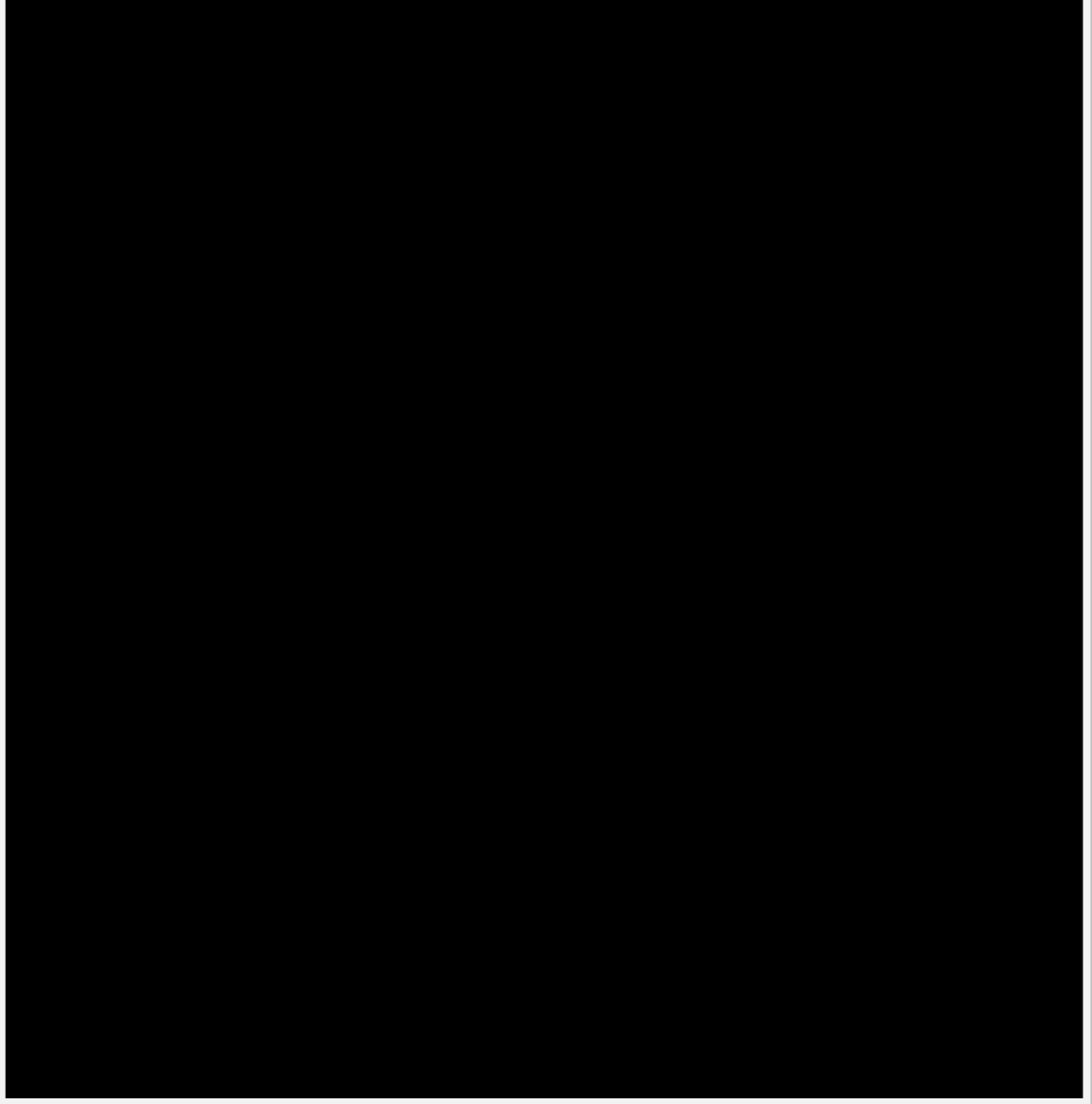
[Freedom of Information Act 2000 Exemption: s36(2)(c) – prejudice to the effective conduct of public affairs]



The Commission noted the report, subject to the comments received.

LSC11/66 Update on MoJ crime competition consultation

[Freedom of Information Act 2000 Exemption: s36(2)(b)(ii) – the free and frank exchange of views for the purpose of deliberations]



The Commission noted the update.

LSC11/67 Annual Accounts 2010/11

The Director of Finance and Corporate Services presented an update on the progress of the 2010/11 Annual Accounts.

On the Administration accounts the LSC were yet to receive final clarity from Her Majesty's Revenue and Customs on the issue of corporation tax liability, and the Finance Team was looking to agree a position on this with the NAO.

The Director of Finance and Corporate Services reported on the extensive work that had been undertaken by the Provider Assurance and Counter Fraud Team and staff in case

management to gather additional evidence of client eligibility. The end result was that the level of Civil Representation error previously reported for the Fund accounts had now decreased to £23.4 million, with an overall error rate of £55 million. Although still subject to NAO agreement, this represented a 30% decrease from the error level reported in last year's accounts. The position on debtors was still being discussed with the NAO.

Post-meeting update: The final Civil Representation error was £18.2 million, with an overall error rate of £50.7 million – a reduction of 34%.

Work on the Accounts was drawing to a conclusion and it was expected that the report would be laid in Parliament on 1 November.

Post-meeting update: The aim is now to lay the Annual Report and Accounts in Parliament on 27 October.

The Chair formally noted the hard work of all staff involved in reducing the error level, the preparation of the accounts and on supporting the audit work.

The Commission noted the update.

LSC11/68 Commission feedback session

The details of the Chair's visit to Sheffield, given in action point 44 (LSC11/26 refers), would be checked **(HS/HP)**.

The action has been amended to reflect the planned visits by the Chair to Wales, Manchester, and South Tyneside.

Members reported on various visits to LSC offices, including a Commissioner visit to the National Records Centre and the Finance Director's shadowing of staff at the Community Legal Advice helpline. In both cases the hard work of staff under challenging circumstances was noted.

The Chief Executive updated Commissioners on two planned governmental visits to LSC offices; the first by members of the MoJ's Departmental Board to Nottingham, and the second a visit by members of the Justice Select Committee to South Tyneside. Both were part of a wider programme of MoJ visits which included an LSC element, and work would be undertaken to ensure that LSC successes were presented.

The Internal Audit report on Audit Committee governance would be presented to the Board for discussion and final approval once agreed by the Audit Committee **(BE/HS)**.

This is on the agenda for the October meeting (LSC11/85 refers).

The paper on lessons learned from the Parliamentary and Health Service Ombudsman maladministration investigation would be considered by the Commission at a later date, as the final report had not yet been received **(CD/HS)**.

This is provisionally on the agenda for the November meeting.

The Legal Director reported that the Law Society had issued a pre-action protocol letter about a potential judicial review of the abolition of fees for committal proceedings.

The Commission noted the updates.

LSC11/69 LSC Finance Report – August 2011

Discussions were taking place with the MoJ over the year to date underspend reported in the current Administration accounts and future pressures the LSC might face.

The Commission noted the August finance report.

LSC11/70 Organisation Design and Spending Review 2010 savings

The Chief Executive had discussed Organisation Design with Beryl Seaman (the Commissioner with specific responsibility for this area) in detail prior to the Board meeting. It had been agreed that the savings to be made through executive agency transition, the Integrated Delivery Programme (IDP), and Legal Aid Reform implementation would be considered under the one heading of Organisation Design.

The proposed organisational structure charts provided for some flexibility for any changes the new Chief Executive may wish to consider.

[Freedom of Information Act 2000 Exemption: s36(2)(c) – prejudice to the effective conduct of public affairs]



Ongoing. An partial update is provided in the HR quarterly report for the October meeting (LSC11/89 refers).

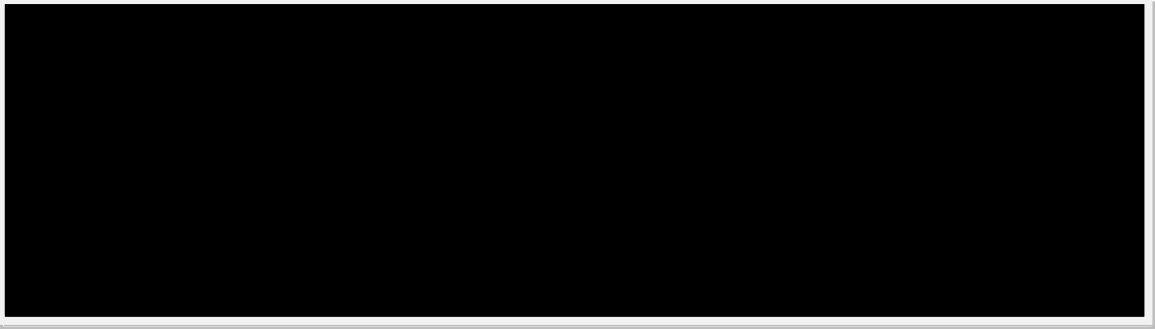
The Commission noted the update.

LSC11/71 Case Management operational delivery performance

The Director of Case Management reported on the steps that had been undertaken to prevent further increases to backlogs, and the measures planned to further reduce processing delays.

[Freedom of Information Act 2000 Exemption: s36(2)(c) – prejudice to the effective conduct of public affairs]





The Director of Case Management would provide an update for the Commission on Case Management operational delivery performance on a quarterly basis, in addition to the statistics provided on a monthly basis **(HR)**.

Operational delivery performance has been added to the agenda plan on a quarterly basis, with the next update due in January.

The Commission noted the update.

LSC11/72 LSC Change Portfolio update including update on implementation risks and dependencies

It was noted that the key milestones chart presented was subject to change due to the continuing lack of clarity from MoJ over the Legal Aid Reform implementation timetable.

The paper further demonstrated the large, complex and inter-dependent nature of the LSC change programme.

The Commission noted the update.

LSC11/73 Integrated Delivery Programme update

The Commission noted that the Director of Finance and Corporate Services was now the Senior Responsible Owner for IDP, owing to the forthcoming departure of the Chief Executive. Commissioners emphasised the need to balance potential savings with risks to delivery, for example by allowing sufficient time for testing.

The Commission noted the update.

LSC11/74 Legislative update on Legal Aid, Sentencing and Punishment of Offenders Bill

The Commission discussed the role of the Director for Legal Aid Casework in the new agency, and how this role would ensure that independent decision making would be maintained on cases. It was reported that the Civil Case Management Team were working to map out the lifecycle of a case in the new agency.

[Freedom of Information Act 2000 Exemption: s36(2)(b)(ii) – the free and frank exchange of views for the purpose of deliberations]



The Commission noted the update.

LSC11/75 LSC Corporate Performance Report

Key Performance Indicator 5 (legal aid processing times and quality measures) was discussed with reference to a previous action to publish performance externally on the LSC website (LSC11/37 refers). The Chief Executive and Director of Case Management had agreed not to publish this information, given that separate communications for providers were planned on processing performance, and that the information currently published was more up to date than that included in the monthly internal performance report.

The Commission noted contents of the report.

LSC11/76 Public Defender Services: Annual review of performance

The paper on Public Defender Service (PDS) performance was withdrawn and a new paper would be submitted to the next Commission meeting, to show more clearly the cost effectiveness of the PDS (**HB/DS**).

This is on the agenda for the October meeting (LSC11/86 refers).

LSC11/77 LSC Staff Pension & Assurance Scheme No.4

The Commission agreed that the Director of Finance and Corporate Services would attend the October Pension Trustees' meeting to formally request that the Schedule of Contributions be changed (**OM**).

Complete. The Director of Finance & Corporate Services agreed with the Chair of Pension Trustees' to amend the Schedule, and will attend the meeting on 15 November to continue close engagement.

Any other business

LSC11/78 Chief Executive recruitment

A meeting of non-executives only was held to discuss Chief Executive recruitment, as per the Board's responsibilities set out in the Terms of Reference.

Next meeting

The next Commission meeting would take place on 26 October 2011.