

Police Station Reforms: Boundaries, Fixed Fees and New Working Arrangements

A Consultation Paper



Foreword

Legal aid solicitors and accredited representatives play a vital role in the criminal justice system. Their work in police stations and Magistrates' Courts makes an important contribution to the delivery of justice.


Since April 2001, the Legal Services Commission and the profession have made significant progress towards improving the quality of advice and value for money. The challenge for us now is to work together to build on this success and secure a sustainable legal aid scheme for the future.

This paper develops our response to the consultation "Legal Aid: A Sustainable Future" published in "Legal Aid Reform: the Way Ahead" (November 2006) and makes proposals for building a sustainable CDS which offers enhanced value for money. These proposals include:

- Fixed fees for police station attendances;
- Proposals for the redrawing of boundary areas; and
- Revised working arrangements for the delivery of criminal defence services

Current payment regimes do not provide the right incentive for efficiency and in some cases they may actually reward inefficiency. We believe that the introduction of fixed fees for police station attendances will offer clients and criminal legal aid providers significant benefits. Clients will benefit from a high quality service that is sustainable for the future. Providers will have increased financial certainty and the opportunity to make efficiency savings.

We are committed to improving value for money and creating a sustainable legal aid scheme so that clients have continuing access to the services that they need. We encourage you to let us have your views on the proposals set out in this paper.



Carolyn Regan,
Chief Executive, Legal Services Commission.

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1. Executive Summary

- 1.1 This paper sets out the LSC's proposals for Police Station and Duty Solicitor schemes to pave the way for the introduction of best value tendering on the basis of fixed fees for all categories of criminal work outside very high cost cases. These proposals follow Lord Carter's review of legal aid procurement. These proposals have been subject to extensive consultation and the Government's decisions following this consultation were published in November 2006 in "Legal Aid Reform: The Way Ahead", which can be found on our website (www.legalservices.gov.uk).
- 1.2 The paper puts forward options for the redrawing of boundary areas in which work will be based; for fixed fees for police station work within those boundaries; for changes to eligibility for contracts; and for new working arrangements for the delivery of police station and Magistrates' Courts solicitor work.
- 1.3 The aim of these proposals is to ensure the long-term sustainability of the legal aid provider base and to provide greater certainty about the volume of work available in boundary areas. By rationalising police station schemes and promoting greater efficiencies for providers delivering within them, we will enable providers to begin restructuring and to compete in the market more effectively. This approach will also help to control expenditure in police station attendance cases in advance of price competition, which is essential if we are to deliver services within our budget and avoid reductions elsewhere in legal aid.

The Introduction of Fixed Fees

- 1.4 Fixed fees will be introduced for legal aid work in the Police Station from October 2007, helping the market to prepare and re-structure in advance of the roll out of best value tendering for quality assured services from October 2008. The proposed levels of fixed fees are contained within this paper for consultation. They will cover all work undertaken on cases, including travel and waiting, although disbursements will continue to be paid separately. This will:
 - Improve value for money for the taxpayer by reducing the amount of money spent on unproductive time such as travelling;
 - Help maintain control of average case costs;
 - Improve both certainty of expenditure for the LSC and certainty of income for providers; and
 - Allow providers an increased opportunity identify innovative and efficient ways of working.
- 1.5 In all police station work, there will be variations in the time spent on individual cases. Providers will, in the main, be able to deal with this variability by taking advantage of the "swings and roundabouts" effect. It is accepted, however, that some exceptional cases cannot reasonably be covered by the fixed fee system. These most expensive cases will therefore be remunerated through hourly rates, subject to assessment. A full proposal and options for this escape mechanism are included in this paper. The new fees are based on local areas rather than

the wider CJS areas proposed by Lord Carter; that will ensure that fees are more sensitive to local factors such as travelling time, mix of cases and local practices.

New Boundary Areas

1.6 The paper proposes new boundary areas which will replace the existing “schemes”. The new boundary areas (**Annex G**) have been redrawn by amalgamating existing schemes which are already familiar to providers. In practice there is little change outside the main urban areas; but in those urban areas we have in many places proposed an increase in the size of boundary areas. The new boundary areas will be the units within which best value tendering will take place. We would therefore welcome views on whether these areas will be a practicable basis for competition, and provide the profession with opportunity to grow their businesses by encouraging efficiencies and economies of scale. By introducing fixed fees and boundary areas in October, we intend to:

- Give providers the opportunity to increase their efficiency by rationalising their operational base;
- Familiarise providers with the area in which price competition will take place; and
- Enable some immediate reduction in cost based on efficiencies already available.

New Working Arrangements

1.7 We also propose a series of new working arrangements to enable providers to work efficiently under fixed fees. There are three key elements to these proposals:

- The introduction of a minimum contract threshold in some, or all, areas;
- New arrangements for access to work within a boundary area; and
- Changes to slot allocation for Police Station and Magistrates’ Court work.

1.8 In addition, we are consulting on proposals for transitional arrangements for niche providers such as those who offer specialist services to certain client groups, for example union members. We have also devised proposals to allow entry into the market alongside the new rules on working arrangements and access to work.

Minimum Contract Thresholds

1.9 We are consulting on the question of a minimum contract threshold for police station work under the fixed fee system. This would mean that the volume of police station and Magistrates’ Court work undertaken by a provider in a boundary area must exceed a set amount for the provider to be eligible for a contract in that area.

- 1.10 Any minimum threshold would be variable, allowing for the introduction of thresholds at the level most appropriate to conditions within a boundary area. In areas where there are low volumes of business, a low threshold, or no threshold at all, would be proposed to ensure continued supply and effective competition in the longer term. In the majority of areas, £50,000 of crime lower work (less than one fee earner) might be an appropriate threshold. In larger, more competitive areas, allowing providers to take advantage of the potential efficiencies offered by higher volumes of work, may indicate that higher thresholds would be desirable and again lead to more efficient supply in the short term and effective competition in the longer run. However, final decisions must balance the need for competition, the development of a quality service and value for money, access and the need to ensure diversity amongst providers.
- 1.11 Minimum contract thresholds would need to be related to market conditions. Therefore, this consultation process, which for the first time begins to define the local markets within which we must procure services, will provide more information, at national and local level, on which the LSC can base final decisions.

Access to Work

- 1.12 The proposals on how providers access work within the new boundary areas are key to the overall effectiveness of the reforms. We are seeking views on the proposal to limit the amount of publicly funded work a provider can do outside of the boundary area in which they hold a contract. We believe this will lead to efficiency gains on the part of providers by concentrating work in local police stations and magistrates' courts. At present providers are limited in the locations that they may provide duty work by the geographical rules which govern scheme membership. The rules on own client work are different however and, within reason, firms are able to assist clients who are some distance away.
- 1.13 The proposals make allowance for the fact that providers will sometimes wish to represent "own clients" at Police Stations outside the provider's boundary area. This maintains client choice. How exactly this will be structured is a matter on which we are consulting. We are also proposing the same geographical restrictions on Magistrates' Court own client attendances. However, where a case was commenced at a police station within a provider's contractual area and was then transferred out of the area for a Magistrates' Court hearing, this would not contribute towards the allowance.

Allocation of Slots

- 1.14 Provider views are also sought on proposed changes to slot allocation rules. In October 2007 we propose to use historic case volumes to secure slots within a boundary area for those providers holding contracts within that boundary. We suggest that the assessment period for this allocation should be based on the final quarter of the financial year 2005/06 and the first three-quarters of 2006/07, January 2006 to January 2007.

2. Introduction and Background

- 2.1 Following the publication of 'A fairer deal for legal aid' in July 2005 Lord Carter was asked to undertake a review of legal aid procurement. This review completed and published its final report in July 2006 entitled 'Legal Aid: A market based approach to reform'. This was subject to a full consultation¹ issued alongside the report, following which, the LSC and the DCA published the consultation response 'Legal Aid Reform: The Way Ahead' in November 2006.
- 2.2 The Way Ahead laid out the reform programme that the LSC and DCA would be taking forward in respect of Criminal and civil legal aid. This paper addresses the police station proposals originally recommended by the Carter report and expanded upon in 'Legal Aid Reform: The Way Ahead', seeking provider input on these proposals.
- 2.3 This consultation paper relates to three main areas. In the first section, the paper briefly outlines the basis for the introduction of fixed fees, and proposes the levels of those fees for consultation purposes (Annex A). The second section of the paper outlines options for the redrawing of current boundary (scheme) areas, with redrawn boundaries. The drive times between provider offices and police stations for those boundaries, shown in both map and table form are published on the LSC website. The third section of the paper outlines proposals for new working arrangements for access to, and the delivery of, work within the new boundary areas. A draft Regulatory Impact Assessment (RIA) for the proposals will be published. A full and final RIA will be published in the light of the decisions taken following this consultation.
- 2.4 We are consulting on these proposals for eight weeks. These proposals are about the detailed implementation of policy options already fully consulted upon and decisions already announced in "The Way Ahead". The LSC has been engaged with stakeholders on both an informal and formal basis to gain as much practitioner input as possible into these proposals; we will continue that process.

What Are We Trying to Achieve?

- 2.5 The Way Ahead set out the Government's decisions on the reform of publicly funded legal services. Costs have increased beyond the rate of inflation and available resources. Therefore, if we are to secure a sustainable future for legal aid, reform must be put in place now. These proposals are designed to transform the way in which criminal defence services are procured and delivered, in ways that will enable efficient providers to prosper, give guaranteed quality to clients, and safeguard the provision of civil and family legal aid services, again in the interest of clients.
- 2.6 The LSC will be introducing fixed fees in October 2007 to pave the way for best value tendering (BVT). This will help control police station expenditure and allow providers to understand the price of the police station service in advance of BVT. This will help providers to construct fair and informed bids when BVT is introduced from October 2008.

¹ Legal Aid: A sustainable future July 2006.

- 2.7 Alongside the proposed level of fixed fees, the additional proposals featured within this paper are primarily designed to support this new system of remuneration. Again, this will help contribute towards shaping the market in advance of competition.

3. Fixed Fees

- 3.1 In October 2007 we will move to paying for police station and related attendances on a fixed fee basis (the full background to this decision can be found in Legal Aid: The Way Ahead). Moving to a system of fixed fees will give providers greater scope to benefit from efficiency savings as the fixed fee will be paid regardless of the amount of time spent on a case, except where that case falls within the escape mechanism (para 3.12 below).
- 3.2 Fixed fee regimes work best where average case costs are relatively stable, the actual case costs of the majority of cases are broadly similar and providers are undertaking a broad mix of cases. While no two police station attendance cases will be exactly the same the relatively narrow spread of average case costs within police station duty solicitor schemes - with around 90% of cases costing no more than £400 – is an indicator that police station attendance cases are well suited to the introduction of fixed fees.

The Proposals

- 3.3 This paper sets out the proposed fees for police station attendances. **All fees featured are inclusive of VAT.** There are two sets of fees included in **Annexes A-C** for consultation. These are fees based on the proposed new schemes, with two levels taking account of the options to pay escape cases. To assist providers in consultation we also publish in **Annexes D and E** fees based on existing schemes, with two levels taking account of the options to pay escape cases. The Carter proposed CJS area fees are also published at **Annex F**.
- 3.4 These fees will cover police station attendance cases where a solicitor or accredited representative attends a client in the police station as defined in the General Criminal Contract. This includes any other place where a constable (a police officer, a British Transport Police officer, an officer of HM Customs and Excise and any other official with a power of arrest) is present and, except where expressly excluded, any place where a services person is assisting with an investigation by services police.

Standby Payments

- 3.5 We propose to abolish standby payments; the consequent savings will be redistributed across the fees. This would be done proportionately based on crime lower spend in each CJS area. In 2005/06 the LSC spent just over £9m on standby payments; this has been factored in to the fees shown in **Annexes A – E**.

Method of Calculation

- 3.6 The fees are different in each proposed new boundary area and are based on the historic average cost of cases arising from each particular scheme during the financial year 2005/6. For comparative purposes we have also shown the fee based on the CJS area that Lord Carter proposed (see **Annex F**).
- 3.7 Fixed fees are cost-neutral in most areas; that is the amount paid for 100 cases will be the same as paid on average for 100 cases in the past. However, in more

concentrated, urban areas, there are greater opportunities for savings from efficiency and greater security of supply of services than in rural areas. We propose, therefore, given that we are required to save £8m per annum, that 40% of this figure is taken out of London and the remaining 60% taken from the other urban areas as defined for the purposes of Magistrates' Court fees.

- 3.8 The fees cover all remuneration for the work done on the case, including time spent advising the client, travelling to and from the police station, waiting, letters and telephone calls for the initial and any subsequent visits to the police station.
- 3.9 There are two types of disbursement paid under the General Criminal Contract: disbursements for professional services – such as an interpreter, and disbursements for other costs such as train tickets. Under the proposals disbursements for professional services would, as now, be paid separately, as will disbursements such as travel costs.
- 3.10 Providers with a below average historic case cost will benefit immediately from the introduction of fixed fees. Where they can improve on their efficiency they will be able to benefit further. We believe that efficient providers will absorb the reduction in average case costs by, for example, concentrating their work on closer police station schemes and reducing the time they spend travelling – to the benefit of the client - to improve profitability. These proposals are designed to drive such behaviour.
- 3.11 The fixed fee per case will work on a swings and roundabouts principle – some cases will take less time to complete and some more. Over a period of time the work done and the fees paid should balance out. The most expensive cases would be paid wholly or in part at hourly rates (see below).

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| Q1 Do you agree with the fee rates set out in annexes A-C? Of the options, which do you prefer and why? |
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An Escape Mechanism for the Most Expensive Cases

- 3.12 There is clearly a point at which it is not possible to expect a case to be taken on a “swings and roundabouts” basis. However, providers generally undertaking larger volumes of these cases are able to reduce the risk of undertaking a caseload with a disproportionate number of ‘winners’ and ‘losers’. We will introduce a mechanism that allows the most expensive cases to be remunerated on an exceptional basis. This would protect providers against the risk of attracting an unusually high cost case and incurring disproportionate cost; and protect the client against a reduction in quality that might follow from providers being required to do particularly time-consuming cases at a fixed fee regardless of duration. Under these proposals the most expensive cases would either be paid under:
- A system of hourly rates above a certain threshold, receiving the fixed fee for work below that threshold, or;
 - Once the threshold is crossed all work on a case would be paid at hourly rates.

- 3.13 In either case the escape mechanism would need to be set close enough to the fixed fee to reduce the risk to providers of picking up an unusually expensive case but far enough away from the fixed fee to make it clear on audit if costs were being inappropriately raised to reach it. We believe an escape mechanism set at a level where actual costs are three times the price of the fixed fee meets this aim.
- 3.14 Each of the resultant fees is shown in **annexes A, B, C, D and E**. **Annex A** shows fees for combined schemes where there has been no reductions made. **Annex B** shows fees for combined schemes where a reduction has been made. **Annex C** shows fees for combined London schemes where a reduction has been made. **Annex D** shows fees for existing schemes where a no reduction has been made. **Annex E** shows fees for existing schemes where a reduction has been made. For comparative purposes, **Annex F** shows the proposed Carter CJS area fees.
- 3.15 Please refer to paragraph 3.7 for the values of the reductions applied.

Option One

- 3.16 In the first option, providers will be paid the fixed fee up to the threshold level, and then receive an hourly rate beyond that threshold. A worked example of a case is shown below.
- a. Fixed fee for area - £200
 - b. Threshold - £600
 - c. Total value of work done on an hourly basis - £1000
 - d. Total costs beyond threshold - £400
 - e. Remuneration to provider = £600 (fixed fee plus costs beyond threshold)
- 3.17 This option has the advantage of giving no incentive to a provider to extend a case beyond the threshold; there is still a strong incentive to minimise time spent on the case. The disadvantage is that cases at and around the threshold will receive a very large reduction against current payment. However the longer the case the smaller this reduction.

Option Two

- 3.18 The second option is that escape cases should be paid as claimed, meaning that remuneration is for the total costs of the case, subject to assessment. In the example above, a provider would be paid £1000 for the case. This would mean that cases which crossed the threshold would be paid at a higher level. However, the additional cost would need a reduction in other fees to accommodate this additional cost. This is reflected in the **Annexes A – E**.
- 3.19 Lord Carter originally proposed that time spent travelling and waiting should not contribute to the hours worked for the purposes of calculating the escape mechanism. However, while we recognise that part of the rationale behind fixed

fees is to promote efficiency gains in travel and waiting, not allowing travel in particular to contribute towards reaching the escape will have a disproportionate impact on rural providers.

- 3.20 Therefore, in both options, we propose that travel and waiting, as well as profit costs, will contribute to bringing a claim up to the threshold. However, these will be subject to assessment based upon reasonableness. For example, where a provider takes an own client out of area case, which then proceeds to escape, if the travel and waiting costs are higher than they would have been had a provider from that boundary area conducted the case, these claims would be disallowed. The potential effect of this would be to bring a case back within the fixed fee. Providers will be expected to submit all escape case files for assessment.

Q2 Do you agree with the proposed threshold of three times the fixed fee? If not, please explain why

Q3 Which option for payment of cases above the threshold do you prefer, bearing in mind the overall impact on fees?

Duty Solicitor and Own Solicitor Rates Harmonised

- 3.21 Under the GCC there are different hourly rates for cases conducted by the duty solicitor and cases conducted by a client's own solicitor. There is also an uplift for duty solicitor work in unsocial hours. A further complication is that cases (and remuneration rates) change from duty solicitor to own solicitor if a subsequent visit is required to the police station after the first continuous period of custody. Such complex fee structures cause excessive and unnecessary costs for both providers and the LSC to administer and therefore simpler structures are essential to reduce wasted transaction costs.
- 3.22 In the proposed scheme for fixed fees there would be one price per case, regardless of whether the work was done by a duty solicitor or the client's own solicitor. In addition there would be no enhanced rate for serious offences attended by a duty solicitor, and no enhanced rate for unsocial hours.

Reporting

- 3.23 It is important to the Commission and to providers to reduce the cost of recording and reporting these cases. We will require some details of each case claimed under fixed fees in order to authorise the payment. However views are sought on whether we should still require providers to report on time spent on fixed fee cases between October 2007 and the introduction of best value tendering. We believe that providers would still wish to record this information for their own management purposes. In a fixed fee environment, full reporting would allow us to continue to monitor the sensitivity of the fixed fee in the run up to competition. It would also provide us with information on waiting times by police station, allowing us to identify and evidence problems that we can then work with CJS partners to address. However, we welcome provider views as to whether this proposal should be introduced.

Auditing

- 3.24 The cases that trigger the escape mechanism for a particular scheme will be called for audit.

Payments

- 3.25 Payments will continue to be made on a standard monthly payment basis, based on historic volumes to determine the number of fixed fees a provider is likely to bill in a given period. Escape cases may be paid either as part of the SMP or on an ad hoc basis. A final decision on this point will be made following consultation and we welcome provider views as to what system would best allow them to run their businesses efficiently.

Claiming

- 3.26 When claiming for fixed fee cases providers will be required to submit monthly CDS 6 claim forms. Where a case is being billed under the escape provisions providers should use the CDS 7 form to bill for their work.

Claim Codes

- 3.27 Existing claim codes are subject to change as of April 2007 and are outside the scope of this consultation paper. However, the new codes for investigations claims are attached at **Annex I** for information.

4. Boundary Areas

The Current System

- 4.1 "Boundary areas" are the geographical areas in which providers will service a given number of Police Stations and Magistrates' Courts, either through duty rotas, panels or as own clients. These areas are commonly referred to as 'schemes'. The current schemes are used to determine duty rotas and panel coverage, with providers applying to join schemes. Rules on entry currently vary by region, but these are usually based on a provider's ability to access the client within a specified timeframe. There are currently 312 schemes nationally; these proposals would reduce that number to 196.
- 4.2 In terms of duty work, providers can currently work across a number of schemes and have slots on the rotas or panels that serve Police Stations and Magistrates Courts. In respect of own client work, there is currently no limitation on where a provider can deliver work, and can attend on an own client anywhere in the country. The schemes have generally been used to distribute work 'fairly' between all providers wishing to deliver services within the area; they have not been structured in a way to enable the Commission to ensure that they achieve the best possible value for money in procuring services. The Commission has a statutory duty to achieve value for money, and these changes will enable the Commission to do so.

The Proposals

- 4.3 Carter recommended that the LSC introduce new boundary areas to facilitate competition, by offering more substantial volumes within schemes and where possible grouping police stations together to offer providers greater efficiencies in terms of reducing travel time. The LSC plans to begin rolling out best value competition from October 2008; however there are a number of justifications for and benefits in introducing revised boundary areas in advance of competition.
- 4.4 By giving providers at least 12 months between the introduction of new boundary areas and competition, they will be in a better position to develop an understanding of the new schemes, and their real costs in delivering work within those schemes including efficiency gains which are available, allowing providers to establish their best price coming into the competitive market.
- 4.5 Another significant consideration is the appropriateness of fixed fees. Carter originally recommended that the LSC introduce fixed fees based on Criminal Justice System areas, generally based on police force boundaries. However in the light of the consultation on Lord Carter's proposals the LSC takes the view that these areas are too large. An average fee for such a large area would not accurately reflect the reality of delivering work within the variety of individual schemes with their varying characteristics (travel time, police practice and mix of business). In redrawing the boundary areas the LSC proposes to introduce scheme-based fees that draw in sufficient volumes of work to prevent anomalously low or high fixed fees, (low volumes can skew the average), whilst remaining sensitive to the practical reality of delivering work.

4.6 The LSC seeks provider views on the proposed revised boundary areas, scheduled for introduction from October 2007.

Construction of Boundary Areas

4.7 The Carter review outlined the principles by which the Legal Services Commission should design boundary areas. The three principles were:

- To develop larger areas of work where appropriate;
- To seek a combination of minimum drive times between existing providers and police stations and a grouping of existing duty police station schemes, as well as travel to courts;
- To ensure new working areas allow performance standards to continue to be met for client access and convenience

4.8 In the light of these principles, the LSC has developed criteria for the construction of new boundary areas. First, larger schemes should be based upon the amalgamation of existing schemes rather than drawing up wholly new boundaries, in order to minimise the impact for providers. This is also an advantage to the LSC in its own administration. Second a balance should be struck between giving providers the opportunity to gain maximum efficiencies in the redrawn schemes, and drawing boundaries that are too large geographically to maintain service levels economically (a particular consideration in respect of rural areas). Where there are no efficiency gains to be made in redrawing schemes, and the existing schemes accord with the principles below, the LSC has left schemes as they are.

4.9 These criteria led to the development of the following guiding principles that have been applied in the construction of the new boundary areas:

Principles:

- Existing schemes will form the basis of new boundary areas to ensure straightforward construction and minimum impact on providers at the time of introduction.
- Schemes will be considered too small where there are fewer than 6 providers in the area. That ensures sufficient providers to handle conflicts of interest and to ensure a robust scheme, and a level of competition. Schemes will also be considered too small where the total annual value of the scheme is less than £300k for police station work; that will ensure that there are sufficient volumes to make the area attractive to providers. This principle may not be followed where a scheme covers a large geographic area but nevertheless contains a very small volume of work.
- In London we will seek to combine schemes based on geographical proximity, effectively adding 3 or 4 existing schemes together. An option based on HMCS groupings is also included in the annex. This will happen even though existing schemes may be larger than the national minimum scheme value of £300k. London is being treated differently as the historic

rules allow providers to join multiple schemes, and claim evidence suggests providers are able to service a number of schemes. This has led to particular systemic inefficiency in the delivery of these services in London where 26% of case costs are spent on travel and waiting as opposed to 18% nationally. The various options for London have been included so providers can make an informed judgement as to what boundary size they feel they would be able to adequately service, bearing in mind geographic size and travel implications for the expanded schemes.

- In major conurbations outside London, we will seek to maximise volumes by combining schemes whilst keeping drive times, the travel time between provider offices and police stations within the scheme boundary, consistent with the principle below.
- The average drive time in each boundary area between a provider's office and all main custody centres should not exceed 45 minutes.
- Boundaries should be designed in order to best facilitate competition, ensuring sufficient numbers of providers are in each new area.

4.10 It is stressed that these are proposals for consultation. It may be that some will not meet local conditions e.g. because they do not strike the right balance between competition and drive time. It will be important to find out local views, particularly where existing patterns are being changed. One option will always be to remain with the status quo.

The options for revised boundary areas are shown at Annex G.

4.11 In addition to these guiding principles, the LSC has also taken into account other issues. The drawing of boundary areas is closely linked with the new working arrangements and rules relating to market entry and operation, and looking further forward the shape of the market coming into competition.

4.12 The key issue is how the LSC should structure the market in the light of its duty to its clients, its duty to achieve value for money, the wider needs of the criminal justice systems and other duties, for example under the race relations acts. The importance of market structure cannot be overstated, as it will impact on best value tendering when it is introduced; the sustainability of the market in the period between the introduction of the new boundary areas and competition; and the cost of delivering criminal legal aid, including the cost of administration. For a full discussion of the issues in relation to market structure, please see the section on New Working Arrangements below.

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| Q4 Do you agree with the principles above for constructing new boundary areas? |
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| Q5 Are the boundary areas outlined at Annex B in keeping with these principles? Please give reasons for your answers. |
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| Q6 Which London option do you prefer and why? |
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5. New Working Arrangements:

The Current System

- 5.1 The current arrangements for duty and own client work in the police station have developed over many years and are relatively complex. It is covered here in full to illustrate the proposed move away from the current system.
- 5.2 At present any firm of solicitors interested in providing criminal defence services, who meet the relevant quality criteria, can apply to the Commission for a contract. The Commission does not consider the 'need' for a new contract in light of the existing defence providers within the area. There are similarly no requirements on the volume of work that contractors must perform.
- 5.3 The rules that govern the operation of the system are contained within the General Criminal Contract, Duty Solicitor Arrangements and Duty Solicitor Manual. Under these rules providers can either assist clients under the duty solicitor scheme or alternatively as part of their 'own client' work. The essential difference between the schemes being that in own client cases the suspect has asked for a specific firm to advise them. The schemes were not designed to achieve, and do not deliver in practice, the best possible value for money. This is a significant flaw given the Commission's statutory obligation and the need to deliver the services within the budget available. Other differences between the two schemes are set out below.

Duty Work

- 5.4 The objective of the duty solicitor scheme is to ensure that individuals who have either no preference for a named solicitor or are unable to obtain help from their own solicitor have access to the services of a duty solicitor.
- 5.5 At present individual solicitors employed by legal service providers are entitled to apply to join duty schemes in their area. An applicant must satisfy the Commission in terms of their competence to undertake the work and also their ability to meet established geographical requirements.
- 5.6 Once an individual solicitor is admitted to a scheme their firm are entitled to an allocation of slots, proportionate to the total number of solicitors on the scheme. An individual 'slot' refers to the period of time, when the solicitor will be available to respond to requests for legal advice.
- 5.7 Under the Arrangements the Commission, in consultation, decides for each local scheme what type of system operates for the provision of duty solicitors. This considers whether the scheme provides rota or panel cover (or a combination of the two) for the area.
- 5.8 Rota schemes are those where a named duty solicitor is assigned to cover a particular period of time, for example eight or twelve hours, on a given day. Solicitors on rota must accept all cases that are referred to them, unless they are already engaged at the police station on another case. Rotas are typically found in busier areas and the very busiest areas there may be two or more slots running concurrently.

- 5.9 In areas where a panel system operates duty solicitor calls are referred to the duty solicitor on the scheme who was offered a call the longest time ago. Solicitors are not generally obliged to accept requests for advice on panel schemes.
- 5.10 Each duty period varies in value to providers as they claim an hourly rate for the time assisting clients. The number of clients assisted therefore dictates the 'value' of the slot for providers. For this reason the actual slot that each firm is allocated changes to ensure a fairer distribution.

Own Client Work

- 5.11 As set out above, own client work refers to instances where a client asks for a specific firm. At present own client work operates on a much more flexible basis than duty work. Legal Service Providers are able to decide whether to accept instructions from clients or instead choose not to. In own client matters the suspect or police contact the firm directly and rota and panel arrangements do not apply.
- 5.12 The approximate split between duty and own client work is 40:60.
- 5.13 In November 2006 we published a consultation paper entitled 'Market Stability Measures' which proposed a number of changes to the existing system, as an interim measures, from April 2007 to October 2007. That paper also set out some of the issues with the existing system. We will shortly publish the outcome of the Market Stability consultation and confirm how the interim arrangements will operate. The proposals set out below explain how the working arrangements will change again from October 2007 onwards.

The Proposals

- 5.14 There are three main elements to the proposals under this heading. These are:
- Minimum contract threshold;
 - Access to work;
 - Slot allocation for Police Station and Court duty

Minimum Contract Threshold

- 5.15 Lord Carter recommended that in October 2007, alongside the introduction of new boundary areas, the Commission should implement minimum thresholds for contracts and that these should comprise a national threshold and local thresholds varying in accordance with local market conditions. Lord Carter suggested a national threshold of £50,000 of police station work plus local thresholds of between 1% and 5% of work in each new boundary area. As the total value of work contained in each new boundary area is different, this second element would, effectively, tailor minimum thresholds to local market conditions.
- 5.16 The LSC wishes to establish whether a minimum contract threshold should be introduced, and if so of what size. The LSC in particular wants to use this consultation to establish exactly what the impact of varying levels of threshold

might be, before taking any final decision. Any minimum contract threshold would be variable according to the size of the boundary area and its local conditions.

- 5.17 These proposals were extensively consulted on between July and October 2006. In its response to this consultation in *The Way Ahead* the Government said that decisions on minimum thresholds would be made in the light of the consultation on the new boundary areas to tailor the decisions to local market conditions.
- 5.18 As a result of considering Lord Carter's proposals in the light of the boundaries on which we are now consulting, the Commission does favour setting a minimum threshold value in many areas of £50,000 per annum of criminal lower [(police station and magistrates court) work below which it will not contract for CDS services. However in some rural schemes a minimum threshold of £50,000 would be too high, because of the small total value of work available in the new boundary area. It would also impede competition due to too few contracts operating in the area.
- 5.19 We have carefully considered the options for implementing varying thresholds above a £50,000 level. In our view there are only three criminal justice system areas where minimum thresholds above £50,000, but no more than £250,000 might be appropriate at this stage and prior to the implementation of best value tendering. These areas are shown at Annex H Any decision to introduce a higher minimum contract threshold would only be taken if certain criteria were met. These criteria are as follows:
- A sufficient number of providers to ensure client choice;
 - A sufficient number of providers to manage routine conflicts of interest;
 - A sufficient number of providers to ensure reasonable access;
 - A sufficient number of providers to offer effective future competition;
 - Sufficient diversity in the provider base in the area in question.
- 5.20 The LSC would reserve the right to vary the minimum contract threshold if at any time market conditions seem likely to prevent an effective competition.
- 5.21 Views of respondents are sought as to the desirability or otherwise of raising the minimum threshold value in the areas shown at **Annex H**.
- 5.22 A minimum contract threshold can bring benefits to providers, to the LSC and to clients, and the LSC believes appropriate minimum contract thresholds, tailored to local market conditions, are fundamental to achieving value for money, successfully introducing a market for this work and delivering a sustainable scheme within the budget available to the Commission.

Benefits for Providers

- 5.23 Fixed fees for police station work will be introduced in October 2007. A minimum contract threshold and larger contracts will tend to give providers a more predictable case mix and therefore enable them better to manage variability in cost. Smaller providers are likely to be less able to deal with the variability of cases within a fixed fee environment.
- 5.24 From October 2008 the LSC will introduce best value tendering for all crime work². We expect that larger providers will be in a position to compete more effectively at the time of competition for the reasons set out in paras 5.23 to 5.25, and we believe, for this reason and other wider reasons, that this business model should be encouraged.
- 5.25 There are other practical advantages for providers from a minimum contract threshold. In some major urban areas there are significant problems with over-subscription to duty schemes; that creates inefficiencies since lawyers cover large areas and increases costs; this problem is most acute in London where travel and waiting are some 16% above the national average. The concentration of work undertaken in police stations and magistrates courts, reducing the overall proportion of resource “wasted” in travel and waiting by creating conditions that allow the most effective use of fee earners, and achieving greater efficiencies in their underlying systems and overhead costs through delivering greater volumes of work.
- 5.26 A minimum contract threshold would release some work for reallocation in a boundary area because some providers would no longer operate in that area. In some instances, this would mean removing providers’ contracts for all legal aid work because they did not meet the minimum threshold of work in any given area. Providers above the threshold in that area would have access to an increased volume of work, offering them the opportunity to work more efficiently. This effect would increase with a larger threshold. Some providers have argued that high minimum thresholds are essential for them to maintain profit levels if the rates are lower.

Benefits for Clients

- 5.27 If the LSC does require a minimum contract threshold for contract eligibility this means that providers are more likely to be able to offer a more complete service to their clients, representing them at all levels within the Criminal Justice System (CJS), having conduct of a case from the outset to its conclusion. This reflects the nature of the contracts that the LSC will let from BVT. We would expect a larger contract to allow providers to meet further service requirements, for example training new lawyers. This in turn provides benefits to the wider CJS in terms of efficiency.

² Tendering will take place for Police Station, Magistrates’ Court and Crown Court work

Benefits for LSC

5.28 The LSC has to reduce its administration costs by £30m by 2010/2011 to live within its budget. Administration costs are met from the overall legal aid budget so a failure to do so will lead to a reduction in the resources available for purchasing legal services, with a negative impact on clients. As an organisation we currently spend £18m per annum on contracting resource. If there is a reduction in the number of contracts there will be scope to reduce contracting resource.

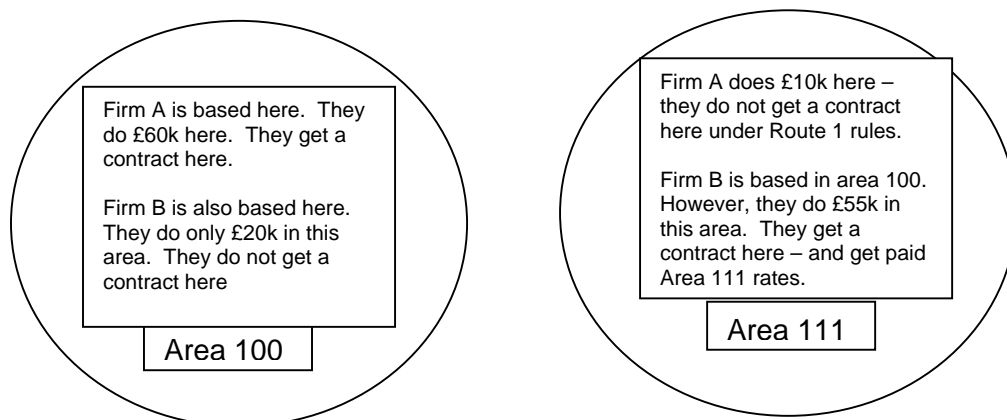
Variable Minimum Contract Threshold

5.29 The question is whether a number of urban areas should sustain a higher threshold.

How a Minimum Contract Threshold would Work (£50k used to illustrate)

5.30 This section sets out how a £50k minimum threshold would work. There would be no essential difference in the operation of any smaller or larger thresholds. All those who deliver more than the minimum threshold would be entitled to contracts until best value tendering is introduced. Under the proposals for minimum contract threshold, providers would be able to obtain contracts in two ways:

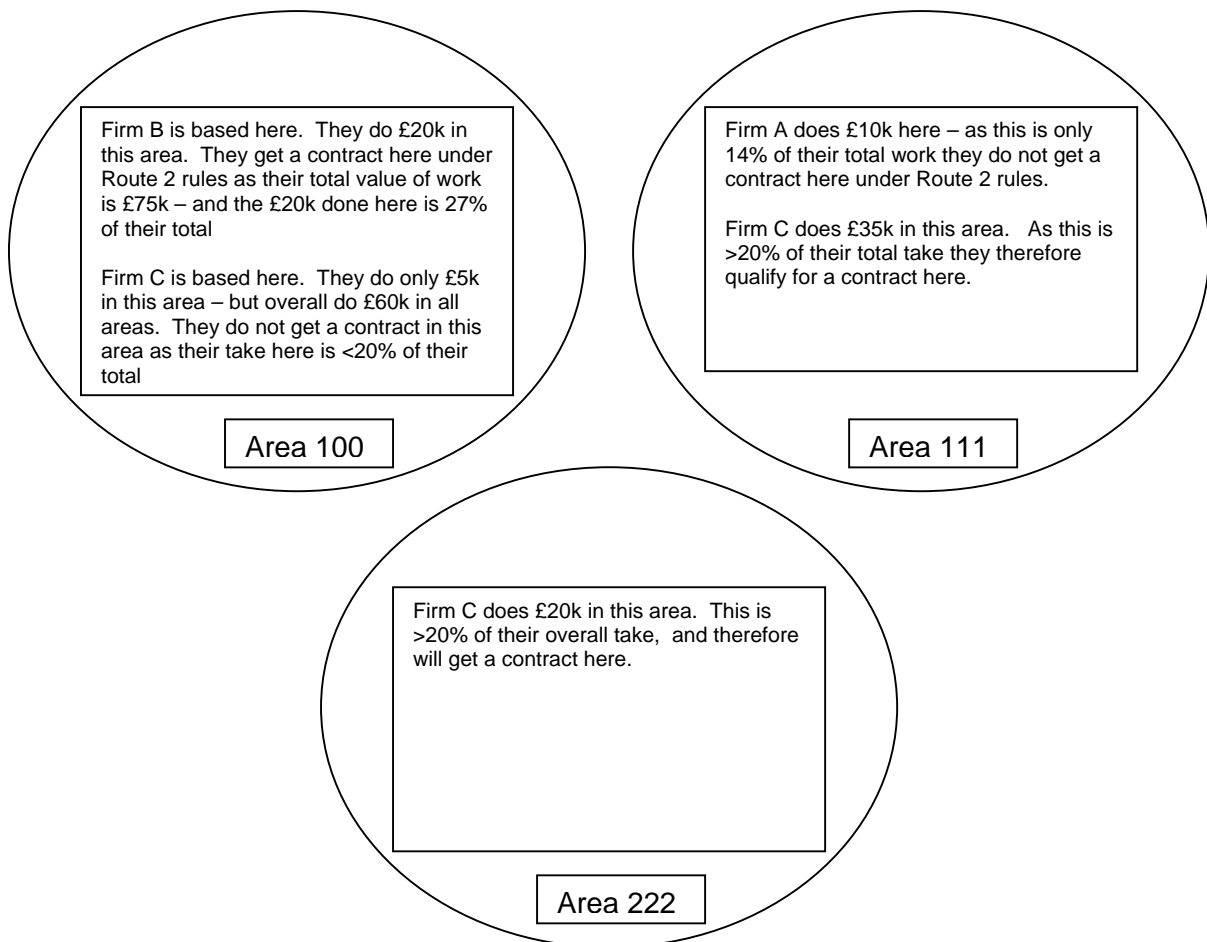
- If a provider has delivered more than the threshold in an area, they are entitled to a contract in that area.
- If a provider has not delivered more than the threshold for an area, but meets that threshold in terms of their overall crime lower take and has delivered 20% or more of their crime lower work in that area, they are eligible for a contract.
- A provider would be granted a contract in any area where they had historically undertaken work over the value of the minimum contract threshold in that area, regardless of where the provider was based. This contract will allow them to do work in that area proportionate to their previous activity.



5.31 Firm A and Firm B will be awarded the contracts as shown above – however this does not preclude them from qualifying for contracts in other areas as shown below. Modelling has been carried out on the basis that providers could qualify

for multiple areas on this basis, however we welcome provider views on whether there should be a limitation introduced in order to secure additional volume for providers qualifying under the first route.

5.32 Where a supplier does not do sufficient volume in an area to meet the minimum contract size, they may still get a contract in that area where their overall lower fund take is more than £50k per year, and they do at least 20% of their work in that area (NB, they would not be required to qualify for a contract under the method described above).



5.33 All contracts would allow them to do an extra 20% of work outside the area; but this allowance is subject to consultation. A minimum contract threshold set at levels appropriate to local market conditions is essential to the process of allocating contracts and this stage of the reform process.

Q7 Do you agree that there should be a minimum threshold in all areas for access to police station work?

Q8 If so do you believe that the proposed threshold should be varied to ensure coverage in all areas?

Q9 In addition, do you a feel there should be a higher threshold in some areas, and at what level do you think this should be set?

Mergers

5.34 The LSC recognises that some providers, if the minimum contract threshold is introduced and they fall below it, may wish to join with other providers in a similar position. In such instances the resulting arrangement can have their respective combined totals of crime lower work considered together in order to meet the proposed threshold. However we recognise that the period between the publication of the final scheme and October 2007 may not be sufficient to allow providers to make new arrangements. Therefore where an intention to combine can be evidenced providers can have their combined totals considered for the purposes of contract eligibility, with contracts being awarded on the condition that the merger is fully formed by a specified date.

Access to Work

5.35 This approach assumes the employment of a minimum contract threshold, which is subject to consultation as part of this paper.

5.36 The LSC is consulting on two criteria for eligibility to work within a boundary area. Please see the worked examples above.

Slot Allocation

5.37 Following the publication of the government's response to the Carter consultation, the LSC published a document entitled 'Market Stability Measures'. This document outlined options for the mechanism for work allocation in the period between April and October 2007. This section deals with the way slots could be allocated from October 2007, and again assumes a minimum contract size as the absence of such would mean that any market stability measures introduced in April would come to an end and allocation would revert to the current system in October 2007.

5.38 In order to determine slot allocation, the number of crime lower claims in a given boundary will be calculated for the final quarter of 2005/06 and the first three quarters of 2006/07. Providers eligible for a contract would then have their proportion of that total established. The value of the work in the boundary area for those providers that are no longer eligible will then be calculated as a percentage, with each eligible firm having their value increased in line with that percentage. The resulting proportion would then be used to determine the number of police station and court duty slots. A working example is shown below.

- Area A: Total number of claims - 10,000
- Firm A: Total number of claims in area A - 1000
- Number of claims made by ineligible providers - 1000 (10% of total)
- Firm A's revised total, applying 10% increase - 1100 (11% of total)
- Allocation - 11% of available police and court duty slots in area

- 5.39 The advantage of this approach is that it takes into account both duty and own client work within an area across both police station and magistrates courts, therefore providing a true reflection of the work carried out by a firm and helping them to concentrate their volumes through allocation, which in turn helps to minimise travel times and achieve the efficiencies envisaged by Lord Carter. By focusing on the number of cases rather than the value, it is also possible to ensure that more expensive providers are not rewarded and efficiency is recognised.
- 5.40 Under these proposals the allocations themselves will be fixed for a 6 month period, with a review of provider crime lower take conducted on an annual basis and slots being allocated according to the calculation shown above for the following 6 months. We have considered fixing rotas for a longer period however by retaining a degree of flexibility it is possible to make changes in light of any wider CJS system changes, for example court closures and the opening of new custody suites.
- 5.41 We also invite provider views as to other methods of slot allocation that may be suitable.

Q10 What are your views on the proposals for slot allocation from October 2007? Please give reasons for your answers. Please make suggestions as to suitable alternatives for slot allocation if possible.

Moratorium

- 5.42 It is proposed that, if these measures are introduced from October 2007, there will be a moratorium on duty slots until best value tendering is introduced. In practice this will mean that there will be no further contracts let except where the Regional Office determines a need, for example where a provider has left a scheme.

Q11 Do you agree with the proposal for a moratorium on duty slots? Please give reasons for your answers.

Working out of area: The Out of Area Rule

- 5.43 The key purpose behind the out of area rule is to secure sufficient volumes for providers in the area in which they are based. This in turn promotes to localisation of work, reducing the need to travel for own client work to secure volume and allowing providers to obtain efficiencies in terms of travel.
- 5.44 A number of consultation responses to “Legal Aid: A Sustainable Future” suggested that proposals for own client provisions could damage established own client relationships. Whilst recognising that in some instances these proposals may affect existing relationships, we believe that unlimited access to own client work within contracted areas and a provision for conducting out of area own client work will ensure own client relationships can continue to be established and maintained. We also have regard to the need to obtain value for money.
- 5.45 The Carter review proposed that there would be three methods by which a firm would attract work.

- 5.46 Firstly, if a firm has a contract in a boundary area and a client has requested that firm they may act for that client.
- 5.47 Secondly, if a firm has a contract in a boundary area they will be allocated duty solicitor slots in that area and can therefore access duty work.
- 5.48 Finally, there would be provision for a firm to undertake a limited amount of out of area cases each year based on the previous year's allocation. The initial work undertaken by the Carter review had suggested that in the region of 20% should be allocated. For example, if a firm had undertaken 200 cases in a year then using 20% as the amount to be allocated an additional 40 'out of boundary area' own client cases could be undertaken by that firm, giving a total of 240 cases. The LSC is consulting on this point, and putting forward two options for providers to put forward their views.

Option 1: The application of the Carter 20% rule

Option 2: Fixing the out of area percentage allowance at the own client work average for the CJS area based on 05/06 data

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| <p>Q12 Do you agree with the out of area rule in principle? Which of the options do you prefer? Please give reasons for your answers.</p> |
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6. Other Considerations

Niche Providers

- 6.1 The future contracting approach is intended to localise delivery of services, with providers offering the range of services to clients in a specific geographic area. Most providers do this now but some 'niche' providers do not.
- 6.2 Niche providers tend to fall into two distinct categories:
- Those who provide services to particular client groups e.g. union members
 - Those who operate as specialists in a particular tier e.g. Crown Court
- 6.3 Under the proposed contract eligibility rules outlined in Section 5, this small group of providers would not be eligible for contracts in specific geographic areas, as their business is generated either through the services provided to specific groups outlined above, or through referrals based on their areas of expertise and reputation. Without a change to their current business practices they would be excluding from continuing to undertake CDS work.
- 6.4 The LSC is proposing to introduce transitional contracting arrangements between October 2007 and the introduction of best value tendering to ensure these providers are given sufficient opportunity to change their working practices. At the introduction of best value tendering, the LSC will seek to ensure that conditions are equal for all potential bidders and there will therefore be no continuing special provision for niche providers.
- 6.5 The LSC has developed proposals to allow niche providers to continue to have access to crime lower work within new boundary areas, as well as continuing access to Crown Court work. We are proposing to let 'own client only' contracts to such providers, with work deliverable anywhere in the country. Access to these contracts will be conditional on providers having billed at least £200k total crime work in the period between January 2006 and January 2007.
- 6.6 Given that these contracts allow delivery of services throughout England and Wales, we will impose a matter start limit on niche contracts to prevent potential accelerated growth that will not be available to standard contract holders. This limit will be based on the volumes billed for Police Station and Magistrates' Court work between January 2006 and January 2007, with this cap being extended by agreement of the Regional Office only. There will be no limit on Crown Court work.

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| <p>Q13 Do you agree with the principle of creating separate transitional proposals for niche providers? If so, do you agree with the proposals themselves? Please give reasons for your answers.</p> |
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Market Entry and Reserving Capacity

- 6.7 We are proposing to introduce a moratorium on duty slots from October 2007 until the introduction of best value tendering. However, we recognise the value of new entrants into the market and as such have developed proposals to allow new entrants into the market at the time of best value tendering. These are discussed here, and will be consulted upon in detail within the best value tendering consultation later in the year.
- 6.8 We believe entry to the market must be carried out in a controlled and clearly timetabled way in order to provide certainty to new providers. Therefore what is proposed is that new providers will be able to enter the market each time a competition is held for the available work in a given area.
- 6.9 By giving sufficient notice of competition, providers will be able to make informed business decisions regarding when and where to set up practices, and the size of practice they should consider. By limiting market entry to rounds of competition, market stability is promoted as those currently delivering within a boundary area are afforded certainty as to available volumes and contract duration.
- 6.10 However, these proposals may not be sufficient to maintain competition and provide new entrants the chance to grow. This may particularly be the case in major urban areas where, generally, under BVT we would expect to see average contract values increase significantly. It may be too big a step in such a market for a new provider to gain an initial contract. Therefore in major urban areas we are considering reserving a proportion of the market for lower value contracts in each round of best value tendering to enable new providers to enter into the market.

Q14 Do you agree that the proposals on market entry are sufficient to allow new providers access to the market? If not, what additional or alternative proposals would you suggest? Please give reasons for your answers.

Diversity

- 6.11 The LSC is committed to working with providers and partners to promote diversity within the legal profession. We are committed to promoting equality and tackling discrimination to ensure access to legal services for vulnerable clients and that services take account of the diversity of local populations, without compromising quality of service. We are also committed to promoting equality and contributing to tackling discrimination that creates barriers to career progression within the legal and advice sector. The LSC intends to do this in a number of ways:
- a. Contract provisions to ensure that BME employee and client needs are met; these include:
 - A duty not to discriminate

- Requiring an equality and diversity policy
 - Requiring an equality and diversity training plan
 - Requiring an equality and diversity communications plan
 - Creating an obligation to report ethnicity information on both employees and clients;
- b. Measures to allow new entrants (para 6.8-6.12); the LSC recognises that BME lawyers are disproportionately concentrated in the younger age groups, and may need opportunities to expand;
- 6.12 The LSC is also committed to meeting its obligations under anti-discrimination law. There is a concern that minimum contract thresholds would impact disproportionately on black and minority ethnic (BME) clients and lawyers and BME owned and controlled providers. The impact on the service to BME clients would not necessarily be disproportionate. For example a £50k threshold would impact on the numbers of BME and white fee earners in about the same amounts nationally and in London. A £50,000 minimum contract threshold would only remove 6% of total crime lower fund expenditure that is currently paid to BME owned and controlled firms. Any restructuring or recruitment by firms with contracts should mitigate this. But a £50k threshold would have a disproportionate impact on BME owned and controlled firms. The picture is complex and the full details are in the regulatory impact assessment. The judgment is whether the benefits of the reform programme (not least safeguarding the civil and family programme) outweigh any dis-benefits.

Q15 Do you agree that these proposals are adequate in meeting the needs of BME clients and providers? Please give reasons for your answers.

Provider Support

6.13 The LSC is proposing to introduce a number of measures designed to help providers make the transition from the current scheme to best value tendering when it is introduced in October 2008, and where necessary support restructuring.

Communications and Information Sharing:

6.14 In setting up the new national stakeholder group the LSC and DCA have established a forum that offers the opportunity to obtain input from providers as to they support they will need in making the transition. The LSC is also setting up a financial advisory group to act as a regular forum in which the DCA, providers and bankers can discuss how best to promote the availability of loan and equity finance for providers and support them in the transition to best value competition.

6.15 The LSC are also proposing to undertake a one off exercise to identify best practice within other sectors, and other sources of funding and support within both the public and private sector. The LSC will also work closely with its pilot preferred suppliers as a group for engagement, feedback and information

sharing. Going forward, the LSC will use relationship managers, supported by business analysts, as a key communication channel with providers.

Advice:

- 6.16 Peer review results have indicated that in certain categories of law higher quality providers are also operating more cost effectively. The LSC intends to distil best practice on efficiency into guidance and workshops for delivery to the profession.
- 6.17 We are also exploring the possibility of running seminars with the government's business link service targeted at smaller providers in particular to help them prepare for competition. Again in the context of competition we are also investigating the possibility of, following finalisation of auction design, having the Office of Government Commerce run a 'dummy auction' process to give providers a practical walk through of the process.

Training:

- 6.18 There are a number of areas in which the LSC will offer training to providers later this year. These include the new Supplier Management System, key performance indicators, file assessment, outcome codes, the unified contract, preferred supplier entry including devolved powers, new fee structures and boundary changes. This is part of an integrated package to help drive improved performance management. We are also exploring the more targeted use of the successful training grants package with the Young Solicitors Group and other representative bodies.

IT Measures:

- 6.19 We will be directly engaging with software providers, professional bodies and directly with providers through a feasibility exercise to identify how the LSC can best interface with providers electronically to deliver the lowest achievable transaction costs.

Very High Cost Cases

- 6.20 The current Very High Cost Cases (VHCC) arrangements apply to cases that are expected to last in excess of 40 days at trial. Ideally the VHCC contract holder who will take the case forward would attend at the police station, although clearly there will be cases where this will not be possible. In those cases the suspect will use the duty solicitor or his own solicitor. There will be rules for the transfer of such cases to a member of the panel, which will be dealt with in a separate consultation. We are concerned here with the arrangements that will apply where a case is known to be a VHCC and a VHCC provider is in a position to attend.
- 6.21 We are consulting on three options concerning access to police station work for VHCC providers where they have no contract for delivering work at the police station.

Option 1

Under this option, VHCC providers without any police station contract would be permitted to attend the police station and be paid by the Complex Cases Unit at police station rates where they considered a case was likely to be a VHCC.

Option 2

VHCC providers would only be able to attend if they had a contract for police station work, and attendances would where appropriate count towards their allowance for out of area working.

Option 3

Attendance would be allowed as for option 1, but only on an own client basis i.e. not the duty solicitor scheme.

Option 4

VHCC providers would be able to do police station work, but only through a provider holding a police station contract who will be paid for the work, whether it is own client or not and whether or not the matter can be determined to be a VHCC at an early stage.

Q16. Which of the four VHCC options do you prefer and why? Please give reasons for your answers.

7. Consultation Questions and How to Respond

Consultation Questions

Fixed Fees

- Q1. Do you agree with the fee rates set out in Annexes A-C? Of the options, which do you prefer and why?
- Q2. Do you agree with the proposed threshold of three times the fixed fee? If not, please explain why
- Q3. Which option for payment of cases above the threshold do you prefer, bearing in mind the overall impact on fees?

Boundary Areas

- Q4. Do you agree with the principles above for constructing new boundary areas?
- Q5. Are the boundary areas outlined at Annex B in keeping with these principles? Please give reasons for your answers.
- Q6. Which London option do you prefer?

New Working Arrangements

- Q7. Do you agree that there should be a minimum threshold in all areas for access to police station work?
- Q8. If so do you believe that the proposed threshold should be varied to ensure coverage in all areas?
- Q9. In addition, do you feel there should be a higher threshold in some areas, and at what level do you think this should be set?
- Q10. What are your views on the proposals for slot allocation from October 2007? Please give reasons for your answers. Please make suggestions as to suitable alternatives for slot allocation if possible.
- Q11. Do you agree with the proposal for a moratorium on duty slots? Please give reasons for your answers.
- Q12. Do you agree with the out of area rule in principle? Which of the options do you prefer? Please give reasons for your answers.

Exceptions

- Q13. Do you agree with the principle of creating separate transitional proposals for niche providers? If so, do you agree with the proposals themselves? Please give reasons for your answers.
- Q14. Do you agree that the proposals on market entry are sufficient to allow new providers access to the market? If not, what additional or alternative proposals would you suggest? Please give reasons for your answers.
- Q15. Do you agree that these proposals are adequate in meeting the needs of BME clients and providers? Please give reasons for your answers.
- Q16. Which of the four VHCC options do you prefer and why? Please give reasons for your answers.

Consultation Timetable and Responses

- 7.1 This consultation will run for eight weeks from 12 February 2007.
- 7.2 A response to this consultation will be published by the Commission by the end of June 2007.
- 7.3 The new police station boundaries, fixed fees and working arrangements will be implemented in October 2007.
- 7.4 The closing date of the consultation is 10 April. Please send your response by email, post or fax to:

Rebecca Tinker
CDS Policy Team
Legal Services Commission
Ground Floor
12 Roger Street
London
WC1N 2JL

Email: cds.directorate@legalservices.gov.uk

Fax: 020 7759 1051

- 7.5 If you e-mail your response to us, which we would encourage, please put the words 'Consultation Response' in the subject heading of the e-mail.
- 7.6 Please send your consultation response to us once only, as this will make it easier for us to compile and monitor responses. We will acknowledge receipt of all responses by e-mail or post within one week.
- 7.7 In accordance with the Freedom of Information Act 2000, the Legal Services Commission may publish your name and contents of your response unless you provide sufficient reasons for asking us not to. Please ensure that your response is marked clearly if you wish your response or your name to be kept confidential. In any event, confidential responses may still be disclosed in a summarised or

anonymous format, and will be included in the statistical summary of the comments received and the views expressed.

- 7.8 While we welcome constructive comment on any aspect of the proposals and information presented, it would help us to identify improvements if you could provide responses to the specific consultation questions. It would also help us if, wherever possible, you could provide evidence to support your comments.
- 7.9 During the consultation period, we will run workshops which will provide an opportunity to discuss the proposals and achieve a greater understanding of the new scheme. More information about the workshops will be communicated on our website at: www.legalservices.gov.uk/criminal/consultation.asp
- 7.10 You can obtain a further copy of this consultation by emailing cds.directorate@legalservices.gov.uk or downloading it at www.legalservices.gov.uk.

Legal Services Commission
85 Gray's Inn Road
London WC1X 8TX

www.legalservices.gov.uk

Consultation responses or general
enquiries can be emailed to:
cds.directorate@legalservices.gov.uk