

**Meeting of the Northern Ireland Legal Services Commission held
on Friday 26 February 2010 at 11.15 am in the Hilton Hotel,
Belfast**

MINUTES

Present:	Jim Daniell Les Allamby Fiona Donnelly Breidge Gadd Jeremy Harbison Wilson Matthews Hilary McCartan Miceal McCoy Ronnie Spence	Chairman
NILSC:	Paul Andrews Theresa Donaldson Josephine Kelly Sheila McPhillips Jill Herron	Chief Executive Director of Policy & Service Development and Service Delivery (Civil) Director of Corporate Services Director of Criminal Defence Services Secretary to the Board
NICtS:	Robert Crawford	

10/014 Apologies & Declaration of Board Members Interests

- 14.1 Apologies were noted for Joe Donnelly and Gillian McGaughey.
- 14.2 Fiona Donnelly reported that she was pursuing work on the development of ADR. It was agreed that while this was being pursued on a policy level there was no serious conflict, but in the event of decisions being sought about suppliers, it would be important for any interest to be formally declared at this point.
- 14.3 Before commencing the main agenda it was suggested that it would be helpful, given the previous day's discussions, if the AJC could provide the Board with an update paper setting out the range of projects and activities that were being taken forward across the reform programme.

ACTION: **The Secretary to the Board to liaise with the Chair of AJC and the Director of Policy and Service Development to schedule a paper for Board consideration later in the year.**

10/015 Managed Services Contract for IT

- 15.1 The Chief Executive introduced the paper outlining the issues associated with the forthcoming tendering exercise for the Managed Services Contract for IT. The Board was reminded that the current contract would expire on 1 October 2010. The Board was now being asked to: approve the recommended procurement route; to agree to the issue of the tendering notice into the OJEU; and to release the invitation to tender documentation.
- 15.2 The Chief Executive outlined the scope of the contract, which would provide for:
- delivery of the IT Services provided through the existing managed services contract including the normal level of 'refresh' that would be expected of an IT system of this size;
 - delivery of the Oracle upgrade to meet current and future business needs in the short term, while retaining the current case management system;
 - development of a new website;
 - completion of the data cleansing exercise; and
 - development of business intelligence reports.
- 15.3 Discussion took place around the extent of the 'future proofing' of the organisation's IT needs, both in terms of the development of existing services and the implementation of reform. The Board reminded the Executive of its past concerns in this regard. The Chief Executive confirmed to the Board that the Executive was aware of past Board and GPC discussions around the IT contract and the required capability to support the business in the future.
- 15.4 The Chief Executive assured the Board that as full an account as could be taken at present of the organisation's future IT needs had been taken. Contextually, the contract would deliver the specification as set out at 15.2 above and the current case management system would be retained; the main focus was on maintaining continuity of business with some necessary upgrade at this time. Looking forward, the new contract would provide a platform that would allow the Commission to identify the changes/developments required to enable the Funding Code and other reforms to be developed. The NICtS confirmed it was content with the approach being adopted; noting that this was a common way forward for the upgrade of IT systems of this nature and size.
- 15.5 The Board agreed to the specification for the tendering exercise. The Chief Executive assured the Board that the system specification had been developed robustly in collaboration with CPD, Department of Finance and Personnel and thereafter it had been externally validated by consultants from Deloitte.
- 15.6 Turning to the preferred procurement route, the Chief Executive outlined the differences and risks of the Open Procurement Route and the Accelerated Restricted Route. It was confirmed that the contract would be let on a 3 year basis with the option to extend year on year for a total of two further years.
- 15.7 It was also noted that the contract allowed for the successful bidder to work with the Commission around the end of year 3 to develop the system requirements for

a new Case Management System to enable the reform programme to be adopted. However the option of re-tendering in 3 years time had also been retained. The Board agreed that the proposed way forward provided the Commission with the optimal flexibility.

- 15.8 The Board approved the invitation to tender documents, the release of the tender notice to the OJEU and agreed that the Open Procurement Route was the preferable option.

ACTION: The Managed Services Contract should proceed to tender through the Open Procurement Route.

10/016 Graduated Fees Scheme (GFS)

- 16.1 The Chief Executive provided an update on the ongoing discussions with the Bar and the Law Society. The NICtS consultation exercises on the proposed introduction of graduated fees for criminal cases and changes to the current arrangements for two Counsel in criminal trials closed today. It was reported that formal responses were still awaited from the Bar and the Law Society.
- 16.2 The Chairman reminded the Board that his recent correspondence with the Director of the Court Service on funding was premised on the timely introduction of the GFS to deliver full value savings. The Chief Executive reported that work was ongoing to identify the net effect, in financial terms, of raising the threshold of Very High Cost Cases (VHCC's) to 40 days i.e. to identify the costs of the potential number of cases that would now come 'out of' the VHCC funding stream to be funded under the GFS - and to net off the VHCC savings against the additional GFS costs associated with funding these cases.
- 16.3 It was also noted that the PPS had consulted on a GFS for prosecuting counsel; the key to the successful implementation of both schemes was the need to establish common principles underpinning the payments in the respective schemes that were recognised by both prosecuting and defending counsel.
- 16.4 It was agreed that the implementation of the GFS, including the associated negotiations with the profession, would be matters of interest to the new Minister of Justice.
- 16.5 It was agreed that the Commission would proceed with the planning assumption that the GFS would be implemented on the basis of the current proposed structure; it was noted that September 2010 was a realistic planning assumption. The Chairman reminded the Board that any disruption associated with bringing in these new measures might result in the Commission spending less in the short term, this would inevitably result in increased expenditure later. It was imperative, therefore, that the Commission had access to EYF throughout the next CSR period. The NICtS was reminded that a reply to the Chairman's letters on this point was awaited.
- 16.6 The Board asked the Chairman and the Chief Executive to consider the Commission's communication strategy on this issue. The Chief Executive confirmed that he would be liaising with the sponsor on the development of a

communications plan that met both organisations' needs. The Chairman asked for briefing to be prepared for the new Minister. It was noted that the sponsor would consider the issue of liaison with the judiciary. It was also noted that a meeting between the Chairman and the leader of the Alliance Party had been scheduled for the following week.

ACTION: The NICtS to reply to the Chairman's correspondence on the EYF point.

The Chief Executive to consider the Commission's communication strategy and Ministerial briefing on this issue in conjunction with the sponsor.

10/017 Chief Executive's Report

- 17.1 Pensions - The Chief Executive updated the Board on current negotiations. The Board endorsed Management's approach and noted that discussions were continuing on a 'without prejudice' basis. The Chief Executive also provided an update on broader pay and grading issues. It was noted that a further update would be brought to the March Board.
- 17.2 Emergency Certificates - The Chief Executive had previously obtained Board approval to reduce the time limitations on the payment of emergency certificates from 6 months to 8 weeks; the current limitation of 6 months was a significant contributory factor to the Commission's inability to recover bad debt. Discussions were ongoing with the Law Society, who were supportive in principle of the concept but were currently debating the level of the new threshold. The Chief Executive advised that, at this point, he was not inclined to compromise on the proposed 8 week threshold unless unforeseen operational difficulties emerged. The Board confirmed that it was content with the approach.
- 17.3 Article 3 settlements - The Chief Executive provided an update on the continued discussions with the profession. The Board was content with the approach. It was noted that, more generally, a fundamental review of fees across family proceedings cases was required.
- 17.4 Draft Internal Audit Plan 2010/11 – The Chief Executive introduced the draft plan for Board consideration. The Chair of the Audit Committee provided Board colleagues with an overview of the rationale behind the plan. It was reported that the Audit Committee had agreed to the reduction in the number of audit days and also considered that the timing of the overall programme was more supportive to the daily running of the business than in previous years.
- 17.5 The Board acknowledged the efforts that had been made to reduce the level of audits across the organisation and agreed that, moving forward, a different approach to the audit programme was required. The Board asked for the 2010/11 Plan to be referred back to the Audit Committee to give further consideration to how the organisation engages with the Internal Auditors in the future.

ACTION: The 2010/11 Draft Internal Audit Plan to be referred back to the Audit Committee to give further consideration to how the organisation engages with the Internal Auditors in the future.

10/018 A.O.B

18.1 It was agreed that the following items should be referred to the next meeting of the Board:

- Draft Business Plan; this agenda item would also provide the opportunity for Board members to raise any matters that may not have been covered during the Away Days; and
- Devolution of Justice: the Chairman would provide an update on his meeting with the leader of the Alliance party.

10/019 Date of next meeting

19.1 The next meeting is scheduled for Thursday 18 March 2010 at 9.30am.

The Meeting ended at 1.15pm.

SIGNED:
CHAIRMAN

DATED: