

Ref. A086/975

PRIME MINISTER

Cabinet: Parliamentary Affairs: Criminal Legal Aid

I understand that the Lord Chancellor will wish to mention at Cabinet tomorrow the position reached following the Lord Chief Justice's observations in the Bar's case against the Lord Chancellor on the afternoon of Friday 21 March.

2. Those observations were a clear invitation to the Bar Council and the Lord Chancellor to agree upon a timetable for discussion, leading to a final decision by the Lord Chancellor. If agreement were reached on such a timetable, the case would be adjourned.

3. The Lord Chancellor's Private Secretary wrote to the Chief Secretary's Private Secretary today (the letter was copied to your Private Office) setting out proposals for a timetable which would require the Lord Chancellor to inform the Bar by 27 June of any changes he was minded to make to the regulations, and to make his decision by 16 July. That would be in time for the Annual General Meeting of the Bar on 26 July.

4. I understand that the timetable has been agreed with the Bar Council, and is acceptable to the Treasury. The proposal does not involve the payment of any more money on account.

5. If the parties can tell the Lord Chief Justice, when the case is resumed on 26 March, that they have reached agreement on this timetable, that is probably the least unhappy outcome of the present difficulties.

6. Negotiations with the Bar Council will be conducted on one side by the Bar Council and Cooper and Lybrand and on the other by officials of the Lord Chancellor's Department and the Director of Public Prosecutions. The negotiations will be supervised, so far as the Government is concerned, by a co-ordinating Committee chaired by the Lord Chancellor's Department, on which the Treasury will side, and which will in fact lay down instructions for the negotiators.

7. It is for consideration whether a representative of the Treasury should be included in the negotiating team. Normally when it is a matter of pay negotiations for other groups from the Civil Service itself, the Treasury prefer not to take part in the negotiations themselves, but to be at one remove from the negotiations and leave the actual negotiating to the Department concerned. In this case I think that it might be useful to make an exception to the rule, and to include a representative of the Treasury - say Mr Peter Kemp - in the negotiating team. If the Bar Council are to be backed by the ingenious and subtle minds of Cooper and Lybrand, it could well be advantageous for officials of the Lord Chancellor's Department and the Director of Public Prosecutions to have the support of Treasury people experienced in discussions of pay matters.

8. You may like to suggest this, if the matter comes up at Cabinet tomorrow. My impression is that neither the Lord Chancellor's Department nor the Treasury would greatly object to such an arrangement.

MS

for

ROBERT ARMSTRONG

24 March 1986

PRIME MINISTER

CRIMINAL LEGAL AID

Lord Hailsham seeks agreement to tell the Court that he is willing to agree a binding timetable for completing the remaining stages of the Bar's claim.

He has already told Mr. Robert Alexander that he would be prepared to agree a timetable ^{and} ~~should~~ leading counsel have already informed the Court that the Lord Chancellor would like to agree to a binding timetable. So it would be hard to refuse the Lord Chancellor's request.

The Lord Chancellor's Department are setting up a committee to co-ordinate the negotiations which will include them, the Law Officers and I believe the Treasury. The committee will look at pay etc. and could also cover the Bar's working practices.

The likelihood of a balanced outcome would be improved if the Department of Employment were also on the co-ordinating committee.

Agree:

(i) that the Lord Chancellor can agree to a binding timetable;

(ii) that you think it could be useful for the Department of Employment to join the co-ordinating committee?

DN

(David Norgrove)

24 March 1986