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Dear Des

Re: General Criminal Contract (January 2008)

Thank you for your letter, dated 5 October, which was emailed to me on 10 October. I have already raised my concerns with you about the fact that this letter was published by the Law Society before it was actually sent to the Commission. We are disappointed that you were unable to come back to us with your concerns sooner, as of course you have had the contract since 25 September (2 days prior to general publication).

As you know, although this is a new contract we have kept amendments to the absolute minimum necessary to implement the reforms and comply with the recent judicial review. We are sure your members will agree that there is simply no point in spending a great deal of time amending the contract bearing in mind that it is a transitional step to the Unified Contract in or about July 2008.

There is also the appeal to the unified contract judicial review, being heard this week. In the event that further amendments are required following the decision of the Court of Appeal, we have already stated that these will be implemented via clause 16.17 of the Contract Standard Terms. Given the timing of this appeal, we are sure practitioners would prefer to wait for that decision as opposed to us entering into protracted discussions now about the effect of the first instance decision, although the amendments made have been approved by leading counsel as being consistent with that decision.

We have addressed your concerns in tabular form which will be published on our website in order to ensure that applicants are kept fully informed. For the avoidance of doubt, the issues have been reordered to follow the contract documents and referenced with the appropriate clause and paragraph numbers, as opposed to merely page numbers. We respond to the key issues raised in your letter below but would make the general point that there has of course been significant consultation in relation to the amendments in relation to the reform programme. On the key issues highlighted in your letter, our position is as follows:

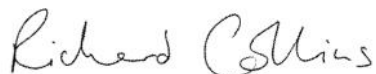


1. We have dealt with your various assertions in our schedule and are confident that the quality and performance standards are clearly set out in the contract. We do not agree that clause 3.2 of the Standard Terms has the effect of enabling us to amend the performance standards, particularly in light of the express provisions for amendment which we have deleted. For the avoidance of doubt, we do not have any intention of amending such standards within the life of the contract, even if we are successful in the forthcoming appeal in overturning the decision at first instance.
2. The issues in relation to the reforms have already been discussed at some length and the contract reflects the final policy. Issues of detail are dealt with in the accompanying schedule.

We note the contents of the statement issued via your website on Friday 12 October and are pleased that the Law Society will not be advising firms not to sign the Contract. As you are aware, we have issued our own statement in response, which also made reference to your ongoing concerns regarding CDS Direct.

In the circumstances I do not believe it would be helpful to anyone - not least practitioners who are considering the contract - to re-open substantive discussions at this stage. Indeed it would run against the principles of a fair procurement and inevitably delay and complicate matters.

Yours sincerely



Richard Collins
Director of Policy
Legal Services Commission