



Department for
Constitutional Affairs
Justice, rights and democracy

Sir Anthony Holland
Chairman
Northern Ireland Legal Services Commission
Waterfront Plaza
8 Laganbank Road
BELFAST
BT1 3BN

**The Rt Hon Lord Falconer
of Thoroton**

Secretary of State and
Lord Chancellor
Selborne House
54 Victoria Street
London SW1E 6QW

T 020 7210 8380
F 020 7210 8597
E lordchancellor@dca.gsi.gov.uk
www.dca.gov.uk

29 November 2004

Dear Anthony,
ANNUAL PLAN – 2004/05

I am writing to advise you that I have approved the annual plan for the Northern Ireland Legal Services Commission, which was submitted with the Chief Executive's letter of 7 October 2004 to Ms Devlin. My officials will advise you when the plan has been laid before each House of Parliament, and you may then proceed with publication.

Lord Filkin had agreed to extend the timescale for your first annual plan to enable you to consult with your stakeholders. As part of this consultation you invited Lord Filkin to comment on your draft plan, and he highlighted his key expectations in relation to the clearance of backlogs, the development of forecasting and the delivery of budgetary control.

I note that your plan includes targets to eradicate payment backlogs by December 2004 and adjudication backlogs by March 2005, and I welcome this initiative. I realise that the current target of processing payments and adjudication decisions within 3 months reflects the scale of the backlogs which you inherited. However, a 3 month turnaround for service provision is not a satisfactory standard and I would expect next year's plan to feature specific targets to significantly reduce processing times across the business areas.

I also note that your plan does not include reference to the forecasting model. However, my officials have assured me that good progress has already been achieved and the model proved very useful during the recent SR2004 process. It is vital that development of this model continues to ensure that it remains fully embedded in your financial management systems.

As regards the delivery of budgetary control, I recognise that there has been significant progress, particularly in relation to a radical overhaul of your financial management and

reporting systems, and the reform of criminal remuneration arrangements. I understand that you are in the early stages of your review of civil fees and I will expect to see specific objectives in your plan for 2005/06 to introduce effective control of the civil budget.

Ordinarily your annual plan would be submitted and approved in advance of your financial allocation for the period to which the plan relates, and it is important that this happens in respect of 2005/06. You have already been informed of the SR settlement for 2004/05 and it is important that your annual plan is achieved within the limits of that settlement.

There is clearly a lot of work still to do if the LSC in Northern Ireland is to be seen to be responding fully to its obligations towards its customers and stakeholders.

I wish you success with the challenges highlighted in your annual plan, and I look forward to receiving your annual reports in due course.

Yours sincerely

Charles Falconer

LORD FALCONER OF THOROTON