

**Meeting of the Northern Ireland Legal Services Commission
held on Thursday 18 March 2010 at 9.30 am in the Board Room,
Waterfront Plaza**

MINUTES

Present: Jim Daniell Chairman
Les Allamby
Fiona Donnelly
Joe Donnelly
Breidge Gadd
Jeremy Harbison
Wilson Matthews
Hilary McCartan
Miceal McCoy

NILSC: Paul Andrews Chief Executive
Theresa Donaldson Director of Policy & Service Development
and Service Delivery (Civil)
Josephine Kelly Director of Corporate Services
Sheila McPhillips Director of Criminal Defence Services
Drusilla Hawthorne Principal Legal Adviser
Jill Herron Secretary to the Board
Rose Jellie Personal Secretary to Chairman and
Chief Executive

NICtS: Angela Ritchie

10/021 Apologies & Declaration of Board Members Interests

21.1 Apologies were recorded for Gillian McGaughey and Ronnie Spence.

21.2 There were no Declarations of Interests.

10/022 Minutes from previous Board Meetings

22.1 21 January 2010 The Minutes were agreed subject to minor amendment.
22.2 26 February 2010 The Minutes were agreed subject to minor amendment.
22.3 02 March 2010 The Minutes were agreed.

10/023 Minutes of the Board Away Days – 26/26 February 2010

23.1 The Minutes were agreed subject to minor amendment.

10/024 Action Point Report and Matters Arising from the Minutes of 21 January, 25 & 26 February and 2 March 2010

24.1 The Board agreed to the removal of the following items from the report:

09/130 (September 2009)	Annual Internal Audit Assurance Report
09/138 (October 2009)	Financial Report
09/141 (October 2009)	Audit Committee Report
09/151 (November 2009)	Financial Report & Publication of Annual Report and Accounts
09/163 (December 2009)	Financial Report
09/164 (December 2009)	Chief Executive's Report, options paper on cost saving reforms
09/166 (December 2009)	Report from Committee Chairs, report on debt recovery
09/167 (December 2009)	Report from Complaints Working Group
10/004 (January 2010)	Financial Report, Forecasting and GIA
10/006 (January 2010)	Memorandum of Understanding with NI Human Rights Commission
10/009 (January 2010)	Report from Committee Chairs, Money Damages and Management of Risk
10/011 (January 2010)	Board Away Days
10/015 (February 2010)	Managed Services Contract
10/016 (February 2010)	Graduated Fee Scheme
10/017 (February 2010)	Chief Executive's Report, Draft Internal Audit Plan 2010/11

Note - Actions arising from the Board Away Days were brought forward separately to this Board meeting and updated under other agenda items.

24.2 Schedule of Papers 2010/11 – The Board requested that the Schedule of Papers be developed to identify the papers that would be brought forward throughout the year, across the Board and Committees, to support the timely delivery of the Business Plan. Once developed the Schedule should be agreed with the Committee Chairs.

ACTION: **The Schedule of Board Papers to be developed to reflect work programmes for 2010/11 and thereafter agreed with the Committee Chairs.**

10/025 Draft Business Plan 2010/11 (v.2)

25.1 The Board welcomed the revised plan that had been developed following discussion at the Away Days. The Board approved the draft Business Plan, subject to some minor drafting amendments.

25.2 The Chairman invited the Board's views on the handling of the draft Business Plan within the context that it would require the approval, in due course, of the new Justice Minister. It was agreed that the draft Business Plan, together with the draft GIA budget, should be sent to the Court Service for approval now, with the acknowledgement that the draft plan would be subject to ministerial scrutiny

and approval in due course. The Court Service should also be advised that the Commission would like to share the Business Plan, in draft form, with key stakeholders and staff as quickly as possible in order to maintain the current levels of transparency around its business objectives etc. In circulating the draft Business Plan, the Commission would make clear that the objectives and work programmes contained within it could change subject to the policy directions of the new Minister of Justice.

ACTION: The draft Business Plan to be sent to the Court Service for consideration and approval.

10/026 Financial Report

- 26.1 Fund - The Director of Corporate Services confirmed the total expenditure to the year end would be in the region of £103m. The Chief Executive confirmed that, with access to the Reserve, there would be sufficient funding for the remainder of the financial year.
- 26.2 GIA – An under spend of c. £280k was projected. This had mainly arisen because posts had not been filled as quickly as anticipated and some judicial review/legal challenges, which had been planned for, had not come to fruition.
- 26.3 Equal Pay Claim – It was noted that this issue had been raised by NIPSA; it was further noted that financial cover had not been identified for this issue in the current financial forecasts.
- 26.4 2005/06 Annual Report and Accounts – These would be laid on 25 March 2010.
- 26.5 General – The Board questioned whether, in governance terms, the financial report should, in future, be presented by the Chair of the GPC. The Chief Executive confirmed that, under new procedures, the financial report would be incorporated in the report from the GPC.

ACTION: In future the financial report would form part of the report to the Board from the Chair of the GPC.

10/027 2010/11 Budget

- 27.1 The Chairman introduced the draft budget 2010/11 highlighting to the Board the issues identified by GPC when it had considered the draft budget at its March meeting:
- The budget had been framed to support the delivery of the Business Plan.
 - A Workforce Plan must be developed during 2010/11; a zero based approach should be adopted when resources against business areas were being considered.
 - Moving forward, the organisation must have a clear and reasonable view of what the staff complement should be; this should take full account of the resources needed to deliver the work programmes (Annexes A&B) and the impact the implementation of those reforms would, in turn, have on the deployment of resources across the organisation.
 - The letter submitting the budget to the Court Service should clarify that no allowance had been made for any consideration of the equal pay issue.

- Consultancy costs needed to be reconsidered to take account of costs for Article 3 cases.
- A closer scrutiny was required of Commissioners costs against the indicative figures provided by PwC.
- A review of absenteeism was required.

27.2 Following discussion the Board endorsed the draft Budget for issue to the Court Service.

ACTION: The draft budget to be sent with the Business Plan to the Court Service for consideration and approval.

27.3 More generally, the Chairman sought the Board's views on the direction of the Commission given current and future funding pressures with particular regard to the recently published Magee Review of the Legal Services Commission (E&W). It was agreed that the Magee Review, with particular emphasis on any relevance to the NI context, should be listed for discussion at the next Board meeting.

ACTION: The Magee Review to be included in the May Board Agenda.

10/028 Update on Internal Audit Assurance Report 2008/09

28.1 The Chair of the Audit Committee reported on the significant improvements made across the organisation in terms of audit compliance. ASM Horwath had been asked to compile a comprehensive list of outstanding issues; this would be available to the Board following the next Audit Committee.

ACTION: A comprehensive list of outstanding audit issues to be made available to the Board following the next Audit Committee.

10/029 Chief Executive's Report

29.1 Transformation Programme – The Programme Plan was in the final drafting stages and would be presented to the May AJC and then the Board. It was confirmed that the plan would bring together a range of timelines into a cohesive timetable together with details of the resources (Court Service and Commission) that would be dedicated to the implementation of each project.

29.2 Review of Corporate Risk Register – This was currently being shared with the sponsor; the first draft of the Register would be presented to the April Audit Committee and then to the May Board.

29.3 Statutory Charge – The consultation exercise had commenced on 15 March 2010. The Board acknowledged this had been done on a short timescale and welcomed the work that had been undertaken to 'plain English' the documentation, particularly in light of the technical nature of the subject and the proposed amendments. The need to make consultation documents 'reader friendly' would be essential in any further consultation documents.

29.4 Renewal of the Communications and Public Relations Contract – The current contract expires in April 2010. The Chief Executive would liaise with the Chair of the Communications Working Group and there would be a meeting of the Communications Working Group, before the next Board, to consider the way forward.

- 29.5 Memorandum of Understanding with NIHRC – The Board of the NIHRC had considered and welcomed the Commission’s response. A meeting was being arranged with the Chief Executive of NIHRC to clarify some minor points.
- 29.6 Extract from C&AG Report 2005/06 - The Board noted the extract and the proposed lines to take.
- 29.7 Omagh Litigation – The Board was updated on the current status of the appeal; further updates would be provided in due course.
- 29.8 Potential Legislative Initiatives - The Board was updated on recent and informal discussions on potential legislative developments which could have, in certain scenarios, a legal aid impact. The Board endorsed the initial informal approach adopted by the Chief Executive in these preliminary discussions.
- 29.9 Hardship Policy – A draft policy, which reflected current practice, had been presented to the March GPC; some modifications were suggested. The revised policy would be brought back to the May GPC and the Board for endorsement. The Court Service had confirmed it was content with the policy.
- 29.10 Money Damages – The Chairman and Chief Executive had met with the Bar Council earlier this week; further meetings had been planned with the Bar Council and the Law Society to discuss the issues.
- 29.11 Judicial Review Case – The Chief Executive provided the background to this case and asked for the Board’s approval to employ a consultant, with specialist skills, to consider some of the materials that would be presented in court. The Board approved the appointment of the specialist consultant.

ACTION: The Transformation Programme Plan to be presented to the May AJC and the Board.

A meeting of the Communications Working Group to be set up before the May Board.

The draft Hardship Policy to be brought to the May Board for ratification.

10/030 Information Awareness

- 30.1 The Board noted the paper. The Chief Executive advised that the Information Assurance Team was continuing to explore the options of procuring a secure email solution for Commissioners. Further updates would be provided in due course.

10/031 Magee Review – Implications for Northern Ireland

- 31.1 Magee Review –The Chairman thanked Board colleagues for the comments he had received in response to the Magee Review report being circulated. Following on from the discussions at 10/027 above, the Chairman invited the Board’s views on the impact of the Magee review findings on the NI position and whether the Commission should consider a similar type review.
- 31.2 It was agreed that the Chairman should discuss the implications of the Magee Review for the Commission with the Director of the Court Service. As noted above, the Magee Review would be listed as an early agenda item for the May Board.

10/032 Devolution of Justice

- 32.1 The Chairman reported on the Steering Group Committee meeting of 19 February 2010 and on his recent meeting with the Leader of the Alliance Party.

Les Allamby and Miceal McCoy left the meeting.

10/033 Report from Committee Chairs on Issues and Matters Requiring Decision within the next few weeks and Risks

- 33.1 Access to Justice Committee – The Chair of the Committee introduced the report and drew the Board's attention to the following:
- The Committee was seeking the Board's endorsement to the refreshing of the data/research relating to the simplified financial eligibility test for civil legal that would be consulted on as part of the Financial Regulations consultation. The Board endorsed the proposal. It was agreed that a suitable tender vehicle would be sought for recommendation to the Board in due course.
 - Immigration and Asylum Contract – This had been tendered through the Central Procurement Unit, DFP. The Evaluation Panel had awarded the contract to the Law Centre.
- 33.2 Audit Committee – The Chair of the Committee introduced the report. Specifically, the Board was asked to note that recent internal audit reviews had confirmed satisfactory assurance levels for ABCO and Green Form. Information Security had been awarded a limited assurance level but that had been anticipated; work was ongoing to improve the assurance rating.
- 33.3 General Purposes Committee – A report from the meeting which had taken place on 15 March 2010 was tabled and noted by the Board. It was agreed that all matters had been covered in the discussions on the Business Plan and the Budget.

10/034 Legal Update

The Board noted the report.

10/035 Any Other Business

- 35.1 Commissioners Remuneration – The Chairman confirmed that he had still not received a reply to his proposals which had been sent to the Court Service in November 2009. The Chairman noted the Board's concerns that any new arrangements should be in place for April 2010.

10/036 Date of Next Meeting – Thursday 20 May 2010 at 9.30am

Meeting ended 1.20pm

SIGNED:
CHAIRMAN

DATED: