



CABINET OFFICE

70 Whitehall London SW1A 2AS Telephone 01-233 8339

CONFIDENTIAL

P 02119

M L Saunders Esq  
Law Officers' Department  
Attorney General's Chambers  
Royal Courts of Justice  
LONDON WC2A 2LL

20 June 1986

*John Michael,*

REMUNERATION OF THE LEGAL PROFESSION

I attach a short note of the main conclusions to emerge from our discussion here yesterday afternoon. I hope that this will prove a useful guide to you and to the Lord Chancellor's Department in presenting the agreed proposals.

2. Perhaps I might reinforce this with the following two points. First, as I said yesterday, it seems to me desirable that the decisions should be announced as Government decisions and not personal ones by particular individuals. This accords with usual practice and should not be inconsistent with the particular responsibilities of the lead Ministers concerned. Second, I think that it is important that, so far as possible, in presenting percentages we should stick to the formula we agreed. That is, to exclude the 5 per cent already paid and to identify separately the basic increase and the productivity element. In the case of payment of the latter to your clients on 1 October, the note lists the points we agreed could be used to justify this separate treatment.

3. I am copying this letter and note of the meeting to the others present yesterday.

*John G. Unwin*  
*John Unwin*  
J B UNWIN

CONFIDENTIAL

*De Weeks - for info.*

*PN.*

*CBG*

*NRBN,*



CONFIDENTIAL

Remuneration of the Legal Profession

Meeting, 19 June 1986, Room 123, Cabinet Office

Present:

Mr Unwin	-	Cabinet Office (in the Chair)
Mr Saunders	-	Law Officers Department
Mr Wooler	-	Law Officers Department
Mr Spear	-	Director of Public Prosecution
Mr Merchant	-	Director of Public Prosecution
Mr Potter	-	Lord Chancellor's Department
Mr Wiblin	-	Lord Chancellor's Department
Mr Revolta	-	Treasury
Dr Walker	-	Cabinet Office

The Chairman, summing up the discussion, said agreement had been reached on the following ways of presenting the Government's decisions on remuneration of the legal profession in respect of Legal Aid and Fees of Prosecution Counsel:-

(a) Legal Aid

The Lord Chancellor would write separately to the Bar and to the Law Society on 27 June, setting out the terms of the offer: excluding the 5 per cent already paid, in the case of the Bar, the offer would be presented as one of 3 per cent (with flexibility as to distribution within the 3 per cent ceiling) and the prospect of a further 2 per cent linked to productivity; in the case of the Law Society, the offer would be presented as one of 4.5 per cent, and the prospect of a further 2 per cent linked to productivity. This letter would be made public knowledge through a simultaneous press release. Although there would be some room for negotiation on distribution and weighting, the final decision would be within the total amounts agreed. The Lord Chancellor would announce his final decision on 16 July; a Regulation subject to negative resolution procedure would be necessary so that the basic pay increase could come into force on 1 October. Discussions with the Bar and the Law Society about the productivity improvements would be necessary; this meant that payments for increased productivity would fall to be



paid during the course of next year, provided productivity improvements were agreed.

(b) Fees of Prosecution Counsel

The Attorney General would inform the Bar on 27 June, probably also in a letter, of his proposals for fee increases and would then work to the same timetable (final decision of 16 July and implementation on 1 October) as the Lord Chancellor in respect of legal aid. There was no fixed starting point for fees of prosecution counsel in the Crown Prosecution (CPS); excluding the 5 per cent already paid, the Attorney General might wish to pitch the proposals a little below the agreed level of 6 per cent basic and a further 2 per cent linked to productivity. The Attorney General would wish discreetly to make clear that his offer was a generous one, but it would be necessary to play this in low key so as not to embarrass the position of the Lord Chancellor. The Attorney General would write to the Bar on 16 July with his final decision (which would be at or within the 6 per cent increase and a further 2 per cent linked to productivity agreed by Ministers). Since his letter was likely to become public quickly, it might be advisable to announce the final proposals through a Written Parliamentary Question on the same date. Unlike the Lord Chancellor, he was not obliged to issue a Regulation.

(c) Productivity Increases

Careful consideration would need to be given to the presentation of payments for productivity increases in respect of Legal Aid (where payments would become due in the course of next year) and the Fees of Prosecution Counsel (where payments would be due as from 1 October 1986). Three factors which applied solely to Prosecution Counsel could be used to justify this difference in timing. These were: leading counsel appearing alone; sessional fees in magistrates' courts; and QCs giving advice on evidence alone. It



