



Ministry of JUSTICE

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Dear Mr Flynn

Thank you for your letter of 3 June to the Justice Secretary in which you raise concerns about the financial difficulties faced by Refugee and Migrant Justice (RMJ). You are no doubt aware that since you wrote the Board of Trustees decided to place RMJ into administration. I have been asked to reply and apologise for the time taken to respond

The most important issue now that RMJ has decided to enter into administration is the arrangements for its clients. The Legal Services Commission (LSC) is working closely with the administrator and others to ensure that urgent arrangements are made so that clients continue to receive a good quality service. The LSC has experience of handling the transfer of work when a provider leaves the market and is satisfied that there is adequate capacity to absorb the extra workload. Though some initial disruption is unfortunately inevitable, every effort will be made to minimise this.

It may reassure you to know that there are many organisations providing legal services in this area of law, operating from over 250 offices across England and Wales. All of those providers are required to meet the same high standards, including an accreditation scheme for all advisers and supervisors and a quality assurance system.

It is not entirely accurate to say that providers have to wait for cases to conclude before receiving payments. All providers of legal aid receive Standard Monthly Payments from the LSC which are reconciled periodically against claims submitted for cases that have either closed or have reached the stage where a claim may be made. LSC funding arrangements aim to reconcile claims against payments at regular intervals to ensure that public funds are protected. These arrangements enable asylum and immigration providers to reconcile costs in a reasonable period for the vast majority of their cases. The LSC analysis of claims submitted by asylum and immigration providers suggests

that approximately 80% of stage claims are made within six months of a file being opened and approximately 90% are made within nine months.

Payment for immigration and asylum work was previously determined according to the number of hours spent working on each case. This arrangement was replaced by the Graduated Fee Scheme, which was implemented in October 2007.

In recognition of their historic funding arrangements, RMJ continued to receive payment based on time spent on all cases opened up to 31 March 2009. They received a monthly credit for the further work they did on these cases without having to wait for a stage billing point. This applied to a significant portion of their caseload.

The LSC agreed a more favourable arrangement with RMJ than was agreed with other Not for Profit providers. Most other Not for Profit providers have been reconciled in accordance with the agreed Transitional Arrangements and these organisations are continuing to meet their contractual obligations whilst being paid in line with the published fee scheme and payment arrangements. RMJ were paid what was due and in fact had transitional credit arrangements that other organisations did not enjoy. The support from which RMJ have benefited has therefore been very considerable. However, they did not make the efficiency savings that others did.

So far as the longer term is concerned, the LSC ran a tender round for new contracts for asylum and immigration from October 2010. An increased number of offices applied to do the work and bid for more than double the amount of cases available. Applicants were notified of the outcome of the tenders on 28 June. The LSC will now work with those organisations to ensure there is continuing quality asylum advice for all categories of client.

I hope this letter has helped to clarify the situation

PP 

Bridget Kebirungi
Policy Officer
Asylum & Immigration Legal Aid