

PROPOSED CARE PROCEEDINGS GRADUATED FEE SCHEME

An overview of costs under the current schemes

September 2006

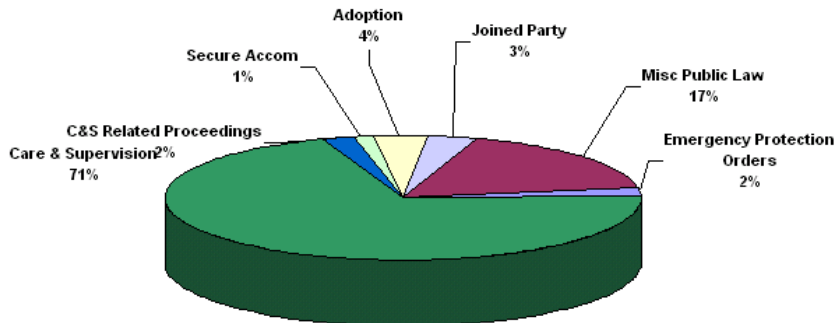
Summary

This presentation is intended to assist in clarifying our current proposals as set out in the consultation document. Your responses should be based on the full consultation document rather than this presentation or any other statement by LSC/DCA.

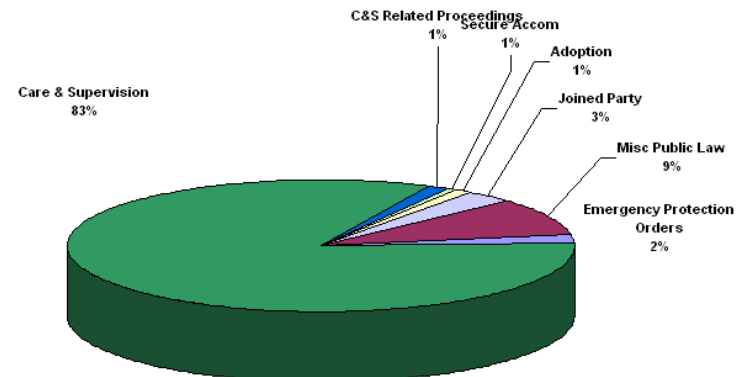
Public Law Children: Volume and Value of work by Proceedings

There were 31,500 Special Children Act and Other Public Law cases billed in 2004/2005, with a total value of £188 million. Care & Supervision Proceedings, including Joined Parties, accounted for 74% of the volume (22,500) and 86% of the value (£161 million). The remaining proceedings represent relatively small areas of both volume and value, with large variations in individual case costs. For these reasons, the proposals relate only to Care & Supervision Cases.

Volume of Civil Representation Public Law Children Cases, 2004/2005

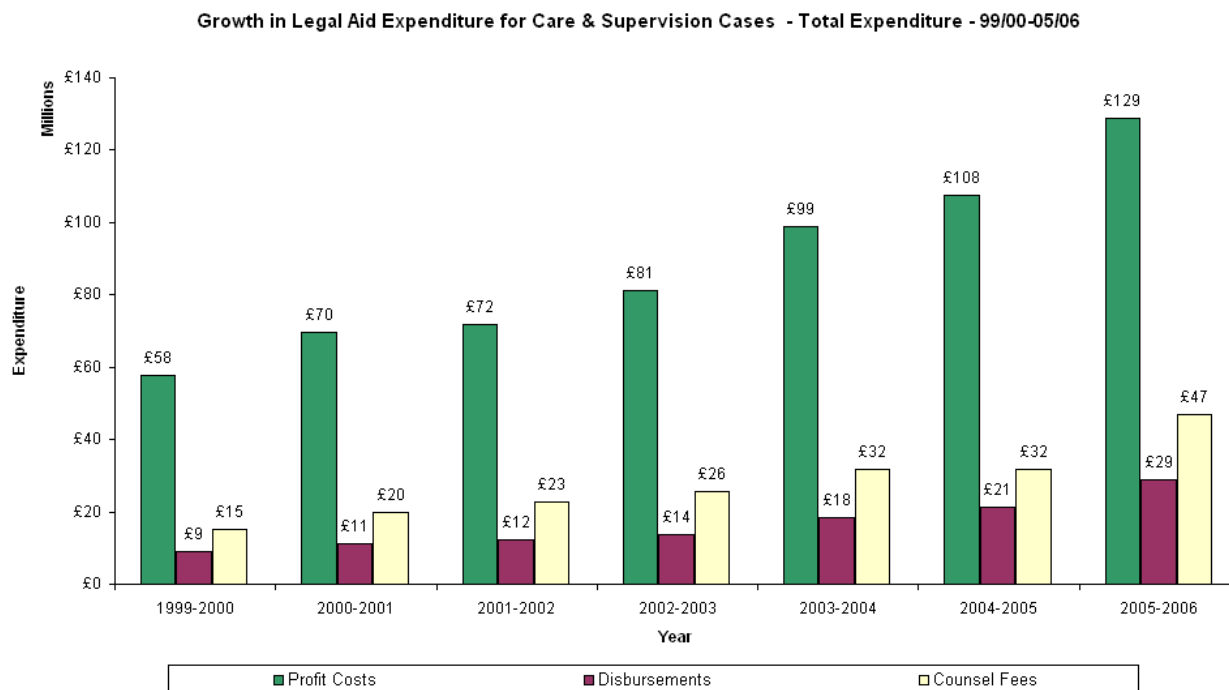


Value of Civil Representation Public Law Children Cases, 2004/2005



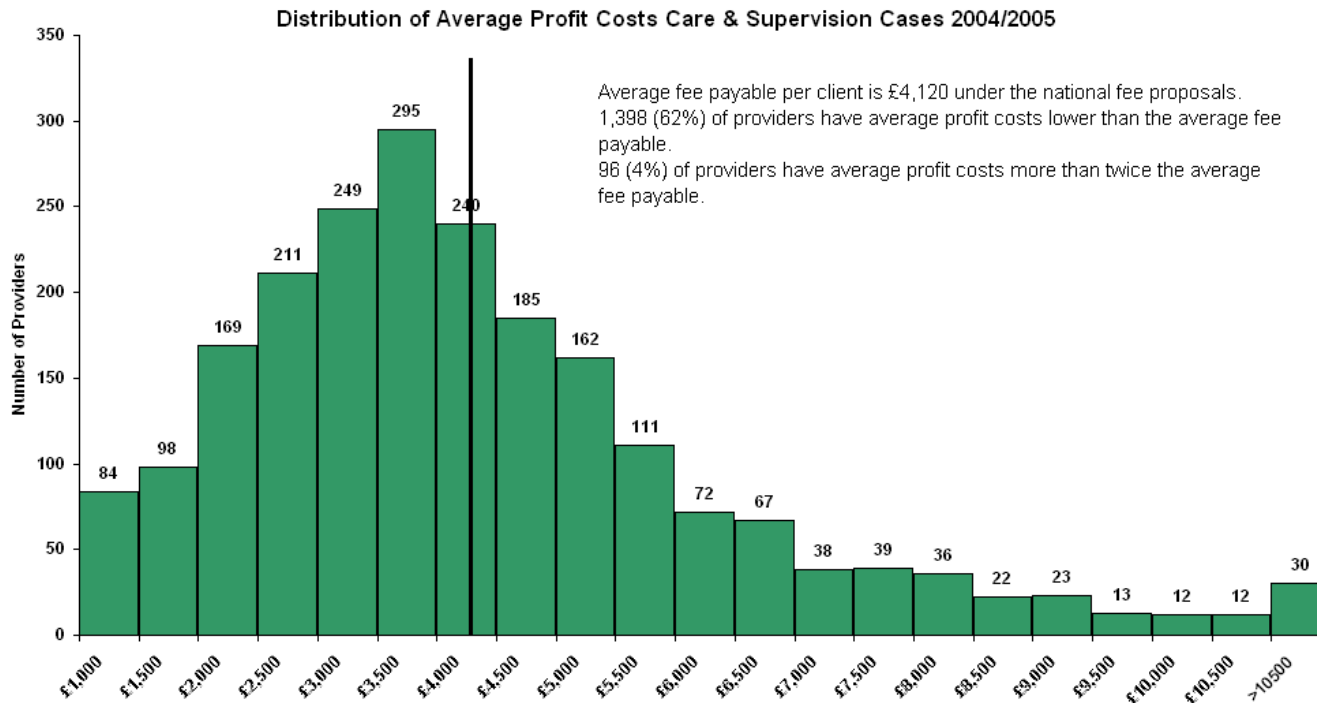
Care & Supervision – Summary of Expenditure

The charts below shows the increase in expenditure on Care & Supervision cases for the financial years 1999 to 2006. There have been significant increases in costs in all three areas, that has outpaced the increase in the volumes of cases. Whilst profit costs have increased by 124% during this period, the number of clients has only increased by 43%.



Distribution of Care & Supervision Average Costs

The chart below shows the distribution of average profit costs by supplier for 2004/2005 certificates. The figures exclude VAT and exceptional cases. The average fee payable under the proposed national scheme is also shown.

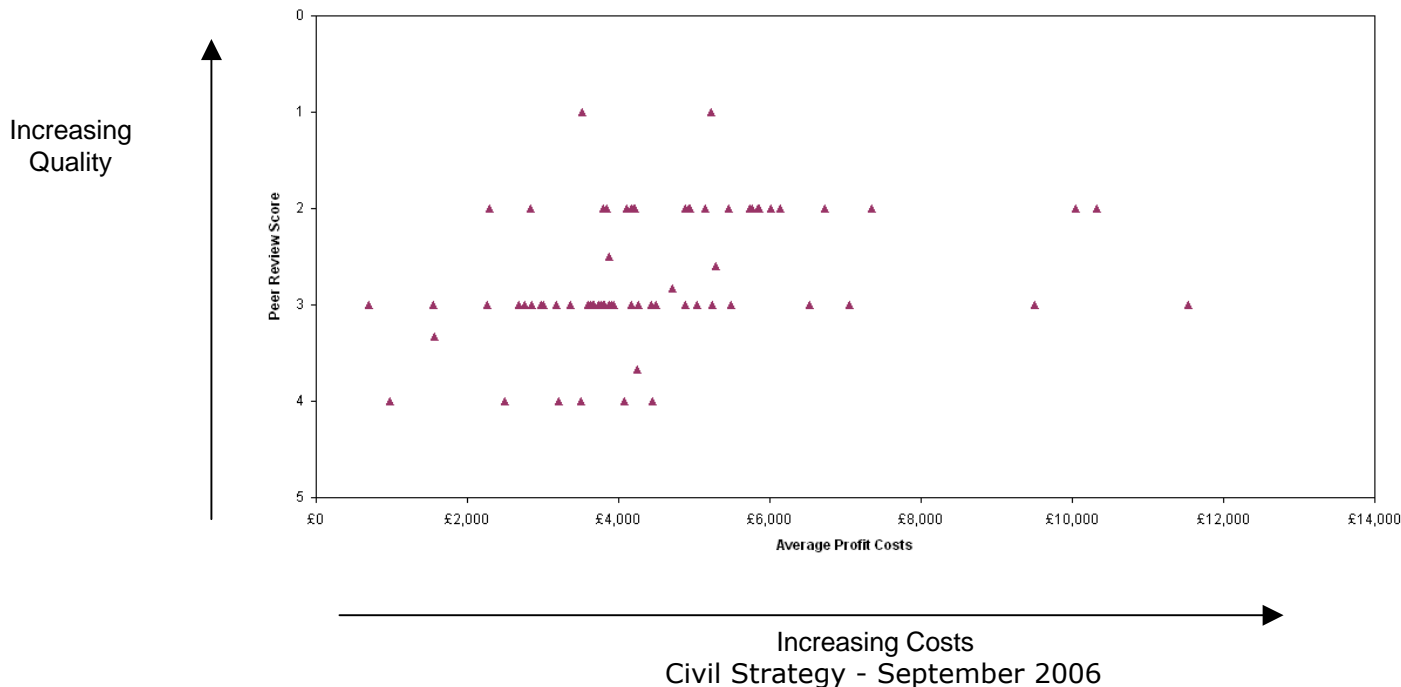


Quality of advice & Cost

Based on available Peer Review scores there is no apparent link between average profit costs and quality (Peer Review score) for Care & Supervision cases. However, we currently have limited numbers of Peer Review scores available in this area, so we must treat this observation cautiously.

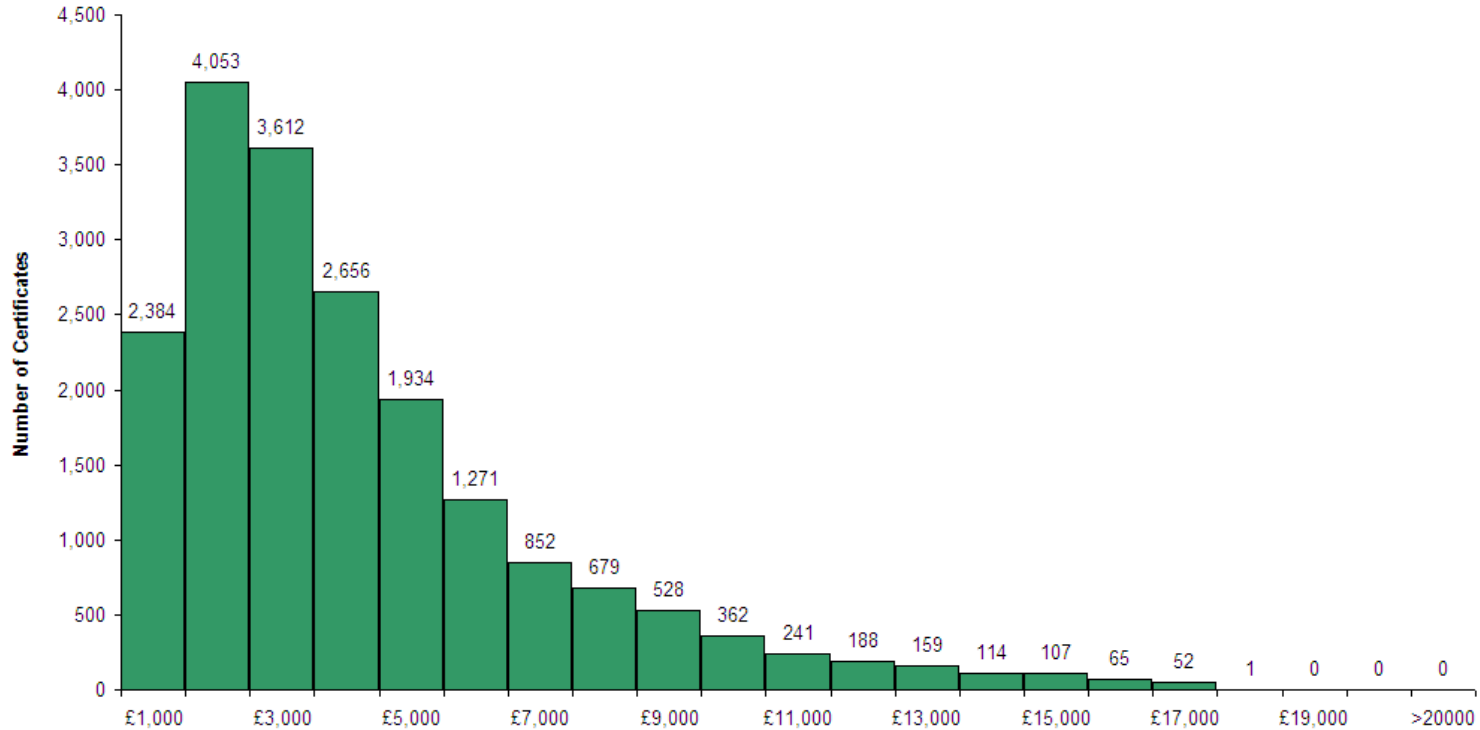
The chart below plots Peer Review scores by average profit costs suppliers. If these two measures were linked, suggesting a link between the quality of advice received and the price we pay for assisting a client, the triangles would be higher up the scale as the costs increased. However, the actual peer review scores, shown by the triangles, do not show any link with the average profit costs.

Comparison of Average Profit Costs & Peer Review Scores for Care & Supervision Cases 2004/2005



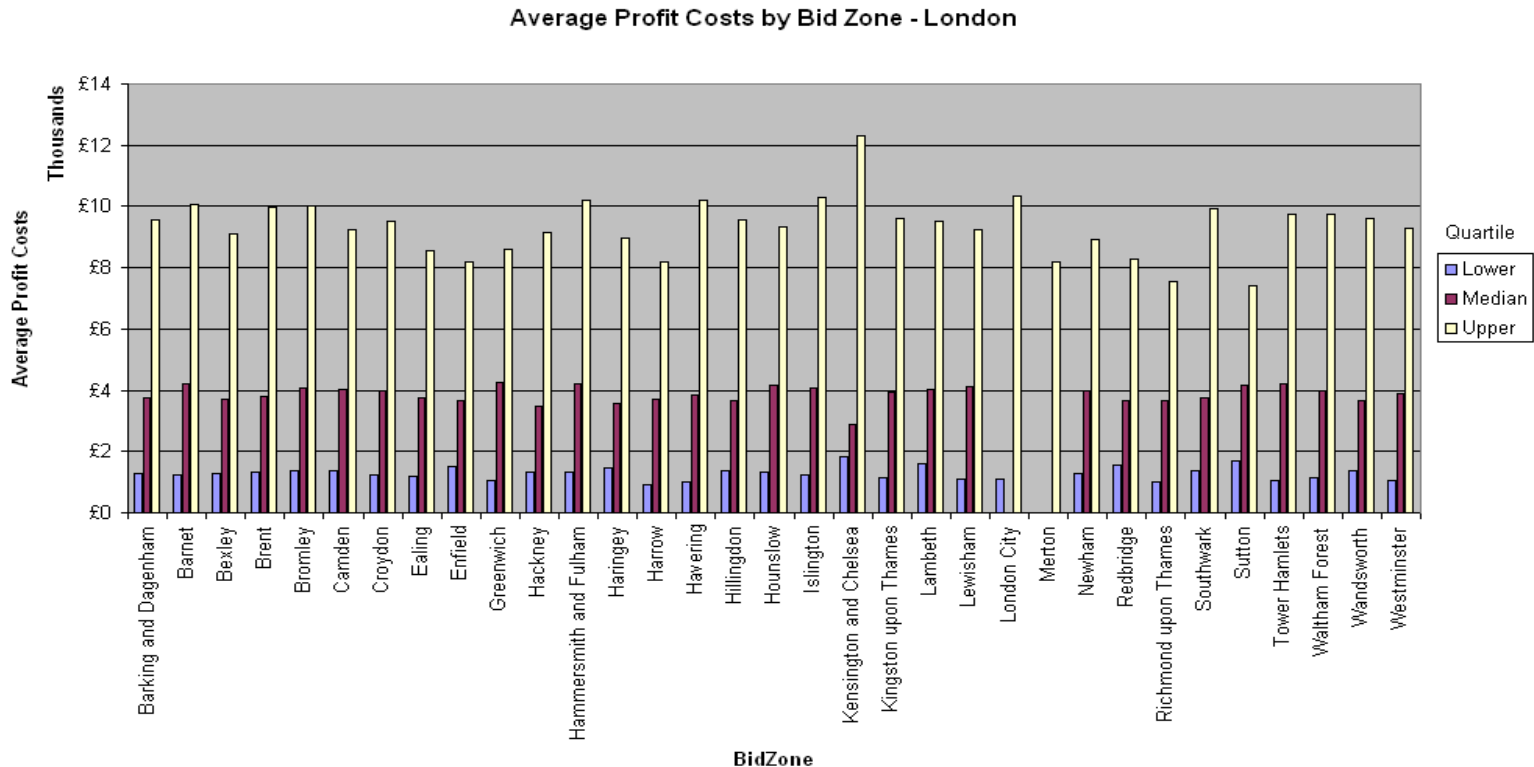
Excluding exceptional cases and VAT:
91% of certificates profit costs under £8000
76% under £5000

Distribution of Profit Costs Care & Supervision Certificates 2004/2005



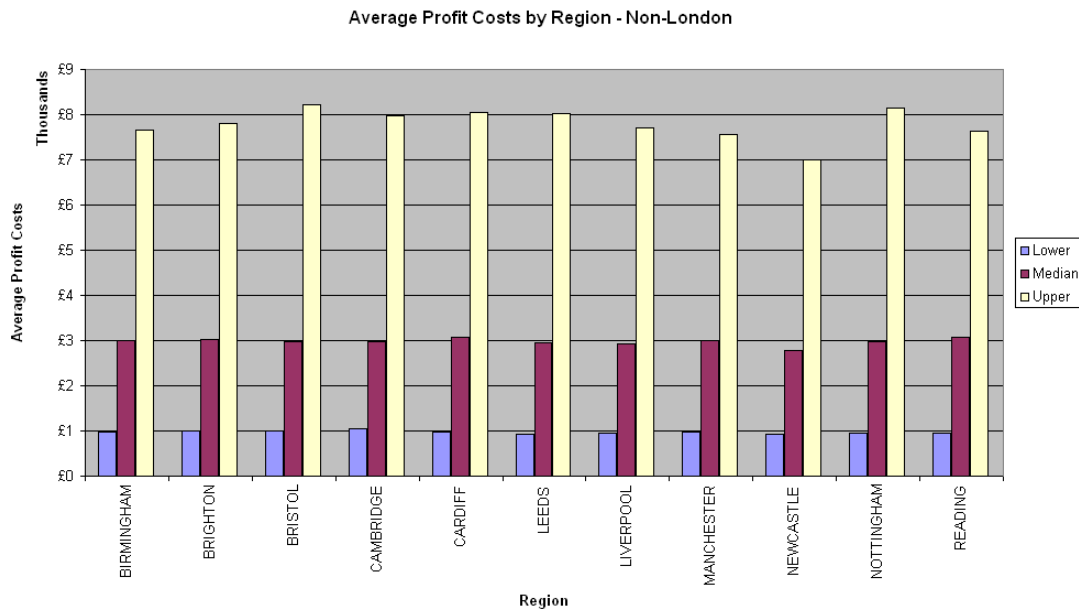
Impact of Location: Bid Zone

The chart below display the average profit costs for public law children certificates, by quartile, against bid zone for London:



While it can be seen that Kensington & Chelsea suppliers have slightly higher than average profit costs, and those for Sutton and Richmond Upon Thames are slightly lower than average, there is very little variation across bid zones.

The chart below display the average profit costs for public law children certificates, by quartile, against region for suppliers outside London:



Again, there is very little variation between average profit costs between regions.