



Ministry
of Justice



Legal Aid Agency

Ministry of Justice

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Adam Lennon
Deputy Director and Service Owner – Family, HMCTS

Simon Vowles
Deputy Director – Civil, HMCTS

By E-mail only

1st April 2021

Dear Adam and Simon

Re: HMCTS Processing of Legal Aid Bills

I am aware you have been in a dialogue with my team about some of the challenges HMCTS faced at the onset of the pandemic last year, the impact on Legal Aid bills and the subsequent agreement to transfer of the work to the LAA and the ongoing formal consultation on the transfer, which is to be regarded as provisional and entirely subject to the outcome of that consultation.

The Law Society have recently been in correspondence with MOJ about the consultation and have requested clarification on a number of issues. One of these issues relates to what conversations have taken place between the LAA and HMCTS in relation to HMCTS retaining the work and processing bills electronically going forward. The LAA would like to explore that option with you, and specifically address the potential for HMCTS to establish an integrated platform for the electronic processing of bills and whether that is either practical or realistic, and then disclose the product of those communications as part of the consultation, for the benefit of all those wishing to engage with the proposal and provide their views on whether it should be carried into effect.

The LAA process is entirely digital and while the LAA has been doing the work, the claims have been processed electronically and quickly: most by Day 5, meaning payment is achieved at most 9 days after any claim is authorised. This is a significant benefit for legal aid providers and one of the reasons that the LAA has wanted the formal transfer to happen. It would be useful however, to explore in detail whether any HMCTS process could replicate that and what issues or barriers would need to be overcome to enable that to happen.

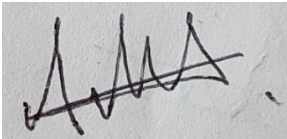
I understand that bills are assessed at HMCTS by many District Judges as 'box work' at many courts and by a small team of Costs Officers at the Senior Courts Costs Office (SCCO) in London. The LAA has dedicated caseworker resource to process these claims using an existing electronic system that providers already access and use to claim all civil certificated payments from the LAA (CCMS). This system provides the caseworker with a whole host of information about the costs and scope allowable on the Legal Aid certificate and has additional in-built checks which ensures that the correct rates etc are claimed. There is also an inbuilt quality control function which allows decisions to be reviewed and checked for accuracy and

consistency. Ideally if the work was to remain with HMCTS it would be good to understand whether it would be possible to invest in a system or process that could replicate this.

Currently for every claim assessed by HMCTS, the LAA invests additional resource in providing extra checks on those claims before any payment is authorised. The reason why the LAA has to do this is because it is the LAA that is responsible to parliament for Legal Aid expenditure. Audit activity has identified errors in the HMCTS assessments (e.g allowing for things that are not in scope or within the cost limit of the legal aid certificate), for which LAA is then held accountable. On average the investment in these checks equates to 11.6 FTE and ideally, if the processing of these claims was to remain within HMCTS it would be good to understand what resource and investment into HMCTS would be required to digitise and speed up the process and negate the need for these additional checks by the LAA.

I look forward to hearing your views on this.

Yours sincerely

A handwritten signature in black ink, appearing to read 'A. Adan', written on a light-colored background.

Alistair Adan
Head of Civil Case Management
Legal Aid Agency