

RECEIVED 22 JUL 2010



Ministry of  
**JUSTICE**

**The Right Honourable  
Kenneth Clarke QC MP**  
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The Rt Hon Tessa Jowell MP  
House of Commons  
London  
SW1A 0AA

Your Ref: 01102052  
Our Ref: MC 2801077

20 July 2010

Dear Tessa,

#### **REFUGEE AND MIGRANT JUSTICE**

Thank you for your letter of 24 June regarding concerns raised by your constituents 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 considered carefully the concerns raised by you and many others. I wrote to Paul Gray, Chair of the Board of Trustees to explain the position and that I do not consider intervention appropriate. However, it might be useful if I clarify some of the points that have been raised by RMJ.

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.

Arrangements are being made for other providers to take on clients in urgent cases. The Tribunal Service has agreed to adjournments of RMJ cases where appropriate, in the event that clients are temporarily unrepresented or have instructed a new

representative at short notice. There has also been regular contact with UKBA to ensure that appropriate arrangements are made. I have also spoken directly to Damian Green MP, the Immigration Minister. UKBA has also issued guidance to their caseworkers to ensure that RMJ's clients are not unreasonably affected by the closure.

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.

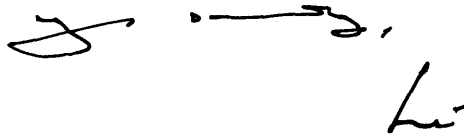
In recognition of their historic funding arrangements, RMJ continued to receive payment based on time spent on all cases opened up to 31 March 2009. They received a monthly credit for the further work they did on these cases without having to wait for a stage billing point. This applied to a significant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

A handwritten signature in black ink, appearing to read 'Kenneth Clarke', with a stylized flourish at the end.

**KENNETH CLARKE**