

WRITTEN MINISTERIAL STATEMENT

Tuesday 5 March 2013

MINISTRY OF JUSTICE

Legal aid reform

The Lord Chancellor and Secretary of State for Justice (Chris Grayling):

The Chancellor's Autumn Statement made it clear that further savings must be found from all areas of public expenditure.

Through the Legal Aid, Sentencing and Punishment of Offenders Act 2012 we have already reduced what we spend on legal aid for civil cases by targeting resources on those most in need. Criminal Defence represents by far the largest element of our remaining legal aid spend, where we are still spending over a billion pounds a year. We are committed to ensuring that the criminal legal aid scheme of the future continues to protect people's fundamental right to a defence. However, against a background of continuing financial challenge, we need to ensure we target our resources in that area too.

We are working to improve the efficiency of the criminal justice system as a whole, to move towards swifter resolution of cases before the courts.

We also need to look again at ensuring that defendants who can afford to contribute to their legal costs do so and that the legal aid system commands the confidence of the public. We are already taking steps in this regard to strengthen the effectiveness of the Crown Court means testing scheme which, from July 2013, will include powers to seize and if necessary sell a defendant's motor vehicle if subsequently convicted. This is one of a raft of measures we are announcing today to help ensure that defendants contribute towards the cost of their otherwise taxpayer-funded defence.

In addition, we must consider how to achieve best value for money in the way we procure legal aid. We have already made clear our intention to introduce price competition in the criminal legal aid market, as the best way to ensure long-term sustainability and value for money. In a Written Ministerial Statement laid on 1 December 2011, we set out our intention to consult on proposals for competitive tendering in autumn 2013. Given the need to achieve savings as quickly as possible, we have decided to accelerate that timetable.

We therefore intend to publish an eight week consultation on further reforms to legal aid in April 2013, which will include proposals to both improve the credibility of the legal aid scheme and reduce its cost to the taxpayer – one of these being price competition in criminal legal aid.

The revised indicative timetable for the development and implementation of our competition strategy is, subject to the outcome of consultation, as follows:

Consultation paper published: April 2013

Tender opens in competition areas: Autumn 2013

First contracts go live:

Autumn 2014

The new contracts that we anticipate will be awarded in Autumn 2014 will require contract holders to work digitally as part of the move to a digital criminal justice system.