

The agreement at a glance

What are the key provisions of the agreement with the Law Society, and what do they mean in practice?

The full terms of the agreement and the appendices are available on the LSC website at [CLS > The Unified Contract](#).

No litigation, no termination

In return for the Law Society agreeing to discontinue current litigation and not to bring or support further challenges to the fee schemes, the LSC will not proceed with earlier plans to terminate and will limit future changes to the Unified Contract.

This means...

- stability and certainty

Increase in Rates and Payment

From 1 July 2008, some rates and payments will increase. Legal help and level 2 family lower will rise by 2%. Fees for care level 2 will increase to £405 and there will be a rise of 5% on CLR for certain mental health and asylum cases.

This means...

- increases in income in a number of priority areas

Review of Quality Assurance Mechanisms

There will be a review of quality assurance processes and procedures, including Peer Review.

This means...

- maintaining a quality assurance framework that
 - is objective and fair,
 - is integrated with other systems
 - avoids duplication.
- collaborative working between the LSC and providers



CLACs and CLANs

We have published a list of the Community Legal Advice Centres and Networks to be introduced before April 2010. The Law Society will join the Advisory Board to the research project evaluating the impact of CLACs and CLANs.

This means...

- it is clear in which areas the LSC plans to establish Community Legal Advice services (CLAs) before 1 April 2010
- providers can plan, adapting your practices to future changes

Standard Monthly Payments (SMPs)

We agreed a new method of setting contract payments. In essence, provided the claims to payments balance is within 10% of the total claims over the last 12 months then the SMP will not be changed.

This means...

- fewer amendments to payment levels and therefore a more stable cash flow
- providers will eventually be able to track their own reconciliation activity and performance online

Constructive Engagement

The civil route map is available now (on the LSC website, and the centre pages of this magazine). The criminal route map will follow once we have made a decision on BVT.

This means...

- a period of certainty and stability where changes are gradually introduced
- providers can plan, adapting your practices to future changes

Remainder Work

Providers who terminate their contract on a no-fault basis (or fail to apply for a new one) may continue Remainder Work for up to two years with the client's consent and subject to certain conditions. The detailed rules are set out in a new Remainder Work protocol, which will also apply to the new criminal Unified Contract.

This means...

- certainty to plan workloads
- stability for clients

Contract Compliance Audits

We will set up a working group to improve the operation of our audit processes for the future.

This means...

- more devolved decision making powers for providers
- administrative cost savings
- a move towards greater electronic working
- clearer and simpler audit processes
- collaborative working between the LSC and providers

Family Fee Schemes

The fixed and graduated fee schemes for those elements of family that remain under hourly rates will now not be implemented until April 2010.

This means...

- time to plan financially and to prepare for future changes
- certainty about existing schemes

Historic Unrecouped Payments

The LSC has changed its approach to dealing with payments on account outstanding on "historic" cases: broadly, those where there has been no payment or activity for six years and less than £20,000 has been paid on account. Full details are in the agreement.

This means...

- providers now have a choice – opting either:
 - a) not to make individual case reports, in which case the costs will be assessed at the level of the payments on account; or,
 - b) to submit further claims for costs in some or all these cases in which case claims or reports must be made on each of the cases involved

Consultative Group

We will establish a Civil Contracts Consultative Group to review the fee schemes and other provisions for new contracts in 2010.

This means...

- collaborative working and improved dialogue between the LSC and providers
- provider involvement in reviewing fee schemes