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Our ref: S/IC/FOI (19) – Log No 971
Your ref:
Our E-mail: foi@legalservices.gov.uk

Date: 10/07/2008

Dear Mr Rathfelder,

Re: Freedom of Information Act (FOI Act) Request -

I am writing in response to your Freedom of Information request, dated 12th June 2008, in which you requested the following information:

1. How many Not for Profit organisations had a contract for social welfare or immigration law in March 2007.
2. How many have such a contract now.
3. How many have had their contracts reduced or been required to repay money under the contract up to now
4. It would be useful if the figures were broken down by region

There are 409 Not for Profit providers with immigration and/or social welfare contracts in May 2008 compared with 447 providers in March 2007. In the period October 2007 to May 2008 the monthly payments to providers have reduced in 242 contracts and increased in 33 contracts. In the same period the matter starts reported have increased. The reason for payment increases was primarily growth of billings whilst the reductions reflected a variety of reasons including:

- Lower billing rates (reduction in fee earners, fewer claims, changes in client eligibility)
- Repayment of debt in line with agreed transition plans

Figures for the number of Not for Profit providers that have had lower payments has been calculated by comparing the anticipated amounts to be paid during the period October 2007 to May 2008 based on historic billing rates with the actual amounts paid to providers during the same period based on the new fee schemes.

It should be noted that:



- Amounts paid are based on claims received to date and the projected future position of a provider. Should claims increase in future months, payments would be increased to reflect this; this includes exceptional claims that potentially accrue towards the end of a case.
- Some providers have increased matter starts and experienced a lower payment due to the factors above.

All Not for Profit contracts are being managed in line with the transitional arrangements agreed with representative bodies. With all Not for Profit providers discussions between the provider and their Account Manager regarding managing the transitional phase between billing for hours worked and billing for cases closed will take place on a regular basis. Where, based on available information, it is anticipated that billing will reduce; the various options for managing the process will be reviewed and appropriate action then taken to ensure that the provider is in a much stronger position for the future. This represents a proactive approach to the transitional arrangements on behalf of the provider.

The table below provides details, by region, for points 1 – 3 above.

Office	Contracts March 2007	Contracts May 2008	Terminated, Withdrawn etc	Contracts with Lower Payments October 2007 - May 2008
Birmingham	40	37	3	27
Nottingham	28	26	2	15
Cambridge	36	34	2	16
MIDLANDS	104	97	7	58
Newcastle	27	24	3	15
Leeds	33	33	0	17
Manchester	53	48	5	28
Liverpool	13	13	0	7
NORTH	126	118	8	67
Bristol	45	42	3	15
Reading	16	14	2	7
Brighton	26	24	2	18
SOUTH	87	80	7	40
WALES	32	30	2	21
LONDON	98	84	14	56
TOTAL	447	409	38	242

Notes:

1. Matter starts increased in the same period (Oct07 - May08)
2. 33 contracts have increased payments
3. Actual payments include only claims to date; no account has been taken of billing efficiency or exceptional claims



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If you have any queries about this letter, please contact us at the above address. Please remember to quote the reference number above in any future correspondence.

Yours sincerely

Information Compliance Team

