

The Unified Contract

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ASA

The Contract Documents

- Contract for Signature (including the Key Information Tables)
- Office Schedule
- Standard Terms
- Specification

Other relevant documents

- SQM
- Funding Code
- Costs Assessment Guidance
- LSC Manual
- Equality and Diversity Policy Guidance (to come)

The Negotiations

- ❑ The Standard Terms – now concluded – Terms now issued [96 pages including annexes]
- ❑ Transitional Provisions for NfPs – ongoing
- ❑ The Specification – draft out for consultation until 16 April

Standard Terms 1

Chronology

- ❑ Draft issued Oct 06 – consultation to 21 Nov 06
- ❑ The Way Ahead – Nov 06
- ❑ Negotiation meetings
- ❑ Fiona Woolf – 9 Jan 07
- ❑ Bircham Dyson Bell – 26 Jan 07
- ❑ Final meeting – 21 Feb 07

Standard Terms 2

Chronology continued

- ❑ LSC response to BDB – 23 Feb 07
- ❑ LSC Summary and FAQ – 26 Feb 07
- ❑ BDB Guide – 28 Feb 07
- ❑ LSC response – 6 Mar 07

BDB's advice

- "Disregarding the personal, professional, commercial and other factors which will necessarily influence the judgement made by individual practitioners of the Contract, on purely legal grounds we would advise practitioners not to sign it."
- 28 February 2007

Standard Terms 3

some changes

- No indemnities for NfPs if registered charities
- No fault termination after 6 months
- 80% guarantee
- No risk rating
- No annual report
- No sexual orientation monitoring

Standard Terms 4 more changes

- No TUPE annex
- Annual Accounts within 8 months

Standard Terms 5

Key Points 1

- Contract by organisation not office
- Communication: e-mail address; access to LSC website; Liaison Annex; Media Annex
- Financial disclosure and risk – cl 4
- Equality and diversity – cl 5 and Annex: policy, training plan, communications plan
- Case management system – cl 7.3
- Monitoring Annex

Case management system

- “After consultation . . . from such date as we . . . specify . . . you must have and use . . . a matter and case management system that meets such specification as we may reasonably require to ensure the ability to interface with our systems electronically.”
- Clause 7.3

Standard Terms 6

Key Points 2

- ❑ Client Service Annex
- ❑ Audits – cl 8
- ❑ Approved Personnel and Supervisors Annex
- ❑ Peer Review Rating – cl 10
- ❑ KPI Annex - see below
- ❑ Office Schedules – Civil – LSC power to amend – cl 11A

Standard Terms 7

Key Points 3

- ❑ Amendments to Contract Documents – cl 13
- ❑ Claims via LSC website from 1 Oct 07 – cl 15.2
- ❑ Instruction of third parties – cl 19
- ❑ Confidentiality – cl 21
- ❑ Sanctions – cl 29

Standard Terms 8

Key Points 4

- ❑ Termination – cl 30 – including no fault termination on 6 months notice by LSC
- ❑ Review procedure – cl 32

Standard Terms 9

the KPIs

- ❑ KPI 1 – Civil Contract Work – matters and cases providing substantive benefit to clients – **40% (min)**
- ❑ KPI 2 – Controlled Work (non-fixed fee) – Assessment reduction **10% (max)**
- ❑ KPI 3 – Licensed Work – Assessment reduction **10% (max)**
- ❑ KPI 4 – Fixed Fee Margin **20% (max)**
- ❑ KPI 5 – Matter Start Usage **85% (min)**

Transitional Provisions

- ❑ Currently NfPs paid as do the work
- ❑ In October, LSC will pay standard monthly payments based on current contract
- ❑ But new contract is based on credits when cases close
- ❑ Therefore a “credit flow” problem – still to be resolved

Draft Specification 1

- ❑ Requirement to provide new supplier with reasons for termination – para 1.4
- ❑ “Good reason” for postal application, telephone advice etc – para 2.14
- ❑ Duty to make reasonable enquiries re previous advice – para 2.22
- ❑ Must obtain client’s consent to contact previous supplier – para 2.23

Draft Specification 2

- No right to refuse work because of fixed fee – para 2.41
- No refusal on grounds of sex, race etc – para 2.44
- Must not change case mix, unless to make it representative of types of cases arising in your bid zone – para 7.14

Draft Specification 3

- Separate matters only if client has a separate and distinct legal problem, i.e.
 - Problems under different SQM categories
 - Or
 - If legal proceedings were started for each problem it would be appropriate for them to be both issued and heard separately – para 5.8

Draft Specification 4

- If already providing controlled work a NMS can only be started if
 - Significant legal work is required (30 minutes work or communication with other parties) AND
 - Your advice would not be that the client should not pursue the case – para 5.9

Draft Specification 5

- ❑ If you have completed a matter, no subsequent NMS for same issue or problem unless
 - Material development or change in instructions AND
 - At least 6 months since claim submitted
- ❑ Note also the proviso to para 5.15

Draft Specification 6

- Category specific rules
 - Debt – only if separate proceedings
 - Employment – claims arising out of one set of circumstances
 - Housing
 - Civil proceedings and EPA
 - Homelessness
 - Part VI and Part VII HA 96

Draft Specification 7

- Benefits

- ▶ No NMS if matter could easily have been dealt with by client
- ▶ No form completion unless issue of law
- ▶ Separate NMS for different benefits only if paras 5.8 and 5.9 are satisfied – i.e. if legal proceedings were started it would be appropriate for them to be both issued and heard separately (5.8)