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|---|---------------------------------------|---|--|
| Title: Government Response to Crime Lower Consultation IA No: MoJ060/2023 RPC Reference No: n/a Lead department or agency: Ministry of Justice (MoJ) Other departments or agencies: Legal Aid Agency (LAA) | | Impact Assessment (IA) | |
| | | Date: 14/11/2024 | |
| | | Stage: Final | |
| | | Source of intervention: Domestic | |
| | | Type of measure: Secondary Legislation | |
| | | Contact for enquiries: CriminalLegalAidConsult@justice.gov.uk | |
| Summary: Intervention and Options | | RPC Opinion: Not Applicable | |
| Cost of Preferred (or more likely) Option (in 2024 prices) | | | |
| Total Net Present Social Value N/A | Business Net Present Value N/A | Net cost to business per year N/A | Business Impact Target Status N/A |
| What is the problem under consideration? Why is government action or intervention necessary? | | | |
| <p>The Criminal Legal Aid Independent Review (CLAIR) considered criminal legal aid provision in England and Wales, including the criminal legal aid remuneration system in its entirety, with particular reference to five themes: resilience, transparency, competition, efficiency and diversity. In January 2024, the Crime Lower consultation was published, which closed at the end of March 2024. Crime Lower covers work carried out by legal aid providers at police stations and in Magistrates' Courts including Youth Courts in relation to people accused of or charged with criminal offences. It also covers prison law and work conducted by the Criminal Cases Review Commission. We are taking forward the next steps in relation to CLAIR's recommendations on the police station and Youth Court fee schemes.</p> <p>In the Crime Lower consultation, £21.1m was allocated to Crime Lower, with £16m designated for police station fee schemes and £5.1m for Youth Court fee schemes. In addition, we plan to introduce payment for travel time in respect to selected fee schemes. The £16m originally allocated for police station fee schemes, which was the basis for the fee levels set in the consultation, is now expected to cost around £18.5m. As a result, the total investment increase is now estimated at around £24m, which includes £18.5m for police station fee schemes, £5.1m for the Youth Court fee schemes, and £0.4m for the travel scheme (as explained in paragraphs 7 and 8). This impact assessment, along with the Crime Lower consultation response, outlines how the new investment will be distributed and how the travel scheme will function. Government intervention is required, as changes to legal aid remuneration necessitate amending secondary legislation.</p> | | | |
| What are the policy objectives of the action or intervention and the intended effects? | | | |
| <p>The government considers these measures are necessary to promote access to justice, better achieve the aim of reflecting and paying for work done, bring greater stability to the criminal legal aid system, and protect the taxpayer.</p> | | | |
| What policy options have been considered, including any alternatives to regulation? Please justify preferred option (further details in Evidence Base) | | | |
| Police station attendance fees | | | |
| <ul style="list-style-type: none"> • Option 0 / Do nothing: Retain the existing arrangements for the police station fee scheme. • Option 1: Focus the additional expenditure on uplifting the lowest fees and the lowest London fees. | | | |
| Youth Court fees | | | |
| <ul style="list-style-type: none"> • Option 0 / Do nothing: Retain the existing arrangements for the Magistrates' / Youth Court fee scheme. • Option 1: Create a new Youth Court fee scheme which allows an enhanced standard fee for all Indictable Only and Triable Either Way offences. | | | |
| Remunerating police station travel time | | | |
| <ul style="list-style-type: none"> • Option 0 / Do nothing: Retain the existing arrangements for police station travel. • Option 1: Remunerate police station travel time costs across five police station schemes with fewer than two providers and the Isle of Wight (as well as for providers from neighbouring schemes for work done in these six schemes with capacity challenges). | | | |
| <p>The government's preferred option is option 1 for police station attendance fees, for Youth Court fees, and for remunerating police station travel time, as these options best enable us to carry forward CLAIR's recommendations.</p> | | | |

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|---|-----------------|--|------------------|----------------------|--|
| Is this measure likely to impact on international trade and investment? | | | | No | |
| Are any of these organisations in scope? | Micro No | Small No | Medium No | Large No | |
| What is the CO2 equivalent change in greenhouse gas emissions? (Million tonnes CO2 equivalent) | | | Traded: 0 | Non-traded: 0 | |
| Will the policy be reviewed? It will be reviewed. | | If applicable, set review date: After implementation | | | |

I have read the Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely costs, benefits and impact of the leading options.

Signed by the responsible Minister



Date:

14.11.24

Summary: Analysis & Evidence

Police Station Policy Option 1

Description: Focus the additional expenditure on uplifting the lowest fees and the lowest London fees

FULL ECONOMIC ASSESSMENT

| Price Base Year 2024 | PV Base Year 2024 | Time Period Years | Net Benefit (Present Value (PV)) (£m) | | |
|---|--|----------------------|---|-----------|--------------------------------------|
| | | | Low: N/A | High: N/A | Best Estimate: N/A |
| COSTS (£m) | Total Transition (Constant Price) Years | | Average Annual (excl. Transition) (Constant Price) | | Total Cost (Present Value) |
| Low | N/A | | N/A | | N/A |
| High | N/A | | N/A | | N/A |
| Best Estimate | £0.02m | | £18.5m | | N/A |
| Description and scale of key monetised costs by ‘main affected groups’ | | | | | |
| <ul style="list-style-type: none"> Additional police station steady state annual cost to the legal aid fund of £18.5m (which represents around £24m when combined with the £5.1m for the Youth Court and £0.4m for the travel scheme). There will also be a one-off business as usual cost to the Legal Aid Agency of implementing the necessary changes required. This is envisaged to be around £0.02m. | | | | | |
| Other key non-monetised costs by ‘main affected groups’ | | | | | |
| N/A | | | | | |
| BENEFITS (£m) | Total Transition (Constant Price) Years | | Average Annual (excl. Transition) (Constant Price) | | Total Benefit (Present Value) |
| Low | N/A | | N/A | | N/A |
| High | N/A | | N/A | | N/A |
| Best Estimate | £0.02m | | £18.5m | | N/A |
| Description and scale of key monetised benefits by ‘main affected groups’ | | | | | |
| Additional steady state annual benefit to solicitors’ firms of £18.5m, which represents around 13% increase relative to police stations attendance adjusted baseline spend (2023-24), which reflects the full year impact of the recent 15% uplift in fees which came into force in September 2022. | | | | | |
| Other key non-monetised benefits by ‘main affected groups’ | | | | | |
| Legal aid clients will benefit from a better-functioning and more sustainable legal aid market that provides a good quality service. A better-functioning legal aid market might have a positive impact on other public services. | | | | | |
| Key assumptions/sensitivities/risks | | | Discount rate (%) | | N/A |
| The key assumptions/sensitivities/risks for the above estimates are presented below. For a full description please refer to the Risks and Assumptions section of this IA. | | | | | |
| The main risk is police station volumes of cases are based on 2023-24 closed case data. Police station volumes may see an increase owing to say further police recruitment. The impact of changes in police station volumes is considered further in the sensitivity analysis. | | | | | |

BUSINESS ASSESSMENT (Options 1)

| Direct impact on business (Equivalent Annual) | | | Score for Business Impact Target (qualifying provisions only) £m: N/A |
|---|---------------|----------|---|
| Costs: N/A | Benefits: N/A | Net: N/A | |

Summary: Analysis & Evidence

Youth Court Policy Option 1

Description: Create a new Youth Court fee scheme which allows an enhanced fee for all Indictable Only and Triable Either Way offences

FULL ECONOMIC ASSESSMENT

| Price Base Year | PV Base Year | Time Period Years | Net Benefit (Present Value (PV)) (£m) | | |
|-----------------|--------------|-------------------|---------------------------------------|-----------|--------------------|
| | | | Low: N/A | High: N/A | Best Estimate: N/A |
| 2024 | 2024 | | | | |

| COSTS (£m) | Total Transition (Constant Price) Years | Average Annual (excl. Transition) (Constant Price) | Total Cost (Present Value) |
|---------------|---|--|----------------------------|
| Low | N/A | N/A | N/A |
| High | N/A | N/A | N/A |
| Best Estimate | £0.04m | £5.1m | N/A |

Description and scale of key monetised costs by 'main affected groups'

- Additional Youth Court steady state annual cost to the legal aid fund of £5.1m (which represents around £24m when combined with the £18.5m for police stations and £0.4m for the travel scheme).
- There will also be a one-off business as usual cost to the Legal Aid Agency of implementing the necessary changes required. This is envisaged to be around £0.04m.

Other key non-monetised costs by 'main affected groups'

N/A

| BENEFITS (£m) | Total Transition (Constant Price) Years | Average Annual (excl. Transition) (Constant Price) | Total Benefit (Present Value) |
|---------------|---|--|-------------------------------|
| Low | N/A | N/A | N/A |
| High | N/A | N/A | N/A |
| Best Estimate | £0.04m | £5.1m | N/A |

Description and scale of key monetised benefits by 'main affected groups'

- Additional steady state annual benefit to solicitors' firms of £5.1m, which represents an around 81% increase relative to the Youth Court baseline spend (2023).

Other key non-monetised benefits by 'main affected groups'

Legal aid clients will benefit from a better-functioning and more sustainable legal aid market that provides a good quality service. A better-functioning legal aid market might have a positive impact on other public services.

Key assumptions/sensitivities/risks

Discount rate (%)

N/A

The key assumptions/sensitivities/risks for the above estimates are presented below. For a full description please refer to the Risks and Assumptions section of this IA.

The main risk is Youth Court volumes of cases are based on 2023 closed case data. The impact of changes in Youth Court volumes, owing to a change in sitting days, is considered further in the sensitivity analysis.

BUSINESS ASSESSMENT (Option 1)

| Direct impact on business (Equivalent Annual) | | | Score for Business Impact Target (qualifying provisions only) £m: N/A |
|---|---------------|----------|---|
| Costs: N/A | Benefits: N/A | Net: N/A | |

Summary: Analysis & Evidence

Remunerating Travel Time Option 1

Description: Remunerate police station travel time costs across five police station schemes with fewer than two providers and the Isle of Wight (as well as for providers from neighbouring schemes).

FULL ECONOMIC ASSESSMENT

| Price Base Year | PV Base Year | Time Period Years | Net Benefit (Present Value (PV)) (£m) | | |
|-----------------|--------------|-------------------|---------------------------------------|-----------|--------------------|
| | | | Low: N/A | High: N/A | Best Estimate: N/A |
| 2024 | 2024 | | | | |

| COSTS (£m) | Total Transition (Constant Price) Years | Average Annual (excl. Transition) (Constant Price) | Total Cost (Present Value) |
|---------------|---|--|----------------------------|
| Low | N/A | N/A | N/A |
| High | N/A | N/A | N/A |
| Best Estimate | N/A | £430k | N/A |

Description and scale of key monetised costs by 'main affected groups'

- Additional police station steady state annual cost to the legal aid fund of around £430k – these costs are all in respect to Crime Lower. No implementation costs are expected.

Other key non-monetised costs by 'main affected groups'

N/A

| BENEFITS (£m) | Total Transition (Constant Price) Years | Average Annual (excl. Transition) (Constant Price) | Total Benefit (Present Value) |
|---------------|---|--|-------------------------------|
| Low | N/A | N/A | N/A |
| High | N/A | N/A | N/A |
| Best Estimate | N/A | £430k | N/A |

Description and scale of key monetised benefits by 'main affected groups'

- Additional steady state annual benefit to solicitors' firms of around £430k.

Other key non-monetised benefits by 'main affected groups'

Legal aid clients will benefit from a better-functioning and more sustainable legal aid market that provides a good quality service. A better-functioning legal aid market might have a positive impact on other public services.

| Key assumptions/sensitivities/risks | Discount rate (%) |
|-------------------------------------|-------------------|
| | N/A |

The key assumptions/sensitivities/risks for the above estimates are presented below. For a full description please refer to the Risks and Assumptions section of this IA.

The main risk is police station volumes of cases are based on 2023-24 closed case data. Police station volumes may see an increase owing to police recruitment and / or provider behaviour owing to the remuneration of travel time. The impact of changes in police station volumes is considered further in the sensitivity analysis.

BUSINESS ASSESSMENT (Option 2)

| Direct impact on business (Equivalent Annual) | | | Score for Business Impact Target (qualifying provisions only) £m: N/A |
|---|---------------|----------|---|
| Costs: N/A | Benefits: N/A | Net: N/A | |

Evidence Base

A. Background

1. In December 2020, the [Criminal Legal Aid Independent Review \(CLAIR\) was commissioned](#), which considered criminal legal aid provision in England and Wales. The Review was undertaken by Sir Christopher Bellamy KC (now Lord Bellamy), a former judge and MoJ Minister.
2. CLAIR was set up to consider the criminal legal aid system in its entirety, the service being provided, and how it is procured and paid for, with particular reference to five themes: resilience, transparency, competition, efficiency and diversity (as set out in the terms of reference¹).
3. CLAIR had two main objectives:
 - a. To reform the Criminal Legal Aid fee schemes so that they:
 - fairly reflect, and pay for, work done;
 - support the sustainability of the market, including recruitment, retention, and career progression within the professions and a diverse workforce;
 - support just, efficient, and effective case progression; limit perverse incentives, and ensure value for money for the taxpayer;
 - are consistent with and, where appropriate, enable wider reforms;
 - are simple, and place proportionate administrative burdens on providers, the Legal Aid Agency, and other government departments and agencies; and
 - ensure cases are dealt with by practitioners with the right skills and experience.
 - b. To reform the wider Criminal Legal Aid market to ensure that the provider market:
 - responds flexibly to changes in the wider system, pursues working practices and structures that drive efficient and effective case progression, and delivers value for money for the taxpayer;
 - operates to ensure that Legal Aid services are delivered by practitioners with the right skills and experience;
 - operates to ensure the right level of Legal Aid provision and to encourage a diverse workforce.
4. The CLAIR report was published in December 2021. The interim response to the then government's CLAIR consultation, which was published in July 2022, committed to increasing most legal aid fees by 15%. This uplift came into force on 30 September 2022.
5. The full government response to the CLAIR consultation, published in November 2022, allocated an additional £21.1m as part of longer-term reforms to criminal legal aid fees. Of this, £16m had been originally allocated to training grants (£2.5m), Public Defender Service expansion (£3.2m) and Litigators' Graduated Fee Scheme (LGFS) reforms (£10.3m), while a further £5.1m was allocated to the Youth Court. However, following consideration of the responses to the CLAIR consultation, the full response allocated the first £16m above to solicitors' fees for police station work. The £16m reallocated to solicitors' fees for police

¹ [terms-of-reference.pdf \(publishing.service.gov.uk\)](#).

station work and the £5.1m to the Youth Court mentioned above are in addition to the September 2022 fee uplift.

The Crime Lower Fees Consultation

6. Crime Lower covers work carried out by legal aid providers at police stations and in Magistrates' Courts including Youth Courts in relation to people accused of or charged with criminal offences. On 29 January 2024, the Crime Lower consultation paper was published. It invited comments on the proposals and next steps for reform of the criminal legal aid fee schemes which fall under Crime Lower. This consultation specifically addressed how the allocated £21.1m would be distributed within the police station fee schemes and Youth Court fees. The consultation closed on 28 March 2024.
7. However, the latest legal aid data shows that there has been an increase in police station case volumes. The proposed fee levels were based on data available at the time (2022-23), but more recent data (2023-24) shows a significant increase of around 13% in police station attendance volumes. This impacts the projected overall cost of the fee increases outlined in the consultation, with the proposals now expected to cost around £18.5m per annum in steady state, instead of the original £16m, which takes the total investment to around £24m.
8. Included in the £24m, and in addition to the initial Crime Lower proposals, we are introducing a travel scheme for a selected number of schemes. The rates we propose to pay for travel time are the same as those currently already prescribed for the purpose of working out if an escape fee is payable and will be paid for travel time to / from / within the single provider schemes and the Isle of Wight (IoW) in order to direct funds to the schemes where the greatest capacity challenges have been identified.
9. This Impact Assessment (IA) accompanies the government response to the Crime Lower consultation. In particular, this IA addresses the impacts of using the £24m on the specific measures relating to the police station fee schemes and the Youth Court fee scheme. A description of each of these is provided below.

Police Station Fee Scheme

Structure of the Fee Scheme

10. Police Station advice and assistance for suspects questioned by the police is paid by fixed fees, which vary by police station scheme location. However, when the work done (defined in terms of hours worked) exceeds the escape threshold² which is typically approximately three times the fixed fee, then additional fees can be claimed at hourly rates. These cases are known as 'escape cases'. Only work done above the threshold (not work done to meet the threshold) is remunerated at hourly rates.
11. The police station fee scheme was designed on the 'swings and roundabouts' principle whereby the fixed fees for both simple and complex cases should balance each other out over time.
12. CLAIR recommended reducing the number of different fee schemes across England and Wales, which would be an important prerequisite for introducing a standard fee model at a later stage.

² There is an 'escape fee' provision for police stations work whereby a legal aid provider can be paid at hourly rates if the work done surpasses the 'escape threshold'. The escape threshold is typically approximately 3x the fixed fee based on hourly rates. Only the work done above the threshold is paid as an escape fee, not the work done between the fixed fee and the threshold.

The Variation in Different Fee Schemes

13. The police station fixed fees vary by geographic area ('scheme') and there are currently 245 different fees across England and Wales. The fixed fees were set in 2008 based on the average cost of a case in that area at the time.
14. CLAIR stated that the different rates should be phased out as soon as it was practical to do so. Therefore, the first step in structurally reforming the police station fee scheme would be to reduce the number of different rates between the various schemes across England and Wales.
15. The previous government's response to CLAIR reallocated the £16m – originally intended for other longer-term reforms – to police station fees. The response stated that the money would focus on uplifting the lowest fees within the scheme, and that the detail of this proposal would be consulted upon. Uplifting the lowest fees to the same fixed fee was seen as an opportunity to take a first step towards harmonising the different fee schemes.
16. Two options for the police station fee schemes were included in the Crime Lower consultation³, with both taking a step towards harmonising the 245 different fee schemes. These options were as follows:

Option 1: Use the £16m to harmonise fees through uplifting the lowest fees

- This option would have seen 174 non-London schemes increased to £225.63 (excluding VAT) as a fixed fee. This would have brought around 70% of the 245 different fee schemes to the same level. All schemes with a fee above £225.63 would not have had their fees increased. As all London schemes were above this amount, London fee schemes would not see an increase.

Option 2: Use the £16m to harmonise the lowest fees and the lowest London fees.

- This option would have seen 173 non-London schemes (out of 213) increased to around £223.52 (excluding VAT) and 26 (out of 32) London schemes increased to around £264.45 (excluding VAT). In total, this would include 199 of the 245 fee schemes which is around 80%.
17. At the time of the consultation, option 2 was the preferred option as it maximised the greatest number of schemes in relation to harmonisation. This option also received the most support from the respondents to the consultation.

Youth Court fees

18. Child defendants are some of the most vulnerable and benefit most from tailored specialist support. In addition, Youth Court work requires an understanding of the distinct youth justice system, process and sentencing options. Building up trust and understanding with a child can be challenging; it requires extra time and effort to be given.
19. CLAIR highlighted, however, that current Youth Court fee levels may lead to inexperienced lawyers taking on these cases. They may only have a short time to meet the child and engage with them, to understand their case, to win their trust and to represent their interests effectively. In response, CLAIR recommended that criminal legal aid fees payable in the Youth Court be increased to reflect the importance of this work and seriousness of the young defendant's situation.
20. The Crime Lower consultation set out the details of applying the enhancement to Youth Court fees, within the current fee scheme. The majority of the respondents to the

³ [Crime Lower Consultation - GOV.UK](https://www.gov.uk/government/consultations/crime-lower-consultation)

consultation welcomed the proposal and agreed with the proposed changes. Considering the consultation responses and positive financial benefit to those working in the Youth Court, we will be going ahead and implementing this proposal.

21. Youth Court fees are currently based on the Magistrates' fee scheme. We will create a separate fee scheme for the Youth Court using the current Magistrates' fee scheme as its basis. The new Youth Court fee scheme will allow for all Indictable Only and Triable Either Way offences to receive an enhanced standard fee. This will be a fixed amount of £598.59 (excluding VAT, or £718.31 including VAT) given in addition to the current fee/rate, which has been updated from the figure that was calculated at the time of the Consultation (see paragraph 79 for further details).
22. While we have targeted the funding mainly towards Indictable Only and Triable Either Way offences, we have treated one summary offence as falling within the serious category, and one either way offence as falling within the summary offence category for the purposes of respectively applying and disapplying the new enhanced fixed fee, to allow the fees to be consistent with the current fee scheme. The offences are proceedings relating to either way offences which must be tried in a magistrates' court in accordance with section 22 of the Magistrates' Court Act 1980 (certain offences triable either way to be tried summarily if the value involved is small).

B. Rationale & Policy Objectives

Rationale

23. The conventional economic rationales for government intervention are based on efficiency and equity. The government may consider intervening if there are failures in the way markets operate (e.g. monopolies overcharging consumers), or failures with existing government interventions (e.g. waste generated by misdirected rules). The new interventions should avoid creating a further set of disproportionate costs and distortions. The government may also intervene for equity (fairness) and distributional reasons (e.g. to reallocate goods and services to more deprived groups in society).
24. Allocating increased funding to the earlier stages of the Criminal Justice System (CJS) is part of CLAIR's wider objective to encourage early engagement between the Police, Crown Prosecution Service and defence practitioners. CLAIR argued that early engagement would lead to better outcomes for defendants, a more efficient CJS through better case management, earlier case resolution, earlier guilty pleas where appropriate, and therefore could potentially yield savings for the wider system.
25. The principal policy rationale behind the options assessed in this IA is to pay providers fairly to ensure sustainability of the market, which helps ensure access to justice. To encourage more time to be spent on cases where at an earlier stage, to limit perverse incentives, to ensure value for money for the taxpayer, and for the pay to attract practitioners with the right expertise or encourage them to specialise in Crime Lower work.

Policy Objectives

26. The government considers the reforms necessary to achieving our overarching policy objectives. Reform is based upon four of the main CLAIR policy objectives described above. These are to reform the Criminal Legal Aid fee schemes so that they:
 - fairly reflect, and pay for, work done;
 - support the sustainability of the market;

- support just, efficient, and effective case progression; limit perverse incentives; and ensure value for money for the taxpayer; and
- ensure cases are dealt with by practitioners with the right skills and experience.

27. The rationale and associated policy objectives for the individual policies (police station option 1, Youth Court option 1 and remunerating travel time option 1) are set out in further detail in the consultation document.

C. Main Stakeholder Groups, Organisations and Sectors

28. The options assessed in this IA will directly affect the following groups:

- Legal aid service providers (solicitors' firms⁴)
- Legal aid clients
- The Legal Aid Agency / Ministry of Justice (MoJ)
- Those working in the wider Criminal Justice System (CJS)

D. Options under Consideration

29. To meet the above policy objectives, the following options are considered in this IA:

Police Station Attendance fees

- **Option 0 / Do nothing:** Retain the existing arrangements for the police station attendance fee scheme.
- **Option 1:** Focus the additional expenditure on uplifting the lowest police station fees and the lowest London fees.

30. The government's preferred option is option 1. This is the same preferred option as at the consultation stage albeit at a slightly higher cost due to caseload changes.

Option 0: Do nothing, retain the existing arrangements for all the fee schemes

31. This option would mean making no increase to any fees in the police station fee schemes. This option will not address our commitment in the consultation response to re-allocate the additional expenditure to police station work and therefore would prevent us from addressing the wider objectives laid out in CLAIR. In addition, this option is not supported by the responses received to the CLAIR consultation.

Option 1: Focus the additional expenditure on uplifting the lowest police station fees and the lowest London fees

32. This option is in line with CLAIR's recommendation to phase out the different rates as soon as it is practical to do so. This option will allow for a wider range of fee schemes to be harmonised, which will include around 80% of the 245 different fee schemes.

33. This option will see 173 out of 213 non-London schemes harmonised to £223.52 (excluding VAT or £268.22 including VAT) and 26 out of 32 London schemes harmonised to £264.45 (excluding VAT or £317.34 including VAT). These fees are just above the current fees for Bicester and Oxford (non-London) and South London, Highbury Corner and Ealing (London), respectively. The financial benefit across non-London schemes will be an average

⁴ This includes partners and employees of firms, including qualified solicitors, solicitor advocates, CILEX executives and other employees.

fee increase per case of around £35 (including VAT, or around £29 excluding VAT) while the financial benefit across London schemes will be an average fee increase per case of around £13 (including VAT, or around £11 excluding VAT).

Youth Court fees

- **Option 0 / Do nothing:** Retain the existing arrangements for the Magistrates' / Youth Court fee scheme.
- **Option 1:** Create a new Youth Court fee scheme which allows an enhanced standard fee for all Indictable Only and Triable Either Way offences.

34. The government's preferred option is option 1.

Option 0: Do nothing, retain the existing arrangements for the fee scheme

35. This option would mean making no further increases or changes to Youth Court fees which currently sit within the Magistrates' fee scheme. This option would not address the policy objective and would prevent us from addressing the wider objectives laid out in CLAIR. In addition, this option is not supported by the responses received to the CLAIR consultation⁵.

Option 1: Create a new Youth Court fee scheme which allows an enhanced standard fee for all Indictable Only and Triable Either Way offences

36. This option is in line with CLAIR's recommendation for the criminal legal aid fees payable in the Youth Court to be increased to reflect the importance of this work and seriousness of the young defendant's situation. We believe that having a separate Youth Court fee scheme with higher rates than the Magistrates' fee scheme will help reflect the seriousness and complexity of the work done in the Youth Court.

37. This option will see all legally aided Indictable Only and Triable Either Way offences in the Youth Court paid an enhanced fee of £598.59 (excluding VAT, or £718.31 including VAT). This will be the amount received in addition to the current fees paid for Youth Court cases. The enhanced fee will apply to both standard fees and non-standard fee cases. This will also apply to both guilty pleas and trial cases with an Indictable Only or Triable Either Way offence.

Police Station Travel Remuneration

- **Option 0 / Do nothing:** Retain the existing arrangements for the police station attendance fee scheme, which includes travel time as part of the fixed fee.
- **Option 1:** Remunerate travel for police station attendances in schemes which have fewer than 2 providers and the Isle of Wight.

38. The government's preferred option is option 1.

Option 0: Do nothing, retain the existing arrangements for all the fee schemes

39. This option will mean making no payment for travel time in relation to the schemes where there are fewer than two providers (and the IoW) and will mean providers from neighbouring schemes will be less likely to pick up cases in the areas where there are capacity challenges.

⁵ Please see Chapter 6 of the [Full Government Response to CLAIR](#).

Option 1: Remunerate travel time for police station work in areas where there are capacity challenges

40. Option 1 will provide for payment for travel time in relation to schemes with fewer than two providers and the Isle of Wight (IoW), as well as to providers from neighbouring schemes who do work within those scheme areas.
41. There are capacity challenges in relation to the supply of solicitors in some duty scheme areas. There are particular concerns about the Barnstaple, Skegness, Berwick & Alnwick, Dolgellau and Newark schemes as they have fewer than two providers. With these schemes, there are limited operational levers that the Legal Aid Agency can utilise to mitigate some of the challenges they face. Although it currently has more than one provider, we believe the IoW scheme should also benefit from payment of travel time to support mainland providers to provide advice there. The IoW scheme is unique as it is the only scheme where it is not possible to drive to and from neighbouring schemes.
42. In the judgment following the Law Society JR ([2024] EWHC 155 (Admin)) the Court noted that the Law Society had identified Barnstaple and Skegness as the two “worst cases” in relation to capacity challenges. We therefore think it is important that steps are taken to improve the operation of these schemes – as well as other schemes identified as presenting the greatest capacity challenges.
43. Under this option, the rates will be the same as those currently already prescribed for the purpose of working out if an escape fee is payable and will be paid for travel time to / from / within the single provider schemes and the IoW, in order to direct funds to the schemes where capacity challenges have been identified. This intervention is estimated to cost around £430k (including VAT) per annum.

E. Cost and Benefit Analysis

44. This IA follows the procedures and criteria set out in the IA guidance and is consistent with the HM Treasury Green Book.
45. This IA identifies impacts on individuals, groups and businesses in England and Wales, with the aim of understanding what the overall impact to society will be from implementing the above measures. IAs place a strong emphasis on valuing the costs and benefits in monetary terms (including estimating the value of goods and services that are not traded). However, there are important aspects that cannot sensibly be monetised – which might include whether the policy impacts differently on particular groups of society or changes in equity and fairness.
46. The costs and benefits of each option are usually compared to the ‘do nothing’ or baseline option (option 0), to demonstrate the potential impacts of reform. In this case, the ‘do nothing’ option is making no changes to the criminal legal aid fee schemes. This ‘do nothing’ option is a useful baseline for comparison purposes as it demonstrates where additional expenditure is targeted.
47. The costs and benefits in this IA are presented in nominal prices.
48. The estimated impacts of all the options are presented at their expected steady state values, which have been assessed against both the volumes and mix of claims in 2023-24 for police

stations and in 2023 for the Youth Court. These volumes reflect the most recent and accurate estimates of caseload⁶. Further details are provided in paragraphs 55-58.

49. Any one-off costs are assumed to be incurred in the financial year 2024-25. No optimism bias is applied to any of the steady state costs or benefits, as they are based on known fixed fees. Estimates for the implementation costs have been rounded up to allow for optimism bias. More details are given in the methodology section.
50. Sensitivity analysis has been performed in section F on any variables where there is some uncertainty. Two scenarios are analysed, (A) where modelling assumptions are taken to the values which will give the highest costs and benefits; (B) where modelling assumptions are taken to the values which will give the lowest costs and benefits.
51. Any changes that arise as a result of the increased cost of legal aid are assumed to amount to a transfer between the Legal Aid Agency and legal aid providers and, as such, net present values (NPV) have not been included in this IA.
52. The cost estimates are based on the Legal Aid Agency billing data. The analysis in this IA is based on closed case expenditure and volumes in 2023-24 and 2023.
53. The expenditure estimates in this IA have been rounded: estimates below £300,000 have been rounded to the nearest £10,000; estimates below £10m have been rounded to the nearest £100,000; those below £150m to the nearest £1m; and those above £150m to the nearest £5m. Percentage values have also been rounded. Consequently, some totals may not agree due to rounding.
54. Further details on the methodology assumptions and risks can be found in section F.

Baseline

55. As stated above, the police stations modelling is based on 2023-24 volumes and the Youth Court modelling is based on 2023 volumes. At the time of completing this IA, the data used represents the latest and most accurate data available.
56. In the case of the Youth Court, volumes of legally aided cases have been estimated by linking volumes of youth cases proceeded against (excluding cases that have been sent for trial to the Crown Court) to legal aid claims. Baseline Youth Court legal aid spend for 2023 has been estimated by taking the legally aided volume of cases and multiplying it by the average legal aid representation order spend on Youth Court lower, higher and non-standard fee cases in 2023.
57. For police stations, volumes of legally aided cases and spend are for police station attendance work only. It should be noted that baseline spend for the Youth Court and police station areas has been adjusted to reflect the full year impact of the recent 15% fees uplift which came into effect on 30 September 2022 – this is described further in the Assumptions and Risks section.
58. The latest year of available data has been used as our best estimate of ‘steady state’⁷ due to uncertainty around expected future volumes. As described in the Assumptions and Risks

⁶ Legal aid claims for 2023-24 and 2023 are based on published data: [Legal aid statistics - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/legal-aid-statistics). [Headline Tables \(2.1 and 2.2\)](https://www.gov.uk/government/statistics/criminal-justice-system-statistics-quarterly). For the latest available data on the overall volumes of youth cases – please see: [Criminal Justice System statistics quarterly: December 2023 - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/criminal-justice-system-statistics-quarterly). [Outcomes by Offence Data Tool: December 2023 and the Prosecutions and Convictions tab](https://www.gov.uk/government/statistics/criminal-justice-system-statistics-quarterly).

⁷ Department uses steady state estimates when assessing the annual ongoing cost of a legal aid fee scheme. This is because a change to a legal aid fee scheme will not usually take effect across existing cases following policy

section, volumes in future years may be higher or lower than this. The impact of this has been tested in the sensitivity analysis.

Option 1 (police Station attendance fees): Focus the additional expenditure on uplifting the lowest fees and the lowest London fees.

Option 1 (Youth Court fees): Create a new Youth Court fee scheme which allows an enhanced standard fee for all Indictable Only and Triable Either Way offences.

Option 1 (remunerating police station travel time): Remunerate police station travel time costs across five police station schemes with fewer than two providers and the Isle of Wight (as well as for providers from neighbouring schemes).

Costs of Preferred Options

59. The key costs of the police station attendance (including remunerating travel time) and Youth Court fee options are described below. The geographical and provider level impacts of the police station attendance fees option are described further in Annex A.

Legal aid service providers: Solicitors' Firms

60. There will be no costs to solicitors' firms under each of the options.

Legal aid clients

61. Clients will still have access to the same criminal legal aid services as they do now, provided, where applicable, the interests of justice and means tests are satisfied. The measures we are introducing may improve access to justice because they are designed to help ensure the stability of the market.

Legal Aid Agency/Ministry of Justice

Transition Costs

62. The Legal Aid Agency will need to implement these changes, with a cost of around £0.05m. These implementation costs are indicative and are described in Table 1 below. No implementation costs are expected in respect to the remunerating travel time measure.

Table 1: Legal Aid Agency Implementation Costs for Option 1, £m

| | Implementation Costs |
|--|-----------------------------|
| Police Stations | |
| Option 1 – raising the lowest fees including London fees | 0.02 |
| Youth Court | |
| Option 1 – enhanced fee | 0.04 |
| Total | 0.05 |

- Figures do not sum due to rounding.

Steady State Costs

63. The police station, the travel time and the Youth Court measures combined are estimated to cost the legal aid fund of around £24m per annum in steady state (Table 2 below).

implementation. Instead, the change in fee schemes usually only takes effect in respect of cases which start after it has been implemented. This means that there is a period where cases commenced after the introduction of the new fee scheme will be billed on the basis of the new fee scheme whilst existing cases in the system continue to be billed on the basis of the pre-existing fee scheme. Steady state is achieved at the point when all cases are being billed on the basis of the new fee scheme.

Table 2: Steady State Legal Aid Agency Costs for Option 1, £m

| | Total Baseline Spend – 2023-24 | Total Baseline ‘Adjusted’ Spend – 2023-24 | Steady State Additional Fee Income |
|--|--------------------------------|---|------------------------------------|
| Police Stations | | | |
| Option 1 – raising the lowest fees including London fees | 150 | 150 | 18 |
| Option 1 – remunerating travel time | - | - | 0.4 |
| Youth Court | | | |
| Option 1 – enhanced fee | 7.0 | 7.3 | 5.1 |
| Total | 157 | 158 | 24 |

- Figures **include** expenditure on disbursements and VAT.
- Total Baseline Spend is based on the latest available data – for the Youth Court this represents 2023 estimated spend (as outlined in paragraphs 55–58) and for police stations this represents 2023-24 spend for attendance work only, i.e., excludes all other areas.
- The Total Baseline Spend is adjusted to reflect the full year impact of the 15% fees uplift which came into effect on 30 September 2022. No adjustment has been made for police stations Pre-Charge Engagement⁸ – the latest statistics show that overall spend in this area was around £53k in 2023-24.
- Figures may not sum due to rounding.

Benefits of Preferred Options

64. The key benefits of the police station attendance and Youth Court fee option are described below. The geographical and provider level impacts are described further in Annex A.

Legal aid service providers: Solicitors’ Firms

65. Under the police station and the Youth Court options, solicitors’ firms are expected to receive around £24m in additional annual funding, as shown in Table 3. Analysis of how this funding will be distributed across different (fee scheme) regions and office types is shown in Annex A.

Table 3: Solicitors’ firms Steady State Additional Fee Income for Option 1, £m

| | Total Baseline ‘Adjusted’ Spend – 2023-24 | Steady State Additional Fee Income | Average Percentage Increase |
|--|---|------------------------------------|-----------------------------|
| Police Stations | | | |
| Option 1 – raising the lowest fees including London fees | 145 | 18 | 13% |
| Youth Court | | | |
| Option 1 – enhanced fee | 6.3 | 5.1 | 81% |
| Total | 151 | 24 | 16% |

- Figures **exclude** expenditure on disbursements and include VAT.
- The table does not include the remunerating travel time measure.
- The Total Baseline ‘Adjusted’ Spend is as described above.
- Figures may not sum due to rounding.

66. Although criminal barristers work in both Crime Lower and Crime Higher, they are only paid directly for their work in Crime Higher. For Crime Lower schemes their fee mostly goes through the solicitors’ firm, so there could be some benefit for criminal barristers from the proposed options, but this cannot be calculated due to the lack of data.

⁸ For further detail around Pre-Charge Engagement – please see the following IAs:
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1092151/clair-response-impact-assessment.pdf,
<https://assets.publishing.service.gov.uk/media/606d8b098fa8f5735e5a5b25/pre-charge-engagement-impact-assessment.pdf>.

Legal Aid Clients

67. The preferred options will increase the amount paid to legal aid providers. Although we have not been able to estimate any monetised benefits for legal aid clients, the key aims of these measures – to improve the sustainability and efficiency of the legal aid market – are likely to have a positive effect on legal aid clients for whom a well-functioning and sustainable legal aid market that provides a good quality service is vital.

Legal Aid Agency

68. Having a separate fee scheme for adults and children will help improve the quality of the Legal Aid Agency billing data for the Youth Court. As mentioned in paragraphs 55–58 above, the legal aid volumes of Youth Court cases have been estimated, and with a separate Youth Court fee scheme, the Legal Aid Agency can be more confident that all cases coming through that scheme are for cases in the Youth Court.

69. Harmonising the police station fee schemes in the long-term will be an operational benefit for the Legal Aid Agency. The Legal Aid Agency currently processes claims for 245 different fee schemes across England and Wales. Therefore, reducing the number of different fees in the future will simplify processes.

70. Paying for travel time in relation to some police station schemes will reduce the capacity challenges in relation to the supply of solicitors in those duty scheme areas.

Wider Criminal Justice System (CJS)

71. As mentioned in the CLAIR review, there could be wider benefits if these reforms result in the whole CJS functioning more effectively, to be able to respond to forecast increase in demand, and to reduce the backlog. This will benefit the Police, HM Courts and Tribunals Service (HMCTS) and the Crown Prosecution Service (CPS) for instance.

F. Methodology, Assumptions, Risks and Sensitivity Analysis

Methodology

Baseline Costs

72. As described in paragraphs 55-58, the costs and benefits of the preferred options have been based on 2023-24 spend for police stations attendance work and 2023 estimated spend for the Youth Court. This represents the latest and most accurate available data – it shows that volumes of cases and spend in the Crime Lower area have recovered to around Pre-Covid-19 levels. For further detail please refer to the Assumptions and Risks Section.

73. The spend data is based on the closed cases measure of expenditure which shows the total value of payments made to legal aid providers in relation to cases that are completed in each period, even where a portion of the work may have taken place and paid over previous periods.

Police station attendance fees – Option 1

74. The stated fee levels attempt to maximise the number of fee schemes that can be harmonised whilst ensuring the lowest fee schemes receive the most in terms of an increase

in fees. The escape case threshold⁹ will also be harmonised for each of the fee schemes that are harmonised. This will be based on the mean escape fee threshold for the affected schemes (separately outside of London and within London), weighted according to the case numbers. This equates to a total increase in investment in the police stations area of an estimated £18.5m per annum, based on 2023-24 case volumes.

Police station travel time – Option 1

75. The process of estimating the costs of this measure involved quantifying the current duty solicitor and own client caseload across the six schemes, which is the proxy for journeys completed, and assuming most of the journeys were made via road. Google Maps Trip Planner was used as a final measure of journey times to account for average travel conditions.

76. Journey times will be remunerated on an hourly basis, based on existing national hourly rates for travel, which are described in the table below.

| | National hourly rates (£, excluding VAT) |
|---------------------------------|---|
| Own Solicitor | 30.22 |
| Duty Solicitor | 54.57 |
| Duty Solicitor (Unsocial Hours) | 72.46 |

77. It should also be noted that the final costing includes an adjustment to reflect the possibility of an increase in the number of duty solicitor cases picked up by providers from neighbouring schemes. It is assumed that 10% of current duty solicitor cases could be picked up by providers from neighbouring schemes with the journey time based on the provider whose office is based furthest from the police station in question.

Youth Court fees – Option 1

78. Under Option 1, the average fee enhancement is based on the allocated spend for the Youth Court (£5.1m) divided by the estimated number of legally aided Indictable Only and Triable Either Way Youth Court cases (around 7,000 in 2023), which results in an average enhancement of £718.31 (including VAT). This fee is higher than the average spend across all representation order (lower, higher and non-standard fee) Youth Court cases, which was around £640¹⁰ (including VAT), in 2023.

79. It is worth noting that at the time of the consultation the enhanced fee for legally aided Indictable Only and Triable Either Way Youth Court cases was calculated at £658 (including VAT), based on 2022 data. However, following methodological improvements to the way youth volumes are counted and the availability of 2023 data the enhanced fee has been revised upwards.

Risks and assumptions

80. Table 4 sets out the main assumptions used in the above analysis and the associated risks.

⁹ There is an ‘escape fee’ provision for police stations work whereby a legal aid provider can be paid at hourly rates if the work done surpasses the ‘escape threshold’. The escape threshold is typically approximately 3x the fixed fee based on hourly rates. Only the work done above the threshold is paid as an escape fee, not the work done between the fixed fee and the threshold.

¹⁰ This figure has been adjusted to include the recent 15% fees uplift.

Table 4: Assumptions and risks associated with police station and Youth Court Option 1

| Area | Assumptions | Risks |
|--|---|--|
| Transition Costs | | |
| Legal Aid Agency Transition | Transition costs are based on time estimates and salary costs for digital teams. | This may over- or under-estimate the cost of completing these digital changes. To account for this the costs have been sensitivity tested using a 15% increase and decrease. |
| Steady State General Assumptions | | |
| 2023-24 baseline / 'adjusted' baseline | It is assumed baseline legal aid spend and volumes are as described in paragraphs 55-58. Baseline Spend has been adjusted to reflect the full year impact of the 15% fees uplift which came into effect on 30 September 2022. All police station and Youth Court claims prior to this point have been uplifted using the appropriate claim / case dates. Baseline Spend for police stations has not been adjusted to include the impact of Pre-Charge Engagement. The latest Legal Aid Statistics show that overall spend in the Pre-Charge Engagement area was around £53k in 2023-24. | Case mix and volumes change year on year which could lead to higher or lower costs than those estimated. Police station case volumes may increase owing to police recruitment. The impact of changes to both police station and Youth Court volumes has been considered in the sensitivity analysis. |
| VAT and disbursements | Baseline criminal spend includes VAT and disbursements, unless otherwise specified. | This will not impact the estimated costs or benefits. |
| Police Stations Attendance Fees Modelling (Option 1) | | |
| Police station 'attendance' volume of cases / provider costs submitted | Police station attendance case volumes are as described above (i.e., based on 2023-24 completed billing returns). A small adjustment has been made to omit erroneous cases including cases where the fees do not match the fees prescribed in the Regulations, unless the differences are known. The modelling in respect to changing the escape fee thresholds is based on provider costs (overall costs including travel, waiting and counsel costs) submitted. | The small adjustment to police stations volumes has a negligible impact and it is not a risk to the modelling. Provider costs submitted could be higher or lower, and therefore this area is tested as part of the sensitivity analysis. |
| Regional split of police station fee cases/impacts | The regional split of police station case volumes is based on the police station court CJS region which is recorded in the billing data. | This will not impact the estimated costs or benefits. |

| Area | Assumptions | Risks |
|--|--|--|
| Police Stations Remunerating Travel Time Modelling (Option 1) | | |
| Police station 'attendance' volume of cases | Police station attendance case volumes are as described in the main assumptions table and relate to the six schemes that would be impacted (Barnstaple, Berwick & Alnwick, Dolgellau, Isle of Wight, Newark, and Skegness). | Police station volumes could be higher or lower, and this is tested as part of the sensitivity analysis. |
| Travel times | Travel times are based on the most efficient journey time by car (and, where appropriate by ferry) – in both directions. This is based on the shortest route between two postcodes, no delays and traveling at the speed limit. The travel times were adjusted using Google Maps Travel Planner to account for average journey conditions. | Travel times could be higher or lower, and this is tested as part of the sensitivity analysis. |
| Remuneration rates and application | The remuneration rates are as per the table above. It has been assumed that one-third of duty solicitor work will take place during office hours and that two-thirds of duty solicitor work will take place in unsocial hours. | The split of work could vary, and this is covered as part of the sensitivity analysis. |
| Youth Court Fees Modelling (Option 1) | | |
| Youth Court cases modelling | Youth Court case volumes are as described above. Volumes are based on estimated legally aided Indictable Only and Triable Either Way cases – 'sent for trial' to Crown Court cases have been excluded. | Case mix and volumes change year on year which could lead to higher or lower costs than those estimated. This has been considered as part of the sensitivity analysis. |
| Solicitor Firm Investment | | |
| Crime Lower | It has been assumed that all fees paid for Crime Lower work go to solicitors' firms. Solicitors' firms can hire a Barrister to represent their client in the Lower courts, so they may indirectly benefit from the increase in fees. | This assumption may lead to an overestimate of the benefits to solicitors' firms. |

Sensitivity Analysis

Implementation Costs

81. There is a degree of uncertainty around the estimates for the implementation costs, so scenarios have been modelled where these costs are either increased (Scenario A) or

decreased (Scenario B) by 15%. The results of this analysis are shown in Table 5 below. The changes in the implementation costs are very small.

Table 5: Sensitivity Analysis of Implementation Costs for Option 1, £m

| Implementation Costs | Central Estimate | Scenario A | Scenario B |
|--|-------------------------|-------------------|-------------------|
| Police Stations | | | |
| Option 1 – raising the lowest fees including London fees | 0.02 | 0.02 | 0.01 |
| Youth Court | | | |
| Option 1 – enhanced fee | 0.04 | 0.04 | 0.03 |
| Total | 0.05 | 0.06 | 0.04 |

- Figures may not sum due to rounding.

Steady State Costs

82. We have presented the impacts of the options costing more or less than the primary estimates, to try to capture a reasonable range of uncertainty in the modelled cost estimates. Two scenarios have been modelled for illustrative purposes:

- Scenario A assumes the volumes and costs of cases increase.
- Scenario B assumes the volumes and costs of cases decrease.

83. The change for each option under each scenario is shown in Table 6.

84. Scenario A assumes that, based on assumptions around police stations legal aid volumes increase owing to police recruitment, and Youth Court legal aid cases increase to the level where all relevant cases are legally aided. Scenario A is based on these increases in volumes, which are 10% in police station cases and 25% in the Youth Court. Furthermore, Scenario A assumes that police station claim costs submitted by providers, which are used to assess the impact of harmonising the relevant police station fee scheme escape thresholds (Options 1 and 2), are increased by 10%.

85. Scenario B assumes the inverse of the assumptions highlighted in the above paragraph, apart from for police station volumes which are reduced by 5%. The total increase in costs under Scenario A is around £3m, with a total estimated spend of £27m. The total decrease in costs under Scenario B is around £2m, with a total estimated spend of £22m.

Table 6: Sensitivity Analysis – Steady state additional costs per annum for Option 1, £m

| | Central Estimate | Scenario A | Scenario B |
|--|-------------------------|-------------------|-------------------|
| Police Stations | | | |
| Option 1 – raising the lowest fees including London fees | 18 | 20 | 18 |
| Option 1 – remunerating travel time | 0.4 | 0.5 | 0.4 |
| Youth Court | | | |
| Option 1 – enhanced fee | 5.1 | 6.4 | 3.8 |
| Total | 24 | 27 | 22 |

- All figures include VAT.

- Figures may not sum due to rounding.

G. Wider Impacts

Equalities

86. The Equality Assessment published alongside the consultation response gives further details on the equality's impacts.

Families

87. We have no evidence to suggest that families will be disproportionately adversely affected by the measures.

Better Regulation

88. These measures are out of scope of the Better Regulation Framework.

International Trade

89. The options in this IA have no implications for international trade.

Welsh Language

90. We do not consider these measures will have an impact on legal services through the medium of Welsh.

H. Monitoring & Evaluation

91. The MoJ will proactively monitor the impact of the proposed changes, in terms of costs, and behavioural changes, from the point of implementation.

Annex A: Distributional Analysis of the Fee Reforms for Solicitors' Offices

92. This annex assesses to what extent, if any, there are differential overall impacts from Option 1 (increased police station funding) on solicitor offices with certain characteristics – for example, whether the fee increases vary by geographical location or by office size in terms of total criminal legal aid income. It has not been possible to complete the same analysis for the Youth Court option owing to a lack of available data – the enhanced fee (£718.31 including VAT, or £598.59 excluding VAT) will go to all solicitor offices completing legally aided representation order work on Indictable only and Triable Either Way cases. The police stations measure to remunerate travel is also omitted from this section owing to the scale of the estimated cost impact and that detailed analysis of providers operating in the schemes could lead to the providers being identified.
93. For police stations, fee scheme region is used as a proxy for geographical location, and office size is determined by overall criminal legal aid income ('total value') from the Legal Aid Provider Statistics for 2023-24.
94. Although we can estimate how much of an increase solicitors' offices will see in their fee income, we cannot say how this money will be used and therefore how this might impact on the remuneration of partners, other qualified solicitors, legal executives or other employees.
95. Table 7 sets out the percentage of total cases, under the police station option, that will experience an increase. Most regions will experience an increase across 90% or more of their cases.

Table 7: Percentage of police station cases experiencing an increase in fees, split by region

| Fee scheme region | Volumes of cases | Percentage of cases experiencing an increase |
|--------------------------|------------------|--|
| | | Option 1 |
| East | 52,200 | 75% |
| East Midlands | 52,600 | 91% |
| London | 82,600 | 71% |
| Merseyside | 14,500 | 100% |
| North East | 33,000 | 100% |
| North West | 67,800 | 100% |
| South East | 85,000 | 43% |
| South West | 45,300 | 93% |
| Wales | 33,900 | 95% |
| West Midlands | 52,900 | 96% |
| Yorkshire and Humberside | 64,400 | 100% |
| Total | 584,100 | 83% |

- Figures have been rounded.

96. Table 8 shows that the average fee increase overall will be £32 including VAT.

Table 8: Average fee increase in police station cases, split by region, £

| Fee scheme region | Volumes of cases | Average fee increase (£) of police station cases |
|-------------------------------|------------------|---|
| | | Option 1 |
| East | 52,200 | 26 |
| East Midlands | 52,600 | 28 |
| London | 82,600 | 13 |
| Merseyside | 14,500 | 36 |
| North East | 33,000 | 67 |
| North West | 67,800 | 43 |
| South East | 85,000 | 12 |
| South West | 45,300 | 33 |
| Wales | 33,900 | 29 |
| West Midlands | 52,900 | 29 |
| Yorkshire and Humberside | 64,400 | 59 |
| Total | 584,100 | 32 |
| Total, London excluded | 501,600 | 35 |

- All figures include VAT.

97. Table 9 shows the estimated change in police station fee income as a share of current police station fee income split by office size, which is measured based on overall criminal legal aid income. Offices with overall criminal legal aid income of £200k up to £800k will see the greatest increase, and smaller offices will see a larger increase than bigger offices, on average.

Table 9: Estimated average percentage change in fee income, split by office total criminal legal aid fee income

| Overall criminal legal aid income | Number of Offices | Average fee increase |
|-----------------------------------|-------------------|----------------------|
| | | Option 1 |
| £0 up to £200k | 618 | 12% |
| £200k up to £400k | 325 | 14% |
| £400k up to £600k | 251 | 14% |
| £600k up to £800k | 121 | 14% |
| £800k and over | 242 | 11% |
| Totals | 1,557 | 13% |

- All figures include VAT.

Annex B: Baseline and expected spend including difference based on 2019-20 and 2023-24 volumes

98. In this annex we present the estimated spend impacts for the police station attendance fees¹¹ and Youth Court fees measures considered in this IA against a 2019-20 baseline – figures for 2023-24 are also provided for comparison purposes. This is in keeping with the analysis that was presented in the IA for the then government’s response to the Criminal Legal Aid Independent Review (CLAIR) Consultation. The table below shows baseline spend excluding the 15% fees uplift, expected spend including the 15% fees uplift, expected spend including both the 15% fees uplift and the spend relating to the measures considered in this IA, and the differences in spend. These figures are based on both 2019-20 and 2023-24 volumes.

Table 10: Baseline and expected spend including change based on 2019-20 volumes, £m

| | Baseline spend | | Expected spend Including 15% fees uplift and IA proposals | Change in spend | | |
|--|---------------------------------|---------------------------------|--|-------------------------------|--|---|
| | Excluding 15% fees uplift | Including 15% fees uplift | | Change in overall spend | Change in spend due to proposals | Change in spend due to IA proposals |
| Police Stations attendance fees | | | | | | |
| Option 1 – raising the lowest fees including London fees | 114 | 132 | 148 | 33 | 16 | 12% |
| Youth Court fees | | | | | | |
| Option 1 – enhanced fee | 8.4 | 9.7 | 18 | 9.2 | 7.9 | 82% |

Table 11: Baseline and expected spend including change based on 2023-24 volumes, £m

| | Baseline spend | | Expected spend Including 15% fees uplift and IA proposals | Change in spend | | |
|--|---------------------------------|---------------------------------|--|-------------------------------|--|---|
| | Excluding 15% fees uplift | Including 15% fees uplift | | Change in overall spend | Change in spend due to proposals | Change in spend due to IA proposals |
| Police Stations attendance fees | | | | | | |
| Option 1 – raising the lowest fees including London fees | 126 | 145 | 163 | 37 | 18 | 13% |
| Youth Court fees | | | | | | |
| Option 1 – enhanced fee | 5.9 | 6.3 | 11 | 5.6 | 5.1 | 81% |

- Figures in both tables include VAT and exclude disbursements.
- Figures have been rounded as per the IA rounding conventions (paragraph 53).

99. Police station spend (2019-20 and 2023-24) covers attendance work only – all other areas of police stations spend are excluded. Youth Court spend covers the estimated legal aid representation order spend (2019 and 2023). Baseline Youth Court spend and volumes were estimated as described in paragraphs 55-58.

100. Baseline spend was lower across the police station area and higher across the Youth Court area in 2019-20 versus 2023-24. This difference is largely down to the volumes of cases – the number of police station attendance cases was around 526,000 in 2019-20 compared to around 584,000 in 2023-24, and the number of legally aided Youth Court cases was around 17,000 in 2019 compared to around 10,000 in 2023.

101. As a result, the expected spend, including the 15% fees uplift and the IA measures, is greater when using 2023-24 volumes compared to 2019-20 volumes for police stations, whereas the reverse is true for the Youth Court, i.e., the spend is lower when comparing 2023 against 2019.

¹¹ This annex does not include the measure to remunerate travel time.