



Legal
Services
Society

British Columbia
www.lss.bc.ca

Legal Services Society

A N N U A L
Service Plan
R E P O R T



2006/2007

© 2007 Legal Services Society, BC

Writer: Kathryn Spracklin

Editor: Winnifred Assmann

Designer: Frazer Slack

Project sponsor: Thomas Fink

Publishing coordinator: Candice Lee

The *Annual Service Plan Report 2006/2007* is a publication of the Legal Services Society (LSS). LSS is a non-government organization that provides legal aid to British Columbians with low incomes. LSS is funded primarily by the provincial government, and also receives grants from the Law Foundation and the Notary Foundation.

For copies of the *Annual Service Plan Report 2006/2007*, contact:

Distribution

Legal Services Society
400 – 510 Burrard Street
Vancouver, BC V6C 3A8
Phone: (604) 601-6075
Fax: (604) 682-0965
Website: www.lss.bc.ca

Library and Archives Canada Cataloguing in Publication Data

Legal Services Society of British Columbia.

Annual service plan report. -- 2002/2003-

Annual.

Report year ends Mar. 31.

Continues: Legal Services Society of British Columbia. Annual report. ISSN 0713-0651.

ISSN 1708-3605 = Annual service plan report - Legal Services Society of British Columbia

1. Legal Services Society of British Columbia - Periodicals. 2. Legal services - British Columbia - Periodicals. 3. Legal aid - British Columbia - Periodicals. I. Title. II. Title: Legal Services Society annual service plan report.

KEB160.A72
KF336.A3L43

362.5'8'

C2003-960185-4

Accountability Statement

This report was prepared under the direction of the LSS Board of Directors in accordance with the Legal Services Society Act, the Budget Transparency and Accountability Act, and BC Reporting Principles. The LSS board is accountable for the contents of this report, including how it has been reported.

The information in this report represents a comprehensive picture of the society's actual performance for the year ended March 31, 2007, in relation to the February 2006 service plan. The measures presented are consistent with the society's mission, goals, and objectives, and focus on aspects critical to the organization's performance.

The LSS board is responsible for making sure controls are in place to ensure performance is measured accurately and in a timely fashion. This report contains estimates and interpretive information that represent the best judgment of management. All significant decisions, events, and identified risks, as of March 31, 2007, have been considered. Any changes in mandate, direction, goals, objectives, strategies, measures, or targets made since the February 2006 service plan was released and any significant limitations in the reliability of data are identified in the report.



Geoffrey Cowper, QC
Chair, LSS Board of Directors
April 2007

Contents

Accountability Statement..... i

List of Tables, Figures, and Acronymsiv

Message from the Chair 1

Organization Overview 5

Governance..... 7

Report on Performance..... 9

Alignment with Government’s Strategic Plan 26

Financial Report 29

Legal Services Society Financial Statements 2006/2007 37

Appendix 1: Structure..... 51

Appendix 2: Legal Advice and Representation 52

Appendix 3: Legal Information Services 56

Appendix 4: Tariff Rates 57

Appendix 5: Financial Eligibility 59

Appendix 6: Operating Data 61

Appendix 7: Changes to LSS Objectives, Strategies..... 66

Glossary..... 67

Legal Aid Offices 69

Contact Information.....inside back cover

List of Tables, Figures, and Acronyms

Tables

Table 1	Performance at a glance	12
Table 2	Key risks, 2006/2007	13
Table 3	Legal Services Society revenue, 2006/2007	30
Table 4	Legal Services Society expenses, 2006/2007	31
Table 5	Financial outlook	32
Table 6	History of revenue and expenses	32
Table 7	History of operating expenses: Legal aid offices.....	33
Table 8	History of operating expenses: Client programs	33
Table 9	History of operating expenses: Service delivery support	34
Table 10	History of operating expenses: Management and administration.....	34
Table 11	History of operating expenses: Tariff	35
Table 12	Tiered tariff rates	58
Table 13	Income/Asset guidelines	59
Table 14	Legal advice financial eligibility test	60
Table 15	Demand for legal representation: All areas of law	61
Table 16	Changes in referral volumes by area of law	62
Table 17	Legal advice services.....	62
Table 18	Legal information services.....	63
Table 19	Use of LSS websites	63
Table 20	Eligibility reviews.....	65
Table 21	Complaints about clients' eligibility.....	65

Figures

Figure 1	Goals, objectives, strategies, and performance measures for 2006/2007	10
Figure 2	Referrals by area of law, 2006/2007	62
Figure 3	New/revised objectives and strategies for 2007/2008–2009/2010	66

Acronyms

CFCSA	Child, Family and Community Service Act
EMC	Executive Management Committee
FDC	Family duty counsel
LIOW	Legal information outreach worker
MAG	Ministry of Attorney General
MCFD	Ministry of Children and Family Development
MOU	Memorandum of understanding
PLEI	Public legal education and information
QC	Queen's Counsel



Message from the Chair

I am pleased to present the Legal Services Society's (LSS) *Annual Service Plan Report 2006/2007*.

Over the past several years, the society has focused on re-building and enhancing legal aid through initiatives ranging from tariff and quality assurance improvements to innovative programs such as family duty counsel, LawLINE, and the family law website. This year's initiatives continued that work and strengthened our ability to provide services that are proportionate to client needs and encourage early intervention and stable resolutions to their legal problems.

This report describes the significant progress made during the year toward each of our goals. It shows how this work successfully mitigated the risks identified for the period and advanced the year's strategic priorities of testing innovations, building public awareness and support for legal aid, and tariff renewal.

Significant developments over the year include expanding our family law programs to help fill serious gaps in service; acquiring a new telephone system that will allow us to develop our call centre and LawLINE capabilities; providing additional advice and information services and improving support for advocates; continuing our collaborations in justice system reform, such as our partnership with the Ministry of Attorney General to establish the new Nanaimo Family Justice Services Centre; and further enhancing the tariff system to encourage early dispute resolution where appropriate, as well as to support quality services by private lawyers and increase their participation in legal aid programs.

Two indicators of our success in these areas are the increased public approval for legal aid and tariff lawyer satisfaction with the support they receive from the society.

A major focus for LSS during the year has been to set the direction for further reforming legal aid to better meet our clients' real needs. We have been challenged to think beyond traditional roles to consider how we can ensure our services not only provide clients with fair process from the legal system, but also support their ability to better manage their day-to-day lives once the legal process is finished.

The results of this year's comprehensive evaluation of our family law programs are particularly significant in this regard. A key lesson we learned from the study is that limited services can get excellent results, and those results tend to be better and longer-lasting when clients are closer to the driver's seat. This is consistent with what we have been hearing from many in the justice system and the broader community with whom we have met to discuss the important question of what results our clients want and need from our services.

This led the board to establish legal aid renewal as a new strategic priority for the society. The intent is to build on our recent successes so we can ensure legal aid:

- helps clients reach positive, lasting solutions to their legal problems;
- forms part of a holistic approach to meeting clients' overall needs in a broad social context;
- encourages clients to participate constructively in solving, or avoiding, legal problems; and
- is available where, and when, clients need the services.

We anticipate no major departures from our current direction. Recent family law improvements, for instance, are already aligned with the outcomes we have identified. These outcomes will now guide us as we improve criminal and civil law services to promote the desired results for clients. They will also guide us in determining how we can best participate in BC's justice reform initiatives.

As we reach into a broader domain to get the best possible results for our clients, we will need to determine how we can equip lawyers to do this work. We will continue to make tariff improvements in this context, once we wind up the current tariff renewal project early next year. At the same time, we will continue to uphold our responsibility to represent clients in court when that is the level of service required.

The society dramatically improved its budget to actual expenditure variance this year, reducing it to 1.2% and surpassing our 2% target. Additional increased revenue from non-government sources meant that, even though we increased spending by \$5.4 million, the society did not need to draw upon its reserve fund to support this year's strategic priorities. As a result, we closed the year with an operating surplus, thereby strengthening our ability to move forward with reforms. We have now restricted \$11 million for several key purposes, including support for government-initiated justice reforms and strategic initiatives identified by the board. A future challenge for the society will be to obtain increased revenues to maintain services, once this reserve fund is depleted.

LSS is fortunate to have highly skilled and dedicated staff whose ability to develop effective service improvements is exemplary. They have set in motion a number of important new initiatives and early next year will establish concrete measures to advance legal aid renewal.

We are enthusiastic about the future for legal aid in BC. The direction the society is taking reconnects us with the original desire of lawyers to ensure the results they strive to achieve for the disadvantaged are as creative and fruitful as those for their other clients.

LSS looks forward to continuing its work in partnership with the many across BC who are dedicated to helping those among us who are most in need. We value the contributions of all, including the many private lawyers, community advocates, and service agencies committed to building a justice system that is accessible to all citizens.



Geoffrey Cowper, QC
Chair, LSS Board of Directors
April 2007

**“We are enthusiastic about the future
for legal aid in BC.”**





**Making a difference through leadership,
respect, and working with others.**

Organization Overview

The Legal Services Society (LSS or the society) provides legal aid in British Columbia. Created by the Legal Services Society Act (LSS Act or the act) in 1979, LSS is a non-profit organization governed by a nine-member board of directors.

While the provincial government is the society's primary funder, LSS remains independent of government and is mandated to serve the interests of people with low incomes. LSS reports its activities to the provincial government through the Attorney General.

Mandate

Under section 9 (1) of the LSS Act, the society's mandate is to:

- help individuals with low incomes resolve their legal problems and facilitate access to justice for them,
- establish and administer an effective and efficient system for providing legal aid to people with low incomes in British Columbia, and
- provide advice to the Attorney General about legal aid.

Under Section 9 (2) of the act, the principles that guide the society in pursuing its mandate are to:

- identify and assess the legal needs of people with low incomes in British Columbia,
- consider the perspectives of both justice system service providers and the general public,
- co-ordinate legal aid with other aspects of the justice system and with community services, and
- be flexible and innovative in providing legal aid.

Mission

To assist low-income individuals to resolve their legal problems by providing a spectrum of services that promotes their effective participation in the justice system.

Vision

An innovative, collaborative legal aid system that responds to the needs of low-income people throughout British Columbia.

Values statement

Making a difference through leadership, respect, and working with others.

Memorandum of Understanding

Under section 21 of the LSS Act, the society determines the range of services it will provide within the framework of a Memorandum of Understanding (MOU) negotiated with the Attorney General every three years (see Financial Report, page 29). This section also allows the Lieutenant-Governor in Council to make regulations concerning legal aid services if the society and the Attorney General are unable to negotiate an MOU.

Together, the act and the MOU form the basis for relations between the society and the provincial government. The MOU:

- sets out the roles and responsibilities of both parties,
- outlines anticipated provincial government funding for legal aid and the priorities for allocating that funding,
- acknowledges that LSS receives funding from sources other than the government and can apply that funding in any manner that is appropriate to fulfilling its mandate, and
- establishes the foundation for the society's budget and planning process.

Core services

LSS offers a range of services that include legal representation, advice, information, and education. The society's innovative approaches to making this range of services available to people with low

incomes in BC reflect its commitment to its values of leadership, respect, and working with others.

LSS staff deliver services at regional centres, through the LSS Call Centre and LawLINE, and through funded local agents across the province (see page 69 for a list of offices). Lawyers who accept LSS referrals provide most of the legal representation services. The society also contracts with lawyers and other organizations to deliver services, such as duty counsel. See Appendix 1, page 51, for a more detailed description of the society's service delivery structure.

The society works to ensure its services are accessible to all communities. For example, LSS:

- provides call centre services for people who are unable to apply in person, particularly those who live in rural communities where there is no legal aid office or who live with disabilities or face other circumstances that prevent them from travelling to an office;
- provides LSS Call Centre or LawLINE clients who speak limited or no English with immediate access to a telephone interpreter via three-way conference calls;
- pays for qualified interpreters and translators for clients who need them to work with their legal aid lawyers;
- produces public legal education and information materials in a variety of languages; and
- requires staff to adhere to a code of ethics that includes non-discrimination and non-harassment.

LSS provides legal representation for financially eligible people with serious family problems (such as child apprehension matters or specific issues involving safety, custody, and access) and serious criminal problems. It is also available for people who face a refugee or deportation hearing, Mental Health Review Panel or BC Review Board hearing, or prison issue for which the Charter of Rights and Freedoms establishes a right to counsel.

Legal advice is available through the Brydges line, duty counsel, family advice lawyers, and LawLINE. Many LSS advice services are subject to a financial eligibility test.

People with low incomes who do not qualify for legal representation or advice services can still get legal information. The society provides a range of

information services through LawLINE, publications, several websites, public access computers, and training conferences for community advocates working with LSS clients.

See Appendix 2, page 52, and Appendix 3, page 56, for a more detailed description of these services; Appendix 5, page 59, for financial eligibility criteria; and Appendix 6, page 61, for 2006/2007 operating data.

Client confidentiality

All information an applicant or client gives to LSS is subject to solicitor-client privilege. LSS does not reveal this information to a third party unless that disclosure is authorized by the applicant or client, or required by law or by an exception to solicitor-client confidentiality. Solicitor-client privilege is protected under section 23 of the LSS Act and section 14 of the Freedom of Information and Protection of Privacy Act.

Within LSS and its contracted agencies, the only people entitled to access this information are those who need it for operating purposes. LSS has strict security measures in place to prevent unauthorized access to confidential information.

Governance

The society is governed by a nine-member board of directors. Of the nine directors:

- five are appointed by the Lieutenant-Governor in Council on the recommendation of the Attorney General, and
- four are appointed by the Law Society of BC after consultation with the executive of the BC Branch of the Canadian Bar Association.

The LSS Act outlines the need for the board as a whole to have a range of knowledge, skills, and experience in such areas as:

- business management and the financial affairs of public and private sector organizations;
- law and the operation of courts, tribunals, and alternative dispute resolution processes;
- the provision of legal aid;
- BC's cultural and geographic diversity; and
- the social and economic circumstances associated with the special legal needs of people with low incomes.

As of March 31, 2007, the board members were:

- Geoffrey Cowper, QC (Vancouver, chair)
- D. Brent Adair, QC (Chilliwack)
- Janice Comeau (Vancouver)
- Leah George-Wilson (North Vancouver)
- Larry Goble (Victoria, vice chair)
- Bruce Hardy (Surrey)
- John M. Hogg, QC (Kamloops)
- D. Mayland McKimm, QC (Victoria)
- Greg Stacey (Nelson)

LSS adheres to the governance principles established by the Board Resourcing and Development Office (BRDO), and is in full compliance with BRDO guidelines. For more information about the LSS board and its governance practices, see the society's website at www.lss.bc.ca/about_lss/board.asp.

Board governance

The board's governance framework, which is rooted in the LSS Act, consists of policies and bylaws that reflect established best practices for governance. Under the LSS board's bylaws, its role is "to ensure the effective governance of the society through setting direction, monitoring performance, and hiring and supporting the executive director."

At their first meeting in each fiscal year, the directors elect a board chair and an Executive Committee. Established under section 5 of the LSS Act, the Executive Committee is headed by the board chair and consists of at least two other directors. This committee holds all the powers of the board between meetings except the power to fill vacancies on or alter the membership of board committees and powers excluded by resolution of the board. As of March 31, 2007, Executive Committee members were:

- Geoffrey Cowper, QC (chair)
- D. Brent Adair, QC
- Larry Goble
- Bruce Hardy
- D. Mayland McKimm, QC

The board also establishes standing and ad hoc committees to help it carry out its responsibilities. The chair, in consultation with the society's executive director, appoints the members of these committees, unless the board directs otherwise.

The Finance Committee makes recommendations on matters pertaining to the society's finances, funding, and fiscal allocations. As of March 31, 2007, members of this committee were:

- Janice Comeau (chair)
- Bruce Hardy
- John M. Hogg, QC

Building and maintaining relationships with key stakeholders in the justice system enriches the society's governance and ensures LSS accomplishes its goals and objectives. The

Stakeholder Engagement Committee recommends plans and processes for stakeholder consultation, management, and engagement. As of March 31, 2007, members of this committee were:

- D. Mayland McKimm, QC (chair)
- Leah George-Wilson
- Greg Stacey

The LSS board is committed to continuous governance improvement. For example, in 2006, the board enhanced its governance framework to include an annual governance review process. Other advancements include improving the board development process, adopting a committee assessment schedule, refocusing the audit committee, and incorporating a competency matrix into annual board performance assessments (to compare the skills and experience of each board member against the skills and experience the board has identified as needed).

Senior management

The board of directors appoints an executive director to supervise, manage, and administer the business of the society. The executive director chairs the society's Executive Management Committee (EMC), a committee of the society's directors that provides the society with strategic direction. EMC also makes final decisions on strategic and operational issues brought forward by the advisory committees (see below).

LSS also has two advisory committees and a managers' forum. The Operations and Infrastructure Committee provides advice and recommendations to EMC on interdivisional issues, management initiatives, and operational support issues.

The Policy and Planning Committee provides advice and recommendations to EMC on interdivisional policy and planning issues, strategic and service planning, capacity management, and coverage, eligibility, and tariff policies.

LSS senior management (at March 31, 2007)

Directors

- Mark Benton, Executive Director
- Harold V. J. Clark, Strategic Planning, Policy, and Human Resources
- Heidi Mason, Public Legal Information and Applications
- Catherine McNeil, Finance and Corporate Services
- Edward Tanaka, Legal Advice and Representation

Senior managers

- Corinne de Bruin, Policy
- Joel Chamaschuk, Information Technology
- Margaret Currie, Audit and Investigation
- Thomas Fink, Strategic Planning
- Noreen Finnerty, Human Resources and Organizational Development
- David Griffiths, Civil Law
- Sherry MacLennan, Applications and Eligibility
- Thomas Quine, Electronic Access and Operational Support
- Sandy Shreve, Communications Officer
- John Simpson, Public Information and Community Liaison
- Janice Staryk, Operations, Legal Advice and Representation
- Eugene Wandell, Finance and Administration

Report on Performance

LSS launched new initiatives in 2006/2007 to enhance client services and ensure the society sustains the organizational capacity and strong roster of lawyers that will allow it to provide quality legal aid services well into the future. This work helped the society advance its goals, as well as its strategic priorities of testing innovative services, building public awareness and support for legal aid, and renewing our tariff structures.

At the annual board retreat in May, the society also set legal aid renewal as a strategic priority to begin in 2007/2008. Legal aid renewal means engaging the entire organization and our justice system partners in an ongoing discussion to determine how legal aid services should benefit clients. This year, the society took initial steps toward identifying key benefits, and early next year, it will establish and implement strategies to achieve those outcomes. This process will make concrete our commitment to effect a positive difference in our clients' lives and be accountable for the impact of our work. Legal aid renewal will also enable LSS to demonstrate the value of legal aid services to clients, the justice system, and society as a whole.

Adjustments

The goals, objectives, strategies, and performance measures for 2006/2007, shown in figure 1 on page 10, remained unchanged during the year.¹ LSS made minor revisions to some of these objectives and strategies for the 2007/2008–2009/2010 service plan (see Appendix 7 on page 66). These revisions, which LSS will begin to implement next year, reflect the society's growing focus on legal aid renewal and respond to changes in the external environment. The society's performance measures were not changed.

¹ While developing its 2007/2008–2009/2010 service plan this year, LSS changed the wording of Goal 5 from "Effective management of LSS funds" to "Effective management of LSS expenditures." For more information, see Goal 5, page 24.

Performance management and reporting system

LSS measures its performance by surveying stakeholders on how well our current services are meeting their needs. Listening and responding to stakeholder concerns helps LSS identify areas for improvement and increases its accountability to those who are directly affected by its work. Ultimately, the surveys help LSS collaborate with others to enhance access to justice for people with low incomes.

The LSS board and senior management use other data from the surveys, as well as from service evaluations and process reviews, to assess the society's operational performance and to establish strategies for achieving the targets set for each measure.

LSS also gathers data on internal processes to assess its performance. Measures such as the budget to actual expenditure variance (see Goal 5, page 24) enable LSS to track and manage expenditures in business areas identified as essential to meeting its goals and objectives.

LSS recognizes data collection and validity as an important challenge. The society hires independent contractors to conduct all surveys and continues to review and improve its data sources to ensure reliability. Any data issues identified are discussed along with the relevant performance measure.

Measuring how well we are helping clients achieve desired outcomes is an important element of legal aid renewal. In 2007/2008, LSS will develop outcome-based goals for the society, strategies to achieve these goals, and specific measures to track our performance in this area.

By setting targets and measuring results, LSS will increase public and government confidence that the society's work is helping people with low incomes to resolve their legal problems. This will in turn enhance the overall efficiency and effectiveness of BC's justice system and contribute to sustaining

key social values and principles, including fairness, equality under the law, and compassion for those in need.

See table 1, page 12, for a summary of our performance measures, results, and targets.

Benchmarks

Legal aid plans across Canada are structured differently and provide varying levels of service. These organizations have not yet developed a common method of gathering and analyzing information, or a standard system of performance measurement. However, progress is being made by several legal aid plans toward developing comparable data on levels of public support and client satisfaction. In 2006, Legal Aid Ontario (LAO) and Legal Aid Alberta (LAA) conducted public

opinion surveys on their legal aid services using questions similar to those LSS uses on its public opinion survey. The society can now benchmark the level of public support for legal aid in BC against the data from LAO and LAA.

The Saskatchewan Legal Aid Commission launched its first client satisfaction survey this year using questions based in part on the “Common Measurements Tool” (CMT), a client satisfaction survey tool designed to facilitate benchmarking across jurisdictions and maintained by the Institute of Customer-Centred Service. LAO also used CMT questions to assess client satisfaction in 2005/2006. LSS will incorporate CMT questions into its client survey in 2007, and intends to benchmark its client satisfaction survey results against those of Saskatchewan and Ontario. This may provide a model for legal aid plans to gather more comparable performance data in the future.

Figure 1 Goals, objectives, strategies, and performance measures for 2006/2007

Goals	Objectives	Strategies	Measures
1 There is broad-based support for legal aid	<ul style="list-style-type: none"> • Ensure public perceptions of legal aid are positive • Create a favourable environment for funding LSS 	<ul style="list-style-type: none"> • Partner with stakeholders to promote public awareness of and support for LSS and its services • Use media, publications, and LSS websites to promote public discourse about legal aid as a public policy issue • Educate and inform elected and public officials and community leaders about legal aid, access to justice, and needed reform • Maintain consistent board contact with key stakeholders • Provide advice to the Attorney General on the legal aid system 	Overall public approval rating for LSS services
2 People with low incomes can access appropriate and effective legal information and application services	<ul style="list-style-type: none"> • Strengthen community service partners' capacity to provide information and application services • Increase the accessibility of legal information services for people with low incomes • Increase the accessibility and cost-effectiveness of the LSS application process 	<ul style="list-style-type: none"> • Review the current service delivery model for public legal education and information to assess efficiency and effectiveness • Integrate legal information and education services with other service partners • Increase the availability of LSS application and information services • Develop a strategy to deliver Aboriginal/ First Nations legal aid services 	Client satisfaction with the accessibility of LSS services

(continued on next page)

Figure 1 Goals, objectives, strategies, and performance measures for 2006/2007

Goals	Objectives	Strategies	Measures
Low-income clients receive quality legal advice and representation services that are proportionate to their needs	<ul style="list-style-type: none"> • Identify gaps in service • Increase lawyers' involvement and engagement in the delivery of legal aid • Increase the accessibility of advice services for people with low incomes 	<ul style="list-style-type: none"> • Define and develop centres of expertise in criminal and civil law • Develop innovative projects to address gaps in advice and representation services • Use technology to involve lawyers across the province in providing advice services • Review and enhance the quality assurance program • Implement tariff renewal recommendations, including results-based management 	<p>Client satisfaction with LSS advice and representation services</p> <p>Tariff lawyer satisfaction with support provided by LSS</p>
Strategic and sustainable management of staff capacity and LSS services to meet the legal needs of people with low incomes	<ul style="list-style-type: none"> • Establish a strategically aligned policy and planning framework • Improve resource capacity management 	<ul style="list-style-type: none"> • Implement a capacity management and organizational development strategy • Develop and implement a corporate reporting framework • Develop and implement a knowledge management strategy • Develop and implement a risk management strategy 	Overall LSS employee engagement score
Effective management of LSS expenditures	<ul style="list-style-type: none"> • Strengthen policy compliance • Use technology to streamline processes • Improve financial forecasting 	<ul style="list-style-type: none"> • Implement electronic funds transfer for lawyers • Develop and implement an information technology strategy to address long-range IT requirements • Implement an audit strategy and internal review plan • Review budget process to improve accuracy of financial results 	Budget to actual expenditure variance

Note: These goals, objectives, and strategies were updated for 2007/2008–2009/2010. See Appendix 7 on page 66 and the *Legal Services Society Service Plan 2007/2008–2009/2010* online at www.lss.bc.ca/about_lss/reports.asp#SP.

Table 1 Performance at a glance

Measure	Past results	Results	Future targets		
	2005/2006	2006/2007	2007/2008	2008/2009	2009/2010
Overall public approval rating for LSS services	Baseline set: 89% overall public approval	Target (90%) exceeded: 93% overall public approval	90%	90%	To be determined
Client satisfaction with the accessibility of LSS services	New for 2007/2008	Survey developed	Set baseline	Not measured	Not measured
Client satisfaction with LSS advice and representation services	New for 2007/2008	Survey developed	Set baseline	Not measured	Not measured
Tariff lawyer satisfaction with the support provided by LSS	Not measured (Baseline set in 2003/2004: 68% of tariff lawyers satisfied)	Target (72%) exceeded: 75% of tariff lawyers satisfied	Not measured	Not measured	Not measured
Overall LSS employee engagement score	Not measured (Baseline set in 2004/2005: 72% of employees engaged)	Not measured	77%	Not measured	Not measured
Budget to actual expenditure variance	Baseline set: 3.9% variance	Target (2.0%) exceeded: 1.2% variance	1.5%	1.5%	1.5%

Key risks affecting performance

LSS operated in a very similar environment in 2006/2007 as we did in 2005/2006. This year, LSS again identified risks in four strategic areas: public awareness, tariff renewal, capacity management, and fiscal circumstances. The society’s performance results — increasing levels of public support for legal aid and lawyer satisfaction with our services — suggest our responses were successful in minimizing the negative impact posed by low public awareness of legal aid and ongoing lawyer attrition.

Capacity to sustain current services while piloting innovative projects remains a day-to-day challenge for the organization, but capacity issues did not significantly limit our overall performance during the year. LSS plans to introduce a capacity

management plan in 2007/2008 intended to further enhance our ability to meet our objectives with current resources (see Goal 4, page 22).

The society’s fiscal circumstances this year presented both risks and opportunities. LSS had a lower budget to actual expenditure variance than targeted, ending the year with an overall operating surplus of \$2.1 million. The society can use its reserve fund to support board-directed strategic projects and government-initiated justice reforms, maintain and/or expand existing services, and secure against unbudgeted demand arising from federal criminal policy changes (see Goal 5, page 24 and Financial Report, page 29). Table 2 provides a summary of the identified risks and the principal steps taken during the year to mitigate them.

Table 2 Key risks, 2006/2007

Issue	Risks	Key responses
Public awareness and support		
<ul style="list-style-type: none"> In a poll of BC residents conducted in late 2006, 81% of respondents said they knew little or nothing about legal aid, but once the services were described, 93% said they support them 	<ul style="list-style-type: none"> Potential clients are unaware of legal aid and therefore cannot access needed services A lack of awareness of legal aid and justice issues on the part of government officials, as well as the general public, can reduce the society's access to public funding and its ability to promote justice system reform 	<ul style="list-style-type: none"> Continued a multi-year communications initiative to raise awareness of/support for legal aid among elected and public officials and other community leaders (See Goal 1, page 14) Launched project to inform and educate community partners in remote areas about LSS services (See Goal 2, page 16)
Tariff renewal		
<ul style="list-style-type: none"> LSS tariff rates and structures limit the society's ability to attract lawyers to provide legal aid services Some tariff structures do not reward lawyers for achieving desired results for legal aid clients 	<ul style="list-style-type: none"> A tariff system that poses an obstacle to lawyers' willingness and ability to accept legal aid referrals threatens the society's ability to provide the services that are necessary to ensure access to justice for clients Outdated tariff structures undermine lawyers' ability to provide efficient and effective services for clients 	<ul style="list-style-type: none"> Introduced further improvements to the legal aid tariff to better recognize the work lawyers do and to encourage alternative dispute resolution (See Goal 3, page 19)
Capacity management		
<ul style="list-style-type: none"> Delivering a range of information, advice, and representation services with limited staff and resources is a challenge faced by the society since 2002 Legislative and policy changes require LSS to devote time and resources to initiatives outside its current service plan 	<ul style="list-style-type: none"> Unmanageable workloads for staff can weaken the society's ability to retain dedicated and skilled employees whose experience benefits clients Insufficient staff resources can reduce the society's flexibility to respond to changes in the environment and ability to meet the legal needs of people with low incomes 	<ul style="list-style-type: none"> Increased focus on employee performance, wellness, and leadership development Further streamlined (adjusted) administrative, policy, and planning processes to increase capacity to sustain current services and respond to changing needs (See Goal 4, page 22)
Fiscal circumstances		
<ul style="list-style-type: none"> Sound fiscal planning is necessary to support requests for additional funding To the extent that key initiatives are supported through the reserve fund, ongoing funding will have to be secured once the reserve is depleted 	<ul style="list-style-type: none"> The society may not be successful in attracting new funding if it does not demonstrate exemplary fiscal planning and program execution Without permanent funding, successful projects cannot be developed into permanent programs. Reliance on year-to-year funding to deliver essential client services impedes strategic planning and generates uncertainty among clients, intermediaries, and staff that can reduce program effectiveness 	<ul style="list-style-type: none"> Reviewed alternative budget models and worked with departments to lower budget to actual expenditure variance An independent consultant conducted a budgeting system review and analysis (See Goal 5, page 24, and Financial Report, page 29)

Goal 1

There is broad-based support for legal aid.

This goal reflects the society's strategic priority to raise public awareness of and support for LSS and its services. LSS recognizes that its ability to provide quality legal aid services depends upon how much the general public, opinion makers, and legislators, as well as our clients and their advocates, value the contribution of legal aid to a fair, equitable, and efficient justice system.

Performance measure: Overall public approval rating for LSS services (annual survey)

Past results	2006/2007 performance (target exceeded)		Future targets		
	Target	Actual	2007/2008	2008/2009	2009/2010
2005/2006 Baseline set at 89%	90%	93%	90%	90%	90%

Overall public approval rating measures the degree of public support for legal aid services. LSS uses an annual public opinion poll to gather data for this indicator.

Importance of this measure

The level of public approval of legal aid is a primary indicator of the value BC residents place on legal aid services and the contribution of these services to justice in the province. Broad-based support for legal aid is necessary to sustain the legal aid system and promote access to justice for people with low incomes. This measure is linked to the level of public awareness of legal aid services, and helps LSS assess the effectiveness of its public awareness campaign.

Benchmark comparison

Legal Aid Ontario and Legal Aid Alberta conducted their first public opinion polls in 2006 based largely on the questions developed by LSS for its poll. The level of approval in BC falls between the Ontario level of 85% and the Alberta result of 96%.

Data source

The data is gathered from an annual telephone survey conducted by BC Reid Express as part of their monthly provincial omnibus survey. In December 2006, interviewers asked 763 people from across BC a series of questions about legal aid. The margin of error is $\pm 3.6\%$, 19 times out of 20. The report from the 2006 poll is available at www.lss.bc.ca/about_lss/reports.asp.

Results

The society's 2006 public opinion poll showed that 93% of BC residents support LSS services. This represents an increase in overall public approval from 2005, when 89% of BC residents said they supported the society's services. The 2006 result exceeded the society's target of 90% public approval for this year.

An increasing number of BC residents (78% compared to 73% in 2005) also say they agree with the statement that "governments should give funding for legal aid the same priority as they give to funding for other services such as health care,

education, welfare, and child protection." As in 2005, nearly all BC residents polled this year (89% to 95%, depending on area of law) believe providing legal aid to people with low incomes is very important or somewhat important to fairness in the justice system. In both years, 97% of respondents also strongly or moderately agreed that everyone should have the right to access the justice system.

Performance highlights

Legal aid awareness campaign: The fiscal year 2006/2007 was the first full year of a three-year plan to promote legal aid awareness among elected public officials and other community leaders, as

well as the general public.² Although the results of the public opinion poll indicate that overall public awareness of legal aid remains low, the proportion of respondents who know a little about legal aid rose to 61% this year from 55% in 2005, while the proportion of respondents who know nothing about legal aid dropped to 20% from 25%.³ These results reinforce the need to continue to raise public awareness to maintain broad-based support for legal aid and reduce the risk that BC residents will not use needed legal aid services because they do not know the services are available.

This year's campaign continued last year's focus on enhancing the society's relationships with elected and public officials, primarily at the provincial level. Meetings with politicians, a presentation at the Finance and Government Services Standing Committee budget consultations, and regular briefings of public officials and the opposition critic for the Ministry of Attorney General resulted in improved political understanding of and support for the society's services, and more accurate information about legal aid during legislative debates. At the national level, LSS worked with other legal aid plans to advocate for increased and more stable federal funding. Together, these activities contributed to increased media coverage about the need for legal aid services.

Other LSS work related to the campaign included increasing the society's public presence through ads on public transit in the Lower Mainland; improving its online presence through additional links to the LSS website from the Attorney General's website and new links on 23 Web pages of Members of the Legislative Assembly; and creating and distributing promotional items to the public and public officials.

Justice reform: The society continued to advocate for justice reform through regular meetings with our key stakeholders, as well as the Attorney General and senior ministry officials, and through our representation on the Justice Review Task Force working groups on family and civil law.⁴ (These groups have now reported their findings.⁵ See Glossary, page 67, for more information.) In response to recommendations in the reports, LSS worked closely this year with the Justice Services Branch of the Ministry of Attorney General to establish the Nanaimo Family Justice Services Centre and explore development of a network of civil justice services centres. (For more on these projects, see Collaboration with justice system partners, page 17.) LSS also continued to take part in the Law Society of BC's task force on unbundling legal services, which is scheduled to report its findings in fall 2007 (see Glossary, page 67).

Future outlook

A primary focus of the public awareness campaign in 2007/2008 will be regular meetings with key elected and community leaders to build their awareness of and support for legal aid services and needed change in the justice system. At the same time, LSS will work to engage these stakeholders in promoting legal aid and justice reform within their communities and areas of influence, and will collaborate further at the national level with the Association of Legal Aid Plans of Canada. Public outreach work in 2007/2008 will include launching a series of public service announcements and running transit ads in communities outside the Lower Mainland.

The society's contribution to justice reform will carry on in the context of legal aid renewal as LSS begins to advance that strategic priority.

2 This campaign began in late fall 2005 and expands the society's regular outreach activities, which focus on clients and traditional stakeholders.

3 81% of respondents said they know little (61%) or nothing (20%) about legal aid in 2006, slightly up from 79% in 2005. However, once the services were described, 93% said they support them. Interviewers told respondents that legal aid services provide "low-income people with legal information, advice, and/or representation in court. This can include providing them with a self-help kit, giving them a few hours of legal advice, or paying a lawyer to represent them in court for serious family, criminal, or immigration/refugee problems."

4 LSS also participated in the Justice Review Task Force's Mega Trials Working Group. Although large criminal cases present a real problem for the justice system, this group was dissolved this year after being unable to make any real progress.

5 The 2006 Civil Justice Reform Working Group report, *Effective and Affordable Civil Justice*, is available online at www.bcjusticereview.org/working_groups/civil_justice/cjrwg_report_11_06.pdf. The 2005 Family Justice Reform Working Group report, *A New Justice System for Families and Children*, is available online at www.bcjusticereview.org/working_groups/family_justice/final_05_05.pdf.

Goal 2

People with low incomes can access appropriate and effective legal information and application services.

This goal recognizes that access to legal aid services is a critical component of access to justice. Ensuring that the society not only provides appropriate services but delivers them effectively to clients is a necessary step toward meeting our mandate and mission.

Performance measure: Client satisfaction with the accessibility of LSS services (tri-annual survey)

Past results	2006/2007 performance (survey in development)		Future targets		
	Target	Actual	2007/2008	2008/2009	2009/2010
2005/2006					
n/a	n/a	n/a	Set baseline	Not measured	Not measured

Client satisfaction with the accessibility of LSS services measures the degree to which clients are satisfied with the steps they had to take to receive the legal aid services they needed. The results of the client survey, to be run for the first time in 2007/2008, will be used to set a baseline and targets for 2010/2011.

Importance of this measure

Sustaining and increasing the level of our clients' satisfaction with the accessibility of LSS services over time will show that the society is providing the appropriate services to clients when and where they need them. LSS will use the results of the client survey to compare client satisfaction levels by service area and to help determine how to improve service design and delivery to achieve desired client outcomes.

Benchmark comparison

LSS will be able to benchmark its 2007 client satisfaction survey results against satisfaction data collected by Legal Aid Ontario and the Saskatchewan Legal Aid Commission.

Data source

The data is gathered from a tri-annual survey conducted by an independent survey organization. In April and May 2007, approximately 2,000 legal aid clients (depending on client availability) will be interviewed by telephone and online about their experiences with the legal aid services they received. The survey organization, Synovate (www.synovate.com), was chosen through a thorough request for proposal process. Results and information about the reliability of data will be available in fall 2007.

Results

In 2006/2007, LSS worked with a research organization to develop the client survey questionnaire and methodology. The society will survey clients by telephone in early 2007/2008 about the LSS legal aid application process, and legal representation, advice, and information services.

Results from the LSS Family Law Services Evaluation released this year show how the society's information, advice, and representation services work together to help clients achieve desired

outcomes.⁶ The clients interviewed, who used an average of 3.3 legal aid services each, rated LSS representation services the highest in terms of helpfulness, advice services the next highest, and

⁶ The evaluation is based on a detailed telephone survey of 812 clients of the society's family legal information, advice, and representation services. Clients of the Family Advice Lawyer Project reported the highest level of satisfaction with outcomes, followed by clients who received representation, LawLINK, and duty counsel services. Note that satisfaction with the outcome is not the same as satisfaction with the service. The final report is available online at www.lss.bc.ca/assets/about_lss/FamilyServicesFinalReport.pdf.

legal information services the lowest. However, the results also indicate that each service contributes to helping clients reach satisfactory outcomes. Clients of some advice services reported higher levels of satisfaction with outcomes than users of some representation services, while clients of certain information services reported higher levels of satisfaction than some advice services clients.

Performance highlights

Collaboration with justice system partners:

LSS worked closely this year with the Ministry of Attorney General (MAG), Justice Services Branch, to set up the Nanaimo Family Justice Services Centre, which will begin operations in April 2007 and officially open in the Nanaimo Courthouse in early September 2007. Established in response to a key recommendation of the Family Justice Reform Working Group's 2005 report, this two-year pilot project will test the effectiveness of providing a broad range of family law services at a single accessible location as a front door to the family justice system.

The society helped establish the target client groups and scope and level of services to be provided at the Nanaimo centre, as well as the responsibilities and governance structure for partner agencies. LSS also created the centre's website and promotional materials and will provide legal information and advice, and legal aid application services at the centre once it is open.

MAG has also invited LSS to explore developing centres for civil law similar to the Nanaimo Family Justice Services Centre. LSS began mapping the civil justice needs of BC residents in 2006/2007 to determine the service model for the civil centres, and is working with its partners to articulate responsibilities.

Strengthening capacity and integrating with community service partners:

LSS continues to work with community service partners to strengthen our collective capacity to meet client needs and maximize the accessibility of legal aid services. In 2006/2007, LSS established formal agreements with provincial and local community organizations — including the BC Library Services Branch and the BC Courthouse Library Society — to better coordinate our public legal education and information (PLEI) services. LSS also continued

to participate in the BC PLEI Working Group (see Glossary, page 67).

This year, LSS enhanced its regular advocate training program by combining advocate workshops with regional staff training to facilitate an exchange of ideas, increase understanding of regional needs, and improve coordination between regional service providers and the society. LSS also introduced outreach initiatives to increase advocates' and lawyers' awareness of LSS family law services and to identify problems clients may have accessing these services. These initiatives target communities where services are underutilized.

Increasing accessibility and effectiveness of legal information services:

In November 2006, LSS launched a redesigned Family Law in BC website that includes new and restructured family law materials, improved navigation, and an updated look and feel. The enhanced website, which features new fact sheets, streamlined self-help guides, direct access to blank court forms, pop-up definitions, and a series of short PLE videos or "Web clips," is designed to make the complex legal information as accessible as possible to clients and the advocates who support them.

The Web clips are part of an ongoing project focused on using non-traditional media such as online video to reach marginalized clients, and, in particular, clients with English as a second language or with limited English literacy. Web clips are currently in production for English-speaking, Spanish-speaking, and Aboriginal audiences.

Also introduced this year was a LawLINE blog, a regularly updated online "diary" written by a LawLINE lawyer based on calls to the telephone advice service (details changed to protect confidentiality). The blog provides the same information provided to LawLINE callers about common legal problems in an easy-to-read, conversational format.

The society also made efforts to improve the effectiveness of its public legal information and community outreach teams by implementing recommendations that came out of the department's business process review and undertaking a review of PLEI services and service delivery.

Aboriginal initiatives: An LSS priority is ensuring that the society's services are accessible to and appropriate for Aboriginal people. This year, LSS initiated a series of efforts to improve its coordination with Aboriginal stakeholders. In June 2006, LSS held an Aboriginal Law Conference for advocates from across BC and government representatives, providing an opportunity for Aboriginal and non-Aboriginal service providers to learn from each other. In April 2006, LSS began an Aboriginal Legal Services Project to identify client needs and culturally appropriate service delivery approaches through a consultative process. The project brought together an Aboriginal Reference Panel that includes advocates from Aboriginal service agencies and lawyers representing Aboriginal legal aid clients for a two-day consultation in January 2007. The project's final report, to be released by summer 2007, will propose specific new Aboriginal service projects and adaptations to current LSS programs.

Future outlook

In early 2007/2008, LSS will launch an electronic applications pilot project with Native courtworkers in selected locations across BC. The project will test the effectiveness of having Aboriginal clients apply for legal aid electronically through these trusted intermediaries. LSS will use the results of this project to determine whether to expand the service to other locations and client groups. By winter 2007/2008, LSS will also begin assessing recommendations from the Aboriginal Legal Services Project.

Throughout 2007/2008, the society will evaluate the Nanaimo Family Justice Services Centre for MAG, and continue collaborating with the ministry in the development of civil justice services centres to determine the society's role in such centres in the context of legal aid renewal.

Goal 3

Low-income clients receive quality legal advice and representation services that are proportionate to their needs.

Goal 3 reflects the society’s strategic priority to develop innovative programs to fill service gaps so that LSS can meet client needs within its current mandate and resources. It also underscores the need for the society to establish a tariff system that encourages lawyers to take legal aid cases, supports lawyers in providing quality services, and promotes better results for legal aid clients, LSS, and the justice system. To measure its performance on this goal, LSS assesses both client satisfaction with the society’s advice and representation services and tariff lawyer satisfaction with the support provided by LSS.

Performance measure: Client satisfaction with LSS advice and representation services (tri-annual survey)

Past results	2006/2007 performance (survey in development)		Future targets		
	Target	Actual	2007/2008	2008/2009	2009/2010
2005/2006 n/a	n/a	n/a	Set baseline	Not measured	Not measured

Client satisfaction with LSS advice and representation services measures the degree to which clients are satisfied with the help provided by the legal advice and representation services they received. The results of the client survey, to be run for the first time in 2007/2008, will be used to set a baseline and targets for 2010/2011.

Importance of this measure

Sustaining and increasing the level of our clients’ satisfaction with LSS advice and representation services over time will show that clients are getting the help they need to resolve their legal problems. LSS will use the results of the client survey to compare levels of client satisfaction by service area and to help determine how to improve service design and delivery to achieve desired client outcomes.

Benchmark comparison

LSS will be able to benchmark its 2007 client satisfaction survey results against satisfaction data collected by Legal Aid Ontario and Saskatchewan Legal Aid Commission.

Data source

The data is gathered from a tri-annual survey conducted by an independent survey organization. In April and May 2007, approximately 2,000 legal aid clients (depending on client availability) will be interviewed by telephone and online about their experiences with the legal aid services they received. The survey organization, Synovate (www.synovate.com), was selected through a thorough request for proposal process. Results and reliability of information about the data will be available in fall 2007.

Performance measure: Tariff lawyer satisfaction with support provided by LSS (tri-annual survey)

Past results	2006/2007 performance (target exceeded)		Future targets		
	Target	Actual	2007/2008	2008/2009	2009/2010
Baseline set at 68%	72%	75%	Not measured	Not measured	To be determined

Tariff lawyer satisfaction with support provided by LSS measures the degree to which lawyers taking legal aid referrals are satisfied with how LSS supports them in providing services to legal aid clients.

Importance of this measure

Lawyer attrition remains an issue for LSS. The number of lawyers taking legal aid referrals continued to decline this year, falling to 931 from 956 in 2005/2006 and 997 in 2004/2005. Increasing levels of lawyer satisfaction should reduce the risk that LSS will be unable to find lawyers to take referrals for all eligible clients and enhance the society's ability to provide quality legal services.

Benchmark comparison

LSS has no benchmark data from other legal aid plans.

Data source

The data is gathered from a tri-annual survey conducted by an independent survey organization. In February 2007, PME Inc. interviewed 379 lawyers about their interactions with LSS. PME Inc., who also conducted the 2004 lawyer satisfaction survey, was selected through a thorough request for proposal process. Results and reliability of information about the data will be available in summer 2007.

Results

The preliminary results of the 2006/2007 tariff lawyer survey show that their level of satisfaction increased to 75% in 2006/2007, up from 68% three years ago and exceeding our target. In-depth analysis of the results will be available by July 2007.

This year's LSS family law services evaluation results provide strong evidence that the society's innovative family law services are effective. Most of the family law clients surveyed reached long-term resolutions to their legal problems, and for the majority of the resolved issues, clients were satisfied with the outcomes they achieved.⁷ The results of the family law services evaluation, as well as

consultations with lawyers, community groups, and staff, helped identify where and how LSS should improve services for family clients and develop a new, more focused policy statement for family services.

Performance highlights

Expanded family law services: This year, LSS introduced significant enhancements to its family law services to do more to help clients resolve their family law problems without going to court (see Appendix 2, page 52). Improvements include enlarging the role of family duty counsel, expanding eligibility, providing broader dispute resolution assistance, and expanding representation when all other efforts to resolve the case have been exhausted and resolution would significantly benefit the client or the children. Designed to encourage negotiated settlements, these improvements reflect the society's focus on early intervention and early resolution, and its goal of providing quality services proportionate to the client's needs.

⁷ The evaluation is based on a detailed telephone survey of 812 clients of the society's family legal information, advice, and representation services whose cases were between 1 and 3.5 years old. The overall resolution rate for matters that were completed at the time of the interviews was over 80%, and clients were mostly or completely satisfied with the outcome for 77% of resolved issues. The final report, released in October 2006, is available online at www.lss.bc.ca/assets/about_lss/FamilyServicesFinalReport.pdf.

In the first few months of these initiatives, LSS doubled the number of cases authorized for dispute services.

Child protection services: LSS continued its collaborative initiative with MCFD and MAG to develop and pilot local alternative dispute resolution projects in child protection proceedings (see Glossary, page 67). Initiatives have been established in all MCFD regions and are demonstrating promising results for clients and their children. MCFD has adopted a policy that encourages collaborative planning and decision making in all child protection cases. The LSS-MCFD collaborative project was slated to end in 2007/2008, but MAG and MCFD have contributed additional funding to support continued growth in alternate dispute resolution in child protection cases.

Expanded advice services: In April 2006, LSS launched the Community Advocate Support Line, a dedicated telephone service providing advocates with legal advice, information, and coaching in selected areas of law to support their work on behalf of clients. Community demand for the service, originally designed as a two-year pilot project and funded by MAG and the Law Foundation, met or exceeded expectations in the first few months. In November 2006, the Law Foundation approved a grant that will allow LSS to extend the project until 2010.

LSS also began a telephone advice counsel project this year to give accused people in custody awaiting bail hearings access to legal advice in the evenings and on weekends and holidays. Demand for this service — intended to reduce court lists on Mondays and after holidays, make court hearings more efficient, and help make sure people do not have to stay in custody unnecessarily — has been lower than anticipated to date. The contract has been renewed at a reduced amount to reflect this lower demand.

Tariff improvements: Improving tariff rates and structures to better recognize lawyers' work, encourage a more results-based approach to tariff management, and enhance services for clients were key recommendations of the 2005 tariff review report.⁸ Over the course of 2006/2007, LSS implemented a range of tariff measures, including

changes to the immigration, family, CFCSA, and disbursements tariffs to promote alternative dispute resolution; increased hourly tariff rates (see Appendix 2, page 52); and changes to selected block fees for key non-trial criminal services to reflect counsel's effort and encourage early resolution where appropriate.

Support and process improvements for lawyers:

Tariff improvements complement the society's continuing enhancements to its lawyer support services. This year, these included the introduction of electronic funds transfers and online cheque remittances, and refinements to E-billing.

The final evaluation of the society's Law Foundation-funded quality assurance project, conducted this year, recommended the society continue and improve successful initiatives.⁹ A five-year project begun in 2001, quality assurance was designed to ensure legal aid services meet professional standards and address client needs by promoting best practices and supporting lawyer education. It is now an ongoing program, and LSS will use the evaluation results to prioritize new quality assurance measures.

Future outlook

In 2007/2008, LSS will implement legal practice groups (formerly called "centres of expertise") in civil, family, and criminal law to centralize, sustain, and develop the society's legal knowledge and expertise, strengthen its community and regional liaison work, and enhance the quality of legal aid services. These groups will encourage more effective working relationships with private lawyers and other justice system partners to support collaborative service delivery.

LSS will evaluate the outcomes of recent tariff changes and continue to implement improvements in the context of legal aid renewal. In 2007/2008, LSS will also develop a three-year quality assurance plan to sustain and augment our support for these key service providers.

8 The tariff review report, *Managing for Results*, is available online at www.lss.bc.ca/about_lss/reports.asp#ER.

9 The quality assurance initiative final report is available online at www.lss.bc.ca/about_lss/reports.asp#ER.

Goal 4

Strategic and sustainable management of staff capacity and LSS services to meet the legal needs of people with low incomes.

Goal 4 recognizes that all organizations are required to manage internal capacity to meet strategic objectives. It also identifies LSS employees as one of the organization's key strengths and highlights the value the society places on making a contribution to justice, even in an environment of limited resources.

Performance measure: Overall LSS employee engagement score (tri-annual survey)

Past results	2006/2007 performance (survey in development)		Future targets		
	Target	Actual	2007/2008	2008/2009	2009/2010
2004/2005 Baseline set at 72%	n/a	n/a	77%	Not measured	Not measured

Overall LSS employee engagement score is a composite rating that includes employee commitment, job satisfaction, and satisfaction with the organization. It measures the society's performance in providing employees with the tools, resources, and work environment necessary to perform their duties with satisfaction, and contribute to the society's goals and their own well-being.

Importance of this measure

A high level of employee engagement signifies that staff are satisfied with the work they do and how the society is managed, and are committed to the organization and its goals. Increasing our level of engagement over time will show that LSS is enhancing its ability to retain highly skilled employees and, in turn, efficiently provide quality legal aid services.

Benchmark comparison

The society's baseline 2004/2005 employee engagement score of 72% exceeded the 64% overall employee engagement score for the BC public sector for that year (based on surveys completed at that time).

Data source

The data is gathered from a tri-annual employee survey undertaken by an independent survey organization. The 2004/2005 survey was conducted online in February and March 2005 by BC STATS. Ninety-eight percent of LSS employees participated in the survey — the highest participation rate for any BC STATS survey to that point.

Results

LSS will next measure employee engagement in 2007/2008; however, LSS consults employees regularly about departmental and organizational programs, processes, and changes. An employee wellness program survey undertaken this year indicates that many staff value the current initiatives — such as fitness cost sharing, weight loss, smoking cessation, and walk/run training programs, and lunchtime learning workshops — LSS offers to help employees sustain their health and motivation both inside and outside the workplace.

In February 2007, LSS conducted its second annual staff survey to identify the internal and external challenges facing the society and how LSS should address these challenges. Responses indicate that most staff appreciate having a role in determining the strategies LSS uses to meet its mission, vision, and mandate. Staff feedback was presented to the LSS board at its annual strategic planning retreat in March, enriching the planning process and helping to strengthen employee commitment to the society and its work.

Performance highlights

Refined internal structure and processes:

This year, LSS completed adjustments to the organizational structure and processes established in 2005 to maximize the society's flexibility, strength, and efficiency to meet its mandate with limited resources. Refinements included simplifying the issue management process, streamlining the management committee structure, and enhancing the project management office. LSS also began developing a capacity management plan, a risk management strategy, and a corporate reporting strategy, and augmented the department planning process. LSS also examined proposals for a leadership development program to begin in 2007/2008.

The society began a thorough review and rewrite of its Intake Policies and Procedures (IPP) in 2006/2007. The improved user-friendly online guide, to be released in June 2007, is designed to increase application processing speed and ensure policies are applied more consistently across the province.

Staff attendance, performance, and training:

The society's absentee rates have decreased overall for all employee groups since LSS introduced an attendance management program in 2004, although rates are up slightly this year from 2005/2006. Managers continue to address attendance issues directly with staff and monitor patterns through comprehensive attendance reports created twice yearly by Human Resources. The average overall employee absentee rate in 2006/2007 was 8.47 days, compared with 7.72 days in 2005/2006.¹⁰

This year, LSS continued to respond to recommendations from its 2004/2005 employee engagement survey, which included increasing staff development/advancement opportunities, training, recognition, and understanding of the role of the society's senior management team.

Internal promotions rose this year to 16 from 3 in 2004/2005, in part because of new and changed positions created by the organizational restructuring initiated in 2005. Managers and staff worked together in 2006/2007 to develop an active

performance plan for each employee, ensuring employees and supervisors have the opportunity to discuss goals and objectives, document work achievements, and identify training needs.

The society also supported staff through new Employee Wellness Program initiatives and training based on employee input and managers' assessments of individual staff, department, and society needs. To increase the opportunities for staff to exchange information with senior management, directors began attending department meetings outside their divisions, and the executive director held regular informal meetings with staff over coffee.

Future outlook

Well-designed and implemented policies and processes will help LSS build and sustain its capacity to meet client needs. The society's primary task for this goal in 2007/2008 will be to implement a new capacity management plan. Other key activities slated for the coming year include introducing corporate reporting and leadership development strategies, beginning the risk management strategy implementation, and defining the essential components of an organizational development program. LSS will also launch the new IPP in 2007, along with a training program to familiarize staff with the new tool and highlight the policy changes.

¹⁰ These rates exclude leaves greater than four weeks. By employee group, the average absentee rate in 2006/2007 was 10.31 days for BC Government Employees Union members; 3.55 days for exempt staff, and 5.02 days for Professional Employee Association members.

Goal 5

Effective management of LSS expenditures.¹¹

This goal highlights the importance of sound financial forecasting, accounting, and auditing processes to LSS in meeting its mandate, and emphasizes the society's accountability for administering its limited resources.

Performance measure: Budget to actual expenditure variance (annual)

Past results	2006/2007 performance (target exceeded)		Future targets		
	2005/2006	Target	Actual	2007/2008	2008/2009
Baseline set at 3.9% ¹	2%	1.2%	1.5%	1.5%	1.5%

1 LSS changed how it calculates this measure since it was first reported last year at 5.4%. It now compares budgeted to actual expenditures excluding specific expenditures that are funded separately as they occur (such as Law Foundation-funded projects, exceptional matters, and immigration services).

Budget to actual expenditure variance measures how well LSS is managing its expenditures.

Importance of this measure

Reducing the budget to actual expenditure variance will demonstrate that the society is enhancing its ability to manage expenditures and make the most productive and timely use possible of available funds for client services.

Benchmark comparison

LSS has no comparable data from other legal aid plans.

Data source

The data is gathered from the LSS internal financial system data. All data is reviewed by external auditors.

Results

LSS exceeded its 2% target for budget to actual expenditure variance performance measure for 2006/2007, reducing the variance from 3.9% in 2005/2006 to 1.2% for the year. In 2005/2006, LSS had introduced a number of tariff changes that would contribute to narrowing the gap between budgeted and actual expenditures. Early financial results for this year, however, indicated that the society would not achieve the target. In June 2006, the LSS Board of Directors authorized further changes to the tariff that combined with other initiatives to result in a year-end variance of 1.2%. LSS intends to maintain the variance at 1.5% or less in future years.

Budget to actual expenditure variance calculation, 2006/2007

Actual total expenditures per Statement of Operations (see page 41)	\$72,216,825
minus Exceptional cases	2,510,899
Immigration	1,223,768
Law Foundation-funded projects	157,833
	<u>\$68,324,325</u>
Approved expenditure budget	\$73,530,500
minus Exceptional cases	2,700,000
Immigration	1,700,000
	<u>\$69,130,500</u>
Variance = 1 - (actual/budget)	1.17%

11 While developing its 2007/2008–2009/2010 service plan this year, LSS revised this goal to reflect the society's focus on enhancing budget accuracy for both project and operational work. The goal now reads "Effective management of LSS expenditures" rather than "Effective management of LSS funds." This change also eliminates confusion around the term "funds." As a taxpayer-supported Crown agency, LSS has limited influence on its annual revenue, which comes primarily from government and foundation funding.

Performance highlights

Reserve fund: The society planned to eliminate its net assets by running deficit budgets of over \$2 million/year until March 31, 2010. However, primarily as a result of increased revenue from non-government sources, LSS had an operating surplus for the fiscal year, which will increase its net assets (see Financial Report, page 29). LSS cannot rely on increases in non-government revenue continuing over the long run, as this revenue is subject to fluctuations in the general economy. At year-end, LSS restricted most of these assets as a reserve fund to support a number of projects, including government-initiated justice reforms and strategic initiatives identified by the board; to develop, maintain, and/or expand existing services shown to be effective for clients; and to secure against unbudgeted demand arising from federal criminal policy changes.

Process improvements: In 2006/2007, LSS began a multi-year strategy to work with departments on budgets and forecasting to increase the accuracy of financial results. Managers are now using reports generated from the finance system introduced in 2005 to produce quarterly forecasts. LSS also brought in an independent consultant this year to conduct a budgeting system review and analysis.

The Audit and Investigation Department began implementing recommendations this year from a 2005/2006 business process review of the department designed to improve the department's processes. Recommendations included changes to workflow and the departmental database, and development of a strategic audit plan.

Client contributions: An independent feasibility study of a client contribution program began in 2006/2007. The report, to be available next year, will provide LSS with an assessment of three possible contribution scenarios. The society is examining the viability of contributions as a way to recover some costs and provide funding for client services, as well as make legal aid services available to a greater number of BC residents who cannot afford a lawyer — particularly those whose incomes marginally exceed our eligibility guidelines.

Using technology to streamline processes:

Technology is a critical component in many of the society's innovative services, and LSS is taking steps to better integrate its IT resources into

organizational and service planning processes. Following the recommendations made in an IT strategic review, the society redesigned IT to help become more responsive to new opportunities. This included assigning IT business analysts to each division to support management in making the best use of technology to achieve departmental and organizational goals. LSS also decided to consolidate its multiple external application support contracts into a single off-site contractor able to help manage the wide range of applications used by society staff.

LSS introduced electronic funds transfer for lawyers this year to gain efficiencies for both staff and service providers. Sixty-five percent of payments to lawyers are now electronically transferred, enabling LSS to reduce cheque runs from weekly to biweekly.

The society also installed a new phone system in fall 2006 to enable staff to respond more quickly and effectively to the growing number of call centre and LawLINE callers. The system also offers potential for further service developments, such as expanding call centre capabilities.

Future outlook

A priority for 2007/2008 is for the finance team to work more closely with departments on budgeting and forecasting to increase accuracy and management accountability for financial results. LSS will create an action plan to implement recommendations from the budget review report, and will also develop lead indicators for budgets and forecasting. The society also intends to prepare a strategic Information Technology plan next year to better align this department's work with overall organizational strategies.

Next year, the society will examine options for service and other improvements to more effectively utilize available resources. For example, to improve access to the society's telephone information, advice, and application services, LSS will restructure its phone system to enable staff to identify callers' legal issues before directing them to the appropriate service. The updated system, scheduled for implementation in fall 2007, should help reduce waiting times by connecting clients to the service they need as quickly as possible, and serve more clients by reducing the number of dropped and abandoned calls.

Alignment with Government's Strategic Plan

The provincial government's vision for BC, as set out in its *Strategic Plan 2007/08–2009/10*, is “to be a prosperous and just province, whose citizens achieve their potential and have confidence in the future.” The plan also outlines the government's “five great goals for a golden decade.”

LSS and its services advance both the vision and Goal 3: “To build the best system of support in Canada for persons with disabilities, special needs, children at risk, and seniors.” The society's work also advances the objectives of the ActNow BC campaign, contributes to the New Relationship with First Nations and Aboriginal people being developed by the Ministry of Aboriginal Relations and Reconciliation, and supports the creation of strong, socially responsive, and sustainable communities.

Supporting justice

The society supports the government's vision and Goal 3 by providing services that respond to the special legal needs of people with low incomes. LSS makes legal information, education, advice, and representation available, taking steps to ensure that intermediaries, as well as potential clients, are aware of these services. LSS also collaborates with a wide range of justice system partners and other stakeholders to provide innovative, cost-effective services to enhance access to the justice system for our clients. The society's work to make legal aid services responsive and accessible also aligns with the government's focus on building strong local communities.

In addition, LSS provides the Attorney General with information and expert advice about legal aid. The society also participates in justice reform activities and legal research as a way of ensuring that justice system decisions and changes address the legal needs of people with low incomes. The society's public legal education and information services, as well as its campaign to increase awareness of legal aid, should enhance the ability of people with low incomes to constructively participate in resolving and/or avoiding their legal

problems. It should also increase public confidence in and understanding of BC's justice system.

Legal aid clients are some of BC's most vulnerable citizens. Many of them experience compromised employment, education, and social support networks, which in turn place them at increased risk for chronic disease. The society's outreach services, as well as other legal aid services, strengthen individual and community capacity to resolve legal problems that create additional barriers to leading healthy, productive lives. This work supports one of the goals of the government's extensive health prevention program, ActNow BC: “to build community capacity to create healthier, more sustainable and economically viable communities.”

LSS also helps advance the New Relationship with First Nations and Aboriginal people through its ongoing provision of legal aid services targeted at BC's Aboriginal communities. Responding to research that documents significant gaps in legal services for Aboriginal people in the province, LSS is working in partnership with Aboriginal communities to develop and provide critical legal aid services to fill unmet needs. By helping Aboriginal people resolve their legal problems, LSS promotes social justice and economic self-sufficiency; by working to close the justice gap, LSS will help to narrow the socio-economic gap.



**... innovative, cost-effective services
to enhance access to the justice
system for our clients.**

... making a contribution to justice ...



Financial Report

2006/2007 was to be the first year in which LSS budgeted to use its reserve fund to offset spending increases and continue pilot projects. Although spending did increase by 8.1%, additional revenue from non-government sources offset these increases and resulted in a \$2.1 million operating surplus for the year.

The following discussion of the society's financial condition for the year ending March 31, 2007, should be read in conjunction with the society's audited financial statements (see pages 37 to 48). The financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations. LSS is accountable for how it uses all its funding under the Budget Transparency and Accountability Act.

Management discussion and analysis

Reserve fund

At March 31, 2007, the society's surplus in net assets was \$15 million. During the year, the LSS board decided to restrict a majority of these assets as a reserve fund to:

- support strategic initiatives
- develop, maintain, and/or expand existing services shown to be effective for clients
- support government-initiated justice reforms, and
- secure an amount against unbudgeted demand arising from federal criminal policy changes.

The total includes \$2.1 million invested in capital assets, \$0.3 million internally restricted for alternative dispute resolution pilot projects in the area of child protection, and \$11 million restricted by the board as per above, leaving \$1.6 million unrestricted.

Resource allocations

LSS allocated \$49 million or 68% of its budget to contracted representation services this year. Salaries and benefits comprise the next largest budget item at \$13.1 million or 18.2%. Expenses for building

leases and amortization amounted to \$2.7 million or 3.7%. All other costs totalled \$7.4 million or 10.3% (see Table 4, page 31).

At March 31, 2007, there were 93 full-time equivalent positions allocated to direct client support and 72.5 to general administrative support.

Revenue

The society's revenues were \$74.4 million this year, up \$3.1 million from 2005/2006.

Provincial funding

The provincial government provides the largest portion of the society's revenue. This funding is subject to a three-year Memorandum of Understanding (MOU) between LSS and the Attorney General.

The MOU outlines the anticipated funding for each year and the priorities for its use. It also defines exceptional matters and establishes a stable process for funding them. Provincial revenue for these cases is deferred for use in future years to the extent that it is not required during the year (see Tariff expenses, page 31). The MOU allocates specific amounts for representation in each area of law, public legal education and information services, and strategic initiatives, and sets out priorities for reallocating surpluses to shortfalls among budget categories during the year. In 2006/2007, there were no shortfalls. The society's obligation to provide services is limited to the funding allocated in the MOU for each specific area.

Federal funding

Under federal-provincial contribution agreements, the federal government reimburses the provincial government for some legal aid costs. During the year, the federal and provincial governments agreed to extend the agreement to March 31, 2007. The federal contribution this year to BC for adult criminal, youth, and immigration legal aid was about \$11 million. This agreement includes \$3.3 million for the Federal Investment Fund, which supports innovative services that address unmet needs in criminal law.

The federal government provides this funding to the provincial government, which then transfers it to LSS.

In addition, the federal government contributes up to \$900,000 each year for immigration tariff expenditures in excess of \$800,000 and up to \$650,000 for large federally prosecuted cases based on actual expenses. These funds are transferred from the federal government to the province and then to LSS. For this fiscal year, LSS has recorded revenue in the amounts of \$418,033 for immigration and \$319,633 for large federal cases.

Foundation grants

Both the Law Foundation and the Notary Foundation provide annual grants to LSS with revenue earned on trust funds held by their members. Since these funds are not included in the MOU, the society can allocate them at its discretion, provided the spending meets the objectives of the society.

The Notaries Act requires the Notary Foundation to contribute 55% of their interest revenue to the society. The foundation provided \$2.66 million to LSS in 2006/2007, \$1.5 million more than the year before. The increase was due to increased interest rates and larger balances held in notary trust accounts.

The Law Foundation provided the society with \$3.3 million in base funding, \$0.3 million in an additional grant made possible by rising interest rates, and \$0.4 million in project funding. Project funds are initially recorded as deferred contributions and then as revenue when actual project costs are incurred. During this fiscal year, LSS completed all outstanding projects, so \$0.6 million was included in revenue for the year.

Investments

The majority of the society's available cash is invested under the LSS board's investment policy, which permits the society to invest in low-risk securities or pooled funds. LSS follows Canadian generally accepted accounting principles for not-for-profit organizations that require the society to report the value of investments at the lower of cost or market value at year-end. After adjusting to market value, the total revenue from investments for this year was \$1.4 million, compared to \$787,000 in the prior year. This increase is more than expected, as a result of higher than projected investment balances and interest rates.

Other revenue

Other sources of revenue for the 2006/2007 year include payment for administrative services LSS provides to MAG for out-of-mandate cases, funding

Table 3 Legal Services Society revenue, 2006/2007

Revenue	Actual	%	Budget	%
Core provincial government funding ¹	\$62,696,406	84.3	\$62,408,000	87.8
Law Foundation grant	3,599,750	4.8	3,644,700	5.1
Notary Foundation grant	2,660,584	3.6	625,000	0.9
Federal Investment Fund	2,966,633	4.0	3,297,000	4.7
Investments	1,369,047	1.9	650,000	0.9
Other ²	456,291	0.6	451,000	0.6
Law Foundation project grants	613,409	0.8	—	—
Total	\$74,362,120	100.0	\$71,075,700	100.0

1 The variance between actual and budget amounts for core provincial funding is due primarily to \$100,000 for drug court and \$143,000 for exceptional cases.

2 Other includes publishing revenue, administrative fees, etc.

from the Department of Justice for federal out-of-mandate cases, and a deferred contribution from MCFD for child protection mediation projects.

Expenses

The society's expenses rose to \$72.2 million this year, compared to \$66.8 million in 2005/2006. Of this increase, \$4.5 million was for tariff and duty counsel services. Tables 6 to 11 summarize the society's expenses for the past five years.

Tariff expenses

During the fiscal year, LSS raised the tariff rate approximately 5%, which amounted to a \$1.1 million increase in expenditures for the year. Other tariff improvements, including those introduced in prior years, contributed to an additional \$2.8 million in expenditures, for a total of approximately \$3.9 million for 2006/2007. LSS estimates that the total annual cost of all tariff renewal initiatives introduced since 2005 will be approximately \$13 to \$14 million by next fiscal year.

To determine the costs for tariff and duty counsel, the society estimates the liability for services provided by the private bar. To arrive at this figure, LSS uses an actuary's model that includes actual costs based on invoices received and estimated costs for work on all unbilled referrals made during the fiscal year. The calculation is 90% accurate, 19 times out of 20. The estimated tariff liability at the end of 2006/2007 is \$11.3 million.

The budget for exceptional matters (see Appendix 4, page 57) this year was \$2.7 million, plus \$2.1 million in deferred revenue from prior fiscal years. Expenses came to \$2.8 million, resulting in the use of deferred revenue of \$0.1 million.

Salaries & benefits

Salaries and benefit costs are subject to collective agreements negotiated and agreed to prior to March 31, 2006. These agreements were approved and funded by the provincial government. During 2006/2007, LSS received \$590,000 for the increased cost of these agreements.

Risks

LSS faces a continuing risk of generating an operating surplus rather than a budgeted operating deficit that would use up the reserve fund over a set number of years. Another ongoing risk is the impact of interest rate changes on interest revenue and the unreliable revenue streams from non-government sources that are subject to fluctuations in the general economy.

Revenue directly attributed to interest rates and general economic conditions increased by \$2.1 million to \$4 million in 2006/2007. Future changes to interest rates will affect the society's operating surplus/deficit. At this time, LSS anticipates a small decrease in interest rates for the upcoming year.

LSS prepares its annual budget based on expected case volumes. The challenge to manage budgets to avoid both deficits and surpluses for a demand-driven service is heightened by shifting provincial government budget timelines. As these timelines become earlier each year, the accuracy of the society's budget projections decrease.

The agreement between the federal and provincial government to provide LSS with Federal Investment Fund monies was extended to March 31, 2007. However, if this agreement is not renewed, LSS may need to reevaluate the increased eligibility limits for criminal services.

Table 4 Legal Services Society expenses, 2006/2007

Expenses	Actual	%	Budget	%
Contracted representation	\$48,983,007	67.8	\$50,398,900	69.0
Salaries and benefits	13,130,376	18.2	12,616,839	17.3
Building and amortization	2,694,808	3.7	2,707,170	3.7
All other costs	7,408,634	10.3	7,352,791	10.0
Total	\$72,216,825	100.0	\$73,075,700	100.0

Long-term funding for immigration/refugee legal aid continues to be a concern for the society. Although \$1.7 million in provincial and federal funding is available for these services in 2007/2008, to date no commitments have been made for funding in this area beyond March 31, 2008.

For 2008/2009 and 2009/2010, LSS plans to incur deficits of \$3 million and \$2.9 million. All deficit projections for the next three years will depend on the society's ability to define, develop, and implement board-directed strategic initiatives that meet the criteria for the reserve fund as defined by the board.

Future outlook

The provincial government approved the society's 2007/2008 operating budget in January 2007. This budget included an \$850,000 operating deficit and \$1.95 million for board-directed strategic initiatives to come out of the reserve fund (see Reserve fund, page 29). The total authorized deficit for 2007/2008 is \$2.8 million.

In future years, as the reserve fund is drawn down and exhausted, LSS will have to find additional revenues to maintain programs. Failure to secure funding will result in the termination of programs or a reduction of services. The accumulation of a net deficit is currently not allowed under the LSS Act.

Table 5 Financial outlook

	2006/2007 Actual	2007/2008 Projected	2008/2009 Projected
Revenue (all sources)	\$74,362,120	\$73,846,000	\$74,236,000
Expenses			
Contracted representation services and support (tariff support, etc.)	48,983,007	48,810,500	48,900,500
Strategic initiatives and other expenses	23,233,818	26,520,000	26,749,000
Total expenses	\$72,216,825	\$75,330,500	\$75,649,500
Surplus (deficit)	2,145,295	(1,484,500)	(1,413,500)

Revenue and expenses, 2002/2003–2006/2007

Table 6 History of revenue and expenses

	2006/2007	2005/2006	2004/2005	2003/2004	2002/2003
Revenue	\$74,362,120	\$71,284,730	\$64,676,570	\$71,131,172	\$76,326,537
Expenses	72,216,825	66,809,807	60,623,079	69,210,287 ¹	73,228,635
Excess revenue over expenses	2,145,295	4,474,923	4,053,491	1,920,885	3,097,902
Net assets (deficit)	\$15,005,844	\$12,860,549	\$ 8,385,626	\$ 4,332,135	\$ 2,411,250

¹ Expenses for 2003/2004 consist of the following: total expenditures from operations (\$62,233,661) minus the transition costs (recoveries of \$406,969) plus the change in tariff estimate (\$6,637,859).

Table 7 History of operating expenses: Legal aid offices¹

	2006/2007	2005/2006	2004/2005	2003/2004	2002/2003
Regional centres	\$5,373,664	\$5,343,847	\$5,260,904	\$4,715,833	\$ 3,015,176
Local agents	704,608	711,300	700,200	719,250	464,502
Contracted services ² and advice lawyers	1,344,696	1,297,502	1,149,338	1,094,341	644,295
Brydges duty counsel	624,583	366,000	338,172	243,538	242,843
Other ³	—	—	—	—	12,443,049
Total	\$8,047,551	\$7,718,649	\$7,448,614	\$6,772,962	\$16,809,865

1 In September 2002, branch offices, community law offices, native community law offices, and area directors were replaced by regional centres, local agents, and the LSS Call Centre.

2 Contracted services include the Community Legal Assistance Society and West Coast Prison Justice Society.

3 Other includes costs for former offices and former contracted services.

Table 8 History of operating expenses: Client programs

	2006/2007	2005/2006	2004/2005	2003/2004	2002/2003
Appeals	\$ 598,362	\$ 541,456	\$ 488,942	\$ 501,077	\$ 494,235
Community Services	1,702,110	1,533,948	1,731,988	1,965,441	185,645
Public Legal Education and Information	1,907,504	1,632,970	1,536,267	1,593,245	490,328
Other ¹	—	—	—	—	917,684
Total	\$4,207,976	\$3,708,374	\$3,757,197	\$4,059,763	\$2,087,892

1 Prior to September 2002, Other included Library Services, Public Legal Education, Publishing, and Native Programs. From September 2002 onward, these costs are included under Community Services and Public Legal Education and Information.

Table 9 History of operating expenses: Service delivery support

	2006/2007	2005/2006	2004/2005	2003/2004	2002/2003
Tariff, Audit and Investigation	\$1,970,028	\$2,177,157	\$1,654,241	\$1,401,693	\$1,395,135
Field Operations ¹	—	—	573,860	836,740	531,794
Total	\$1,970,028	\$2,177,157	\$ 2,228,101	\$2,238,433	\$1,926,929

1 Field Operations includes reciprocals. In 2005/2006, Field Operations was eliminated during an internal reorganization, and expenses were distributed throughout the society.

Table 10 History of operating expenses: Management and administration¹

	2006/2007	2005/2006	2004/2005	2003/2004	2002/2003
Human Resources, Policy, and Planning ²	\$2,114,426	\$2,002,856 ³	\$ 699,424	\$ 760,605	\$ 677,174
Finance and Corporate Services	4,461,672	3,750,585	4,201,273	2,615,210	2,891,780
Information Technology	1,932,705	1,994,321	1,779,929	2,001,973	2,323,670
Communications	80,463	92,729	78,776	62,265	56,277
Depreciation	1,043,581	1,124,997	958,398	745,736	946,370
Total	\$9,632,847	\$8,965,488	\$7,717,800	\$6,185,789	\$6,895,271

1 Some numbers in this table have been restated to match the financial statements (see page 48, Note 16).

2 In 2005/2006, the Policy, Planning, Human Resources, and Training departments were combined during an internal reorganization. Amounts for prior years include Human Resources and Training only.

3 The 2005/2006 amount for Human Resources, Policy, and Planning includes \$660,000 for the early contract settlement incentive payment.

Table 11 History of operating expenses: Tariff¹

Area of law	2006/2007	2005/2006	2004/2005	2003/2004	2002/2003
Criminal	\$24,892,578	\$23,268,162	\$21,370,625	\$27,349,175 ²	\$19,269,211
Family	7,748,648	7,071,015	5,535,663	6,432,371	11,319,885
CFCSA	4,443,968	3,777,742	3,527,608	3,563,404	4,112,980
Immigration	1,223,767	1,047,402	760,437	3,647,560	3,695,260
Exceptional matters	2,510,899	2,031,346	1,681,900	2,741,705	1,426,087
Duty counsel ³	6,683,606	6,166,008	5,639,730	5,014,337	3,639,683
Human rights ⁴	8,682	68,441	4,901	26,373	189,343
Prison ⁵	—	—	—	—	97,034
Transcripts	735,124	740,106	916,285	952,918	1,223,329
Pro bono disbursements ⁶	(632)	(34,462)	(77,695)	109,153	155,077
Staff case disbursements	111,783	104,379	111,913	116,344	380,789
Total	\$48,358,423⁷	\$44,240,139⁸	\$39,471,367⁹	\$49,953,340	\$45,508,678

1 Tariff expenses include private bar disbursements and tariff liabilities.

2 In 2003/2004, LSS implemented a new method of estimating its tariff liability (see page 45, Note 5). Using the new method, the society's liability at the end of that year was \$6.6 million greater than the amount using the former method; this \$6.6 million is included in the criminal tariff costs for that year.

3 Duty counsel includes circuit court counsel payments and family duty counsel projects (for FDC projects, these costs were \$1,693,379 in 2006/2007 and \$1,681,277 in 2005/2006). It does not include Brydges costs (see note 7), which are included in the duty counsel amount in the Statement of Operations on page 41.

4 Human rights coverage was eliminated as of April 1, 2002, due to funding cuts to the BC Human Rights Commission. Expenses reported in subsequent years were for referrals issued prior to April 1, 2002. The commission (via the provincial government) reimbursed LSS for the cost of the human rights tariff for BC Human Rights Act matters.

5 In September 2002, LSS contracted out its prison law services. These expenses are included in table 7, page 33, under contracted services. The 2002/2003 total includes payments for referrals made prior to September 2002.

6 Pro bono recoveries for disbursements from prior years totalled \$106,887. (These recoveries consist of funds reimbursed to LSS by private lawyers who have recovered costs from clients they assisted under the society's former poverty law services.) Total disbursements for 2004/2005 totalled \$30,201.

7 The 2006/2007 total consists of the following expenses (shown in the Statement of Operations on page 41): tariffs plus transcripts plus duty counsel minus Brydges (included in duty counsel). Brydges costs (reported separately under legal aid offices in table 7) were \$624,583.

8 The 2005/2006 total consists of the following expenses: tariffs plus transcripts plus duty counsel minus Brydges (included in duty counsel). Brydges costs were \$366,000.

9 The 2004/2005 total consists of the following expenses: tariff plus transcripts plus duty counsel minus Brydges (included in duty counsel). Brydges costs were \$338,172. The 2004/2005 change in tariff estimate is included in the criminal tariff amount. See note 2, above.

Legal Services Society

Financial Statements 2006/2007

Legal Services Society Management's Responsibility for the Financial Statements

Management is responsible for the preparation of the society's financial statements. This responsibility includes maintaining the integrity and objectivity of the society's financial records, and presenting the society's financial statements in accordance with Canadian generally accepted accounting principles.

Management maintains a system of internal controls that ensures that all material agreements and transactions of the society are properly recorded. The society's financial statements for the year ended March 31, 2007, have been examined by KPMG LLP. Their examination was made in accordance with Canadian generally accepted accounting standards, and included obtaining a sufficient understanding of the society's internal controls to plan the audit.

The directors of the society's board are not employees of the society. The board of directors is responsible for determining that management fulfills its responsibilities in the preparation of the financial statements and the control of the society's financial operations. The board of directors meets with staff of KPMG LLP to discuss their audit work, the society's internal controls, and the financial statements. The board of directors is responsible for approving the financial statements.



Mark Benton
Executive Director



Catherine McNeil
Director, Finance and Corporate Services



KPMG LLP
Chartered Accountants
Metrotower II
Suite 2400 - 4720 Kingsway
Burnaby BC V5H 4N2
Canada

Telephone (604) 527-3600
Fax (604) 527-3636
Internet www.kpmg.ca

AUDITORS' REPORT

To the Board of Directors,
Legal Services Society, and,

To the Attorney General,
Province of British Columbia

We have audited the balance sheet of the Legal Services Society (the "Society") as at March 31, 2007 and the statements of operations, changes in net assets and cash flows for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Society as at March 31, 2007 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles. As required by the Society Act (British Columbia), we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

KPMG LLP

Chartered Accountants

Burnaby, Canada
May 11, 2007

Legal Services Society Balance Sheet

As at March 31, 2007

	2007	2006
Assets		
Current assets		
Cash	\$ 1,347,290	\$ 1,211,929
Short-term investments (note 3)	18,307,484	21,402,671
Accounts receivable		
Government of British Columbia	4,917,936	3,242,859
Government of Canada	610,284	399,739
Other	1,475,995	667,035
Prepaid expenses	600,617	551,525
Total current assets	27,259,606	27,475,758
Long-term investments (note 3)	4,020,831	—
Capital assets (note 4)	2,392,998	2,792,885
Total assets	\$ 33,673,435	\$ 30,268,643
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities		
General	\$ 2,094,531	\$ 2,598,366
Tariff (note 5)	13,480,932	11,613,324
Deferred income (note 6)	2,507,453	2,614,323
Total current liabilities	\$ 18,082,916	\$ 16,826,013
Long-term liabilities (note 8)	584,675	582,081
Surplus in net assets		
Invested in capital assets (note 9)	2,109,998	2,541,885
Internally restricted (note 10)	11,286,684	600,000
Unrestricted	1,609,162	9,718,664
	15,005,844	12,860,549
Total liabilities and surplus	\$ 33,673,435	\$ 30,268,643

Commitments (note 11)

Contingencies (note 15)

The accompanying notes are an integral part of these financial statements.

Approved by:



Geoffrey Cowper, QC
Chair of the Board of Directors



Janice Comeau
Chair of the Finance Committee

Legal Services Society Statement of Changes in Net Assets

For the year ended March 31, 2007

	Invested in capital assets (note 9)	Unrestricted	Internally restricted (note 10)	Total	
				2007	2006
Balance, beginning of year	\$ 2,541,885	\$ 9,718,664	\$ 600,000	\$ 12,860,549	\$ 8,385,626
Excess (deficiency) of revenue over expenses for the year	(1,043,581)	3,502,192	(313,316)	2,145,295	4,474,923
Investment in capital assets	611,694	(611,694)	—	—	—
Transfer	—	(11,000,000)	11,000,000	—	—
Balance, end of year	\$ 2,109,998	\$ 1,609,162	\$ 11,286,684	\$ 15,005,844	\$ 12,860,549

Legal Services Society Statement of Operations

For the year ended March 31, 2007

	2007	2006
Revenue		
Grants		
Government of British Columbia	\$ 62,696,406	\$ 62,084,609
Federal Investment Fund	2,966,633	2,916,758
Law Foundation	4,213,159	3,721,964
Notary Foundation	2,660,584	1,153,799
	<u>72,536,782</u>	<u>69,877,130</u>
Other income		
Interest	1,369,047	787,077
Miscellaneous	456,291	620,523
	<u>1,825,338</u>	<u>1,407,600</u>
Total income	<u>\$ 74,362,120</u>	<u>\$ 71,284,730</u>
Expenses		
Amortization	1,043,581	1,124,997
Local agents	704,608	711,300
Board expenses	210,509	105,291
Computers	1,127,810	892,925
Duty counsel	7,403,633	6,621,369
Grants and contracted services	3,657,318	3,635,940
Libraries	113,393	101,592
Miscellaneous	467,287	353,614
Office	961,644	1,221,998
Premises	1,651,227	1,485,179
Salaries and benefits	13,130,376	12,536,155
Tariffs	40,834,451	37,158,431
Transcripts	744,923	743,580
Travel	166,065	117,436
	<u>\$ 72,216,825</u>	<u>\$ 66,809,807</u>
Total expenses	<u>\$ 72,216,825</u>	<u>\$ 66,809,807</u>
Excess of revenue over expenses	<u>\$ 2,145,295</u>	<u>\$ 4,474,923</u>

Legal Services Society

Statement of Cash Flows

For the year ended March 31, 2007

	2007	2006
Cash flows provided by (used in):		
Operating activities		
Excess of revenue over expenses for the year	\$ 2,145,295	\$ 4,474,923
Items not involving the outlay of cash		
Amortization	1,043,581	1,124,997
Accretion expense	18,000	18,000
	<u>\$ 3,206,876</u>	<u>\$ 5,617,920</u>
Changes in non-cash operating items		
Accounts receivable	(2,694,582)	(2,514,411)
Prepaid expenses	(49,092)	(286,759)
Accounts payable and accrued liabilities	1,363,772	(115,038)
Deferred income	(106,870)	336,314
	<u>\$ 1,720,104</u>	<u>\$ 3,038,026</u>
Financing activities		
Long-term liabilities	2,595	(78,506)
Investment activities		
Capital asset additions	(661,694)	(178,993)
Short-term investments	3,095,187	(3,226,554)
Long-term investments	(4,020,831)	—
	<u>(1,587,338)</u>	<u>(3,405,547)</u>
Net increase (decrease) in cash position	135,361	(446,027)
Cash, (operating line of credit) beginning of year	1,211,929	1,657,956
Cash, end of year	<u>\$ 1,347,290</u>	<u>\$ 1,211,929</u>
Supplemental cash flow information		
Non-cash transactions		
Increase in capital asset and related asset retirement obligation	<u>\$ (32,000)</u>	<u>\$ 23,000</u>

Legal Services Society

Notes to the Financial Statements

For the year ended March 31, 2007

1. Overview

The Legal Services Society (the society) was established under the Legal Services Society Act on October 1, 1979, and was revised on May 9, 2002. The society is governed by a board of directors, of which 5 are appointed by the province of British Columbia (the province) and 4 are appointed by the Law Society. The purpose of the society is to:

- assist low-income individuals to resolve their legal problems and facilitate access to justice for them,
- establish and administer an effective and efficient system for providing legal aid to low-income individuals in British Columbia, and
- provide advice to the Attorney General about legal aid.

The society is not subject to income taxes.

2. Significant Accounting Policies

(a) Basis of accounting

These financial statements have been prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations.

(b) Short-term investments

Short-term investments include banker acceptances with a maturity of less than one year and pooled funds, and are carried at the lower of cost and market value.

(c) Long-term investments

Investments with a maturity beyond one year are considered long term. Long-term investments, consisting of Canadian bonds, are recorded at cost, with any premium or discount on purchase being amortized over the term to maturity of each investment. Declines in the value of investments are recognized only when the decline is considered to be other than temporary.

(d) Capital assets

Capital assets are recorded at cost and are amortized on a straight-line basis as follows:

	Per year
Furniture	20%
Equipment	20%
Computer equipment	33%
Computer software	33%
Case Management System	10%
Leasehold improvements	10–20%

(e) Deferred lease inducements

Tenant inducements received for leased premises are deferred and amortized on a straight-line basis over the term of the lease.

(f) Assets retirement obligation

The society recognizes the fair value of a future asset retirement obligation as a liability in the period in which it incurs a legal obligation associated with the retirement of tangible long-lived assets that results from the acquisition, construction, development, and/or normal use of the assets. The society concurrently recognizes a corresponding increase in the carrying amount of the related long-lived asset that is depreciated over the life of the asset.

The fair value of the asset retirement obligation is estimated using the expected cash flow approach that reflects a range of possible outcomes discounted at a credit-adjusted risk-free interest rate. Subsequent to the initial measurement, the asset retirement obligation is adjusted at the end of each period to reflect the passage of time and changes in the estimated future cash flows underlying the obligation. Changes in the obligation due to the passage of time are recognized in revenue as an operating expense using the interest method. Changes in the obligation due to changes in estimated cash flows are recognized as an adjustment of the carrying amount of the related long-lived asset that is depreciated over the remaining life of the asset.

(g) Pension plan

The society participates in a multi-employer contributory pension plan. The cost of the defined contributions is recognized based on the contributions required to be made during each period.

(h) Revenue recognition

The society follows the deferral method of accounting for contributions. Unrestricted contributions are recognized as revenue when received or receivable, if the amount can be reasonably estimated and collection is reasonably assured. Restricted contributions for expenses that will be incurred in future periods are deferred and recognized in the period in which the related expenses are incurred.

(i) Donated services

Donated services are recorded at fair value when they would normally be purchased by the society and when fair value can be estimated for the services. If fair value cannot be reasonably estimated, the services are not recorded.

(j) Tariff expenses

Tariff expenses include amounts billed by the lawyers to the society and an estimate of amounts of services performed by lawyers but not yet billed to the society.

(k) Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Areas where estimates are significant to the financial statements include the collectibility of accounts receivable, amortization of capital assets, asset retirement obligations, tariff expenses and contingent liabilities. Actual results could differ from those estimates.

3. Investments

The combined carrying value of the society's short- and long-term investments is \$22,328,315 (2006 — \$21,402,671). Included in Accounts receivable — Other is \$159,022 for accrued interest (2006 — \$11,175). The investments have a market value at March 31, 2007, of \$22,466,537 (2006 — \$21,413,506).

4. Capital Assets

	Cost	Accumulated amortization	Net book value	
			2007	2006
Furniture	\$ 758,832	\$ (407,479)	\$ 351,353	\$ 306,215
Equipment	1,065,195	(827,496)	237,699	115,750
Computer equipment	2,249,498	(2,083,798)	165,700	331,575
Computer software	975,324	(930,899)	44,425	143,254
Case Management System	1,126,527	(1,034,496)	92,031	162,223
Leasehold improvements	2,926,123	(1,424,333)	1,501,790	1,733,868
	\$ 9,101,499	\$ (6,708,501)	\$ 2,392,998	\$ 2,792,885

5. Accounts Payable and Accrued Liabilities — Tariff

	2007	2006
Balance, beginning of the year	\$ 11,613,324	\$ 12,412,369
Duty counsel	7,399,174	6,621,339
Tariffs	40,757,350	37,158,431
Less tariff payments made during the year	(46,288,916)	(44,578,815)
Balance, end of the year	\$ 13,480,932	\$ 11,613,324

The society uses an actuarial model to estimate legal services performed but not yet billed to the society. Management estimated the liability to be approximately \$11,340,000 (2006 — \$9,956,000). This estimate included in the above table incorporates average case costs and service billings for similar cases over a two-year period.

6. Deferred Contributions

Contributions that are restricted to funding-specific expenses are deferred and amortized to operations as the related expenses are incurred.

	Balance, beginning of the year	Restricted contributions	Amortized to operations	Balance, end of the year
Law Foundation	\$ 166,203	\$ —	\$ 166,203	\$ —
Ministry of Children and Family Development	333,979	250,000	47,295	536,684
Government of British Columbia (exceptional matters*)	2,114,141	2,700,000	2,843,372	1,970,769
Total	\$ 2,614,323	\$ 2,950,000	\$ 3,056,870	\$ 2,507,453

* The society's Memorandum of Understanding with the Attorney General of British Columbia provides for restricted funding for exceptional matters commencing with the 2003 fiscal year. Exceptional matters are cases that meet one or more of the following criteria:

- A court has ordered that counsel be provided.
- The complexity of the legal matter requires payment of fees in excess of the standard rate.
- Legal fees or disbursements exceed \$50,000.
- Several individuals are involved in a similar or related legal proceeding.

7. Pension Plan

The society and its employees contribute to the Municipal Pension Plan (the plan), a jointly trustee pension plan. The board of trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of benefits. The pension plan is a multi-employer contributory pension plan. Basic pension benefits provided are defined. The plan has about 140,000 active members and approximately 51,000 retired members. Active members include approximately 31,000 contributors from local governments.

Every three years an actuarial valuation is performed to assess the financial position of the plan and the adequacy of plan funding. The most recent valuation, as at December 31, 2003, indicated an unfunded liability of \$789 million for basic pension benefits. The next valuation will be as at December 31, 2006, with results available for 2007. The actuary does not attribute portions of the unfunded liability to individual employers. The society paid \$767,622 for employer contributions to the plan in fiscal 2007 (2006 — \$661,384).

8. Long-Term Liabilities

	2007	2006
Asset retirement obligations	\$ 366,000	\$ 324,000
Lease inducements	218,675	258,081
	\$ 584,675	\$ 582,081

(a) Asset retirement obligations

Included within long-term liabilities is the society's accrual for its asset retirement obligation for the estimated costs of restoring certain leased facilities to their original condition at the end of the lease terms. The following is a reconciliation of the changes in the asset retirement obligation during the year:

	2007	2006
Balance, beginning of the year	\$ 324,000	\$ 261,000
Liabilities incurred during the year	32,000	70,000
Accretion expense	18,000	18,000
Less: liabilities settled	—	(25,000)
Transfer to current liabilities	(8,000)	—
Balance as at March 31, 2007	\$ 366,000	\$ 324,000

The accretion expense is included in the premises expense. The undiscounted estimated cash flows required to settle the obligation range from \$22,000 to \$280,000 during the years 2008 to 2014. The cash flows are discounted using a credit-adjusted risk-free rate of 5% (2006 — 5%).

9. Invested in Capital Assets

	2007	2006
(a) Net assets invested in capital assets are calculated as follows:		
Capital assets	\$ 2,392,998	\$ 2,792,885
Amounts financed by: Asset retirement obligation, net of accretion expense	(283,000)	(251,000)
Balance, end of the year	\$ 2,109,998	\$ 2,541,885
(b) Excess of revenue over expenses:		
Amortization of capital assets	\$ (1,043,581)	\$ (1,124,997)
	\$ (1,043,581)	\$ (1,124,997)
(c) Net change in investment in capital assets:		
Net increase in capital assets	\$ 643,694	\$ 201,993
Change in asset retirement obligation	(32,000)	(45,000)
Change in capital assets	\$ 611,694	\$ 156,993

10. Internally Restricted Net Assets

	Child protection	Board-directed strategic initiatives	Total
Transfers authorized prior to March 31, 2006	\$ 600,000	\$ —	\$ 600,000
Expenditures prior to March 31, 2006	—	—	—
	600,000	—	600,000
Transfer to internally restricted	—	11,000,000	11,000,000
Less: expenditures	(313,316)	—	(313,316)
	\$ 286,684	\$ 11,000,000	\$ 11,286,684

The board of directors has authorized the following restriction of the surplus in net assets:

- On March 31, 2003, the restriction of \$600,000 for a child protection pilot project
- On December 15, 2006, the restriction of \$11 million for board-directed strategic issues

These internally restricted amounts are not available for other purposes without approval by the board of directors.

11. Commitments

The society has the following commitments for long-term leases of its office premises and operating leases:

2008	\$ 727,615
2009	714,232
2010	686,742
2011	701,553
2012	701,553
Thereafter	1,726,440

At fiscal year-end, the liability for future costs of legal services to be performed beyond the fiscal year, for which the society is currently committed, is estimated by management to be approximately \$19 million. This estimate uses the same methodology as described in note 5 for tariff payables.

12. Related Parties

The society is related to the province and its ministries, agencies, and Crown corporations. In this relationship, the province provided funding in the amount of \$62,696,406 (2006 — \$62,084,609) and the society is responsible for providing legal aid to low-income individuals throughout BC. At year-end, the province owed the society \$4,917,936 (2006 — \$3,242,859).

Certain members of the board of directors provide tariff services to the society. These services are provided in the regular course of business under the same terms and conditions as other lawyers. The total amount paid during the year was \$76,623 (2006 — \$127,710). All payments to board members are reviewed by the finance committee on a quarterly basis.

13. Financial Instruments

The carrying value of the society's financial instruments, including cash, short-term investments, accounts receivables, long-term investments, accounts payable, and accrued liabilities, approximate their fair value due to their immediate or short term to maturity.

14. Economic Dependence

In 2007, the society received 84% (2006 — 87%) of its operating revenue from the province and 6% (2006 — 5%) of its operating revenue from the Law Foundation of British Columbia. The society depends on funding from these sources for the continuance of its operations.

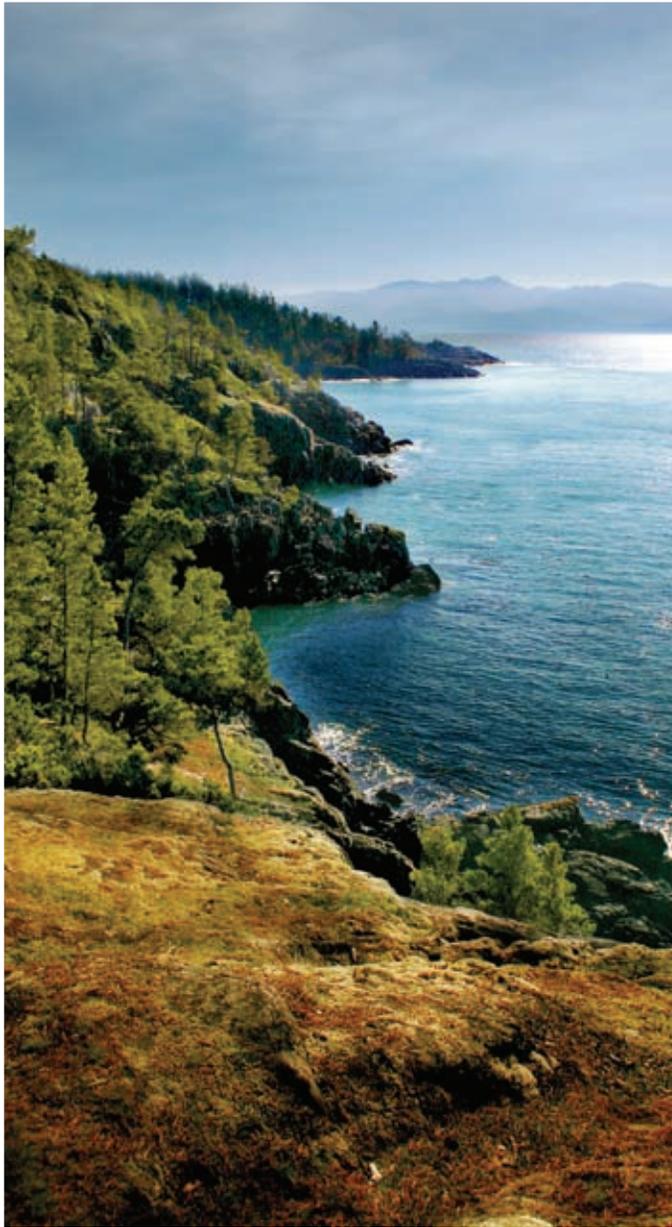
15. Contingencies

The nature of the society's activities is such that there is usually pending or prospective litigation at any time. With respect to claims at March 31, 2007, management believes the society has valid defenses and appropriate insurance coverage in place. In the event that any of these claims are successful, management believes they will not have a material effect on the society's financial position.

16. Comparative Figures

Certain comparative figures have been changed to conform to the current year's presentation.

Effective management of LSS expenditures



... appropriate and effective legal information and application services



Appendix 1

Structure

LSS provides services through a toll-free call centre, 7 society-operated regional centres, 2 regional centre satellites, and approximately 20 society-funded local agent offices, as well as through private bar lawyers and other funded agencies. (For a list of legal aid offices, see the inside back cover.)

LSS Call Centre

The LSS Call Centre is a toll-free service for people who are unable to apply for legal representation in person. Call centre staff:

- process applications for legal representation and refer eligible clients to lawyers (intake services); and
- direct callers to legal information and/or advice services, including online and print materials, community agencies, LawLINE, and family duty counsel.

Waiting times for callers are comparable to those for applicants who apply in person.

Regional centres

Staff in regional centres:

- process applications for legal representation and refer eligible clients to lawyers (intake services);
- provide intake services at local courthouses;
- take legal aid referrals and act as duty counsel (staff lawyers);
- liaise between LSS and advocacy groups, courts, and the private bar;
- co-ordinate regional duty counsel;
- direct clients to legal information and/or advice services, including online and print materials, community agencies, LawLINE, and family duty counsel; and
- help clients access online legal information and self-help resources using the LawLINK website and public access computers.

Local agents

Local agents are lawyers funded by LSS to:

- process applications for legal representation and refer eligible clients to lawyers (intake services);
- provide intake services at local courthouses (in most locations);
- take legal aid referrals (an equitable portion of the referrals issued by their office) and act/or as duty counsel;
- co-ordinate local duty counsel;
- liaise between LSS and the community and private bar; and
- direct clients to legal information and/or advice services, including online and print materials, community agencies, LawLINE, and family duty counsel.

At some local agent offices, clients can access online legal information and self-help resources using the LawLINK website and public access computers.

Other funded services

LSS contracts with other agencies and/or lawyers to provide Brydges line, circuit court, duty counsel, prison law, and mental health law services (see Appendix 2, page 52). Some LSS services are also available through government agents across BC.

Under contract with LSS, government agents provide clients with:

- copies of the society's legal information publications,
- access to the LawLINK website,
- limited free printing services, and
- fax drop-off and pick-up.

Provincial support services

Staff at the Vancouver Regional Centre also provide services to the public, assistance to legal aid offices throughout the province, and support to private bar lawyers. At March 31, 2007, provincial support services were provided through the Executive Office and four divisions:

- The Executive Office — responsible for supporting the LSS Board of Directors, board committees, and the Executive Management Committee to provide overall direction and policy planning for the society.
- The Finance and Corporate Services Division — responsible for the society's financial transactions, facilities administration, computer systems, and audit and investigations.
- Legal Advice and Representation — responsible for criminal law and large case management services, civil and family law services, and the case management system (CMS).
- The Public Legal Information and Applications Division — responsible for public legal education and information, community outreach, and intake and eligibility, and electronic access to services for clients and lawyers.
- The Strategic Planning, Policy, and Human Resources Division — responsible for policy coordination and administration, liaising with MAG, strategic planning, corporate research, and personnel matters ranging from recruitment to employee/labour relations.

Appendix 2 Legal Advice and Representation

LSS provides advice and representation services to help people with low incomes solve their legal problems on their own or with help from intermediaries or lawyers (see also Appendix 3, page 56).

Legal advice services

LSS legal advice services provide essential legal assistance to people with low incomes who are not eligible for legal representation. There is a financial eligibility test for many legal advice services.

Brydges Line

The province-wide 24-hour toll-free Brydges Line telephone service gives prompt access to emergency legal advice for people who are arrested, detained, or under active investigation but not yet charged by the police or other law enforcement agencies.

Duty counsel

LSS contracts with lawyers to provide duty counsel services to in- and out-of-custody accused people

in most courts. Criminal duty counsel advise unrepresented accused about the charges against them, court procedures, and their legal rights (including the right to counsel and the right to apply for legal representation). Duty counsel often act for clients at hearings to apply for a release, enter a guilty plea, and/or speak to sentence.

Immigration duty counsel at the Vancouver enforcement office of Citizenship and Immigration Canada provide legal advice to people who are being held in custody as a result of immigration proceedings. Duty counsel represent clients at initial detention hearings and may represent them at subsequent hearings if there is a change in circumstances that could result in release.

Family duty counsel (FDC) are available in most BC Provincial Courts and in the busiest Supreme Courts to give legal advice to unrepresented clients with family law problems. FDC give priority to clients with matters scheduled for court that day and who meet the financial eligibility criteria for legal advice services (see Appendix 5, page 59). They do not provide representation at trial.

Provincial Court family duty counsel can speak for clients in court on simple matters such as adjournments, consent and emergency restraining orders, and uncontested custody, access, and support hearings. They can also help clients draft documents, review documents to be filed in court, and negotiate and settle issues. In 2006/2007, LSS expanded the role of FDC to include attending case conferences in selected locations.

An expanded FDC program at the Robson Square Courthouse in Vancouver is co-housed with family justice counsellors to enhance both services, and has on-site access to family advice lawyers (see below), a LawLINK public access computer, and LSS intake services. FDC in Vancouver maintain client files and can help clients prepare for their cases over several meetings.

Supreme Court family duty counsel provide clients with up to three hours of legal advice about custody, access, guardianship, and child support; property (limited); tentative settlement agreements; and court procedures. Supreme Court duty counsel can also assist clients in Chambers if the matter is simple, unopposed, or by consent.

Family advice lawyers

Family advice lawyers are available in some Supreme Courts and at some family justice counsellor (FJC) offices to help unrepresented clients before and/or after a court appearance. These lawyers provide advice about family and property matters, outline available options, and help with forms and procedures. Advice lawyers at FJC offices also help parents with low incomes who are going through the FJC mediation process to settle a separation or divorce.

LawLINE

LawLINE is a province-wide toll-free telephone service that provides brief legal advice to people with low incomes. LawLINE lawyers and paralegals provide services ranging from help with correspondence to phone calls or letters to third parties on a client's behalf. These services are available to people who cannot use alternative legal services and who meet the society's financial eligibility guidelines for advice services (see Appendix 5, page 59). LawLINE also offers legal information (see Appendix 3, page 56). This year, LSS introduced a new LawLINE service offering

advice and information to advocates to support their work with clients (see Expanded advice services, page 21).

Legal representation

LSS provides legal representation to financially eligible people whose legal problems fall within the society's coverage guidelines.

Clients who qualify for legal representation are normally referred to the lawyer of their choice if that lawyer practices in the community where the case will be heard and is available and willing to do legal aid work. Clients are entitled to change lawyers once during a case subject to the discretion of LSS. They must give LSS a reasonable explanation for any request for a new lawyer.

The society also contracts with lawyers or provides staff lawyers to work as counsel in a number of circuit courts. These courts consist of a team that travels to remote areas of the province to hear cases. Many of the communities where these courts sit are small, rural, and predominantly Aboriginal. Circuit court lawyers represent clients in criminal, family, and youth court matters, including preliminary hearings and trials. They also provide duty counsel services (see page 52).

LSS coverage provisions are outlined in the sections that follow.

Criminal law

LSS provides legal representation to financially eligible people charged with criminal offences who, if convicted:

- are likely to go to jail,
- could receive a conditional sentence that would severely limit their liberty (e.g., an order for house arrest),
- might lose their means of earning a living, or
- could be deported from Canada.

Applicants also receive legal representation if they:

- do not face imprisonment if convicted but have a mental or emotional disability that prevents them from defending themselves (for instance, if they cannot understand the nature or possible consequences of the proceedings, or they are unable to communicate effectively with counsel or the court); or
- are Aboriginal and their ability to follow a traditional livelihood of hunting and fishing could be affected.

Under the federal Youth Criminal Justice Act, anyone under 18 years of age who is charged with a federal offence has a legal right to a lawyer paid for by the state. Coverage must be provided regardless of whether the client meets LSS financial eligibility requirements or is likely to go to jail if convicted.

With special funding from MAG, LSS provides legal advice and representation to victims of, or witnesses to, sexual offences when the lawyer for the defence asks for disclosure of personal information (such as counselling records). Criminal Code provisions require a judge to hear arguments about the relevance of the information sought and the effect of a disclosure on the victim or witness. Applicants requesting representation in these matters do not have to meet the society's financial eligibility requirements to get a lawyer.

Family law

The society's family law services are designed to help clients resolve their family law problems by focusing on the needs of children and families, encouraging the use of non-adversarial settlement processes, and using court processes to resolve disputes when non-adversarial approaches are not appropriate or effective.

Legal representation is available in emergency situations to help eligible clients obtain immediate court orders if these are needed to ensure their and/or their children's safety and security, or to resolve serious denial of access to their children by the other party. These include, under the Family Relations Act or the Divorce Act, custody, access, and maintenance orders; orders preventing the other parent from selling or disposing of family assets; and/or restraining orders.

Representation is also available for clients who are responding to a maintenance enforcement order if they face a real likelihood of going to jail soon.

Depending on available funding and clients' circumstances, clients may also be referred to a lawyer for representation in court to resolve serious legal issues in high conflict cases and/or in situations when all other efforts to resolve the case — including a written settlement offer to the opposing party — have been exhausted and the case meets a threshold of significance.¹²

Clients who are not eligible for representation in court but whose circumstances meet the threshold of significance and who face barriers to resolving their cases on their own may receive assistance from a lawyer for various other dispute resolution services. These include, for example, assessing their case, preparing necessary pleadings and disclosure, reviewing affidavits and correspondence, negotiating a settlement, and/or engaging in mediation or collaborative law practices.

Child apprehension law

LSS provides legal representation to eligible clients who have a legal problem that falls under the Child, Family and Community Service Act (CFCSA) and the society's CFCSA coverage guidelines.

Applicants qualify for legal representation when:

- MCFD has taken or has threatened to take their children away from them; or
- a lawyer is required to deal with custody and access issues related to a child in the care of MCFD.

12 Legal problems that meet the threshold of significance include those where resolution of the issue will make a significant positive difference to clients' ability to be self-supporting, the environment in which children are raised (including emotional and psychological factors), and/or the relationship between clients and their children.

Clients must apply for legal aid services to determine whether their specific circumstances meet this threshold.

Immigration and refugee law

LSS provides legal assistance for eligible clients who need help initiating refugee claims. This assistance includes preparing Personal Information Forms and providing legal representation at hearings if LSS determines there is merit to the case, including complex admissibility hearings, Pre-Removal Risk Assessment applications, and Humanitarian and Compassionate claims.

Judicial appeals

Applicants who meet LSS financial eligibility requirements may receive legal representation if they are responding to appeals initiated by another party. For example, LSS normally covers a financially eligible defendant in a Crown appeal of an acquittal if the case is one the society ordinarily would cover. Otherwise, LSS only funds appeals that fall under the society's regular coverage criteria and have a reasonable chance of success.

Judicial appeals include:

- appeals of lower court decisions made to the BC Supreme Court, the BC Court of Appeal, the Supreme Court of Canada, and the Federal Court of Appeal; and
- applications for judicial reviews of decisions made by administrative boards or tribunals such as those under the Immigration Act or the Corrections and Conditional Release Act. These applications are made to the BC Supreme Court or the Federal Court Trial Division. Immigration reviews and appeals are limited to merit-tested cases that have a substantial likelihood of success.

Mental health law

LSS contracts with the Community Legal Assistance Society to provide representation at Mental Health Review Panels in BC where people are detained under the Mental Health Act, and at all Review Board hearings (established pursuant to the Criminal Code) in the Lower Mainland. LSS provides representation at Review Board hearings outside the Lower Mainland through referrals to the private bar.

Prison law

LSS delivers prison law services in all federal and provincial correctional facilities in BC through the

LSS Call Centre and the West Coast Prison Justice Society (WCPJS). Priority is given to prisoners in provincial institutions.

LSS policy, based on a right to counsel under the Charter of Rights and Freedoms, is to provide services in situations where clients are unable to protect their own liberty interests in a prison setting. LSS delegates the authorization of representation in these cases to WCPJS, which generally approves representation for clients facing internal disciplinary hearings that may result in segregation as a penalty, involuntary transfers to higher security, detention hearings at the point of statutory release, or parole suspension or revocation.

Reciprocals

People who face proceedings in a Canadian jurisdiction outside their home province or territory may, if they meet specific criteria, receive the same level of legal aid service as the residents of that jurisdiction. To obtain this service, applicants must:

- be financially eligible for legal representation in their home province or territory, and
- have a legal problem that is covered by their home legal aid plan and the plan in the jurisdiction where the proceedings will take place.

Reciprocals do not apply to criminal cases.

Appendix 3

Legal Information Services

A priority for LSS is to provide at least some assistance to people who are ineligible for legal representation (see also Appendix 2, page 52, for information about LSS legal advice services). The society offers a range of legal information services that can help people with low incomes resolve their legal problems on their own or with assistance from intermediaries. Clients can access these services through legal aid offices, LawLINE, and the Internet, as well as through courthouses, government agents, community groups, and public libraries.

Advocate education and support

LSS offers advocacy skills training and education in substantive law for advocates, community workers, and intermediaries. This work includes organizing conferences and workshops, and producing a range of information about the law that advocates can use to support their clients.

Electronic Legal Aid Newsletter

LSS publishes the *Electronic Legal Aid Newsletter (Elan)*, a monthly newsletter for community workers. Distributed to about 1,750 subscribers by e-mail and posted on the LSS website, *Elan* provides information about LSS services and PLEI materials, as well as a range of legal information and tips. It is designed to strengthen the society's ties to the community and promote dialogue on how LSS can better serve community workers and their clients.

LawLINE

LawLINE is a province-wide toll-free telephone service that provides legal information to people with low incomes. LawLINE is staffed by lawyers and paralegals who answer legal questions and direct people to other information or services that can help them resolve their legal problems. The service focuses on the areas of law for which LSS does not provide legal representation. Callers can get immediate access to telephone interpreters if needed.

LawLINE also provides some legal advice services (see Appendix 2, page 52).

Publications

LSS staff produce legal information and self-help materials in plain language to help clients identify, avoid, or resolve common legal problems.

Some publications are produced in languages other than English when a need for translated versions is identified. The society offers publications in Chinese, Farsi/Dari, French, Japanese, Korean, Punjabi, Russian, Spanish, and Vietnamese. LSS publications are posted on the society's websites at www.lss.bc.ca and www.familylaw.lss.bc.ca.

Award-winning publications

LSS is consistently recognized for producing high quality materials. In 2006/2007, society publications received two Apex Awards. This award was established in the United States to recognize excellence in the communications field.

The following received Apex Awards:

- *LSS Service Plan 2006/2007 – 2008/2009* – Award of Excellence
- *Can't Pay Your Mortgage? What You Can Do If You're Facing Foreclosure* – Award of Excellence



Website services

An important focus for the society is to use new technologies to make legal information available to the public. LSS manages three of its own websites and maintains the Supreme Court Self-Help Information Centre website (www.supremecourtselfhelp.bc.ca). In 2006/2007, LSS created and maintained the Nanaimo Family Justice Services Centre website (www.nanaimo.familyjustice.bc.ca) as part of a joint pilot project to open the new centre with MAG (see Goal 2, Performance highlights, page 17). The Electronic Law Library website (www.bcpl.gov.bc.ca/ell), created by LSS in 1996, is now managed by the BC Courthouse Library Society.

Family Law in British Columbia

The Family Law in British Columbia website, redesigned in 2006/2007, helps people understand and use the law to solve their family law problems. It is intended for individuals, as well as for advocates, lawyers, and others who are trying to help friends or clients. The site contains fact sheets, publications, and videos on family law matters; self-help guides; court forms; definitions of legal terms; frequently asked questions; information about services and organizations that can help; what's new in family law, and links to legislation and other websites. (www.familylaw.lss.bc.ca)

LawLINK

LawLINK is a website designed to help people with low incomes and their advocates find current, relevant, and usable self-help legal information on the Internet. Public access computers featuring the website and direct telephone access to LawLINE are available during regular office hours at all LSS regional centres and in a number of courthouse locations across BC. (www.lawlink.bc.ca)

LSS website

The LSS website features publications on various aspects of the law and provides information about the society and legal aid services, including the financial eligibility guidelines for representation and advice services, and how to apply for a legal aid lawyer. It also offers services and support for lawyers. (www.lss.bc.ca)

Legal information outreach workers

Legal information outreach workers (LHOWs) refer people with low incomes to appropriate resources and help them find information, fill out court forms, and use LawLINK public access computers. Based in the society's seven regional centres, LHOWs also give talks and workshops at social service, Aboriginal, women's, immigration, and other community agencies.

Appendix 4 Tariff Rates

Lawyers who represent legal aid clients are paid according to a schedule of fees and disbursements published in the *Guide to Legal Aid Tariffs*. These are established by LSS, subject to consultation with private bar lawyers.

Most items in the LSS tariffs are based on a three-tiered compensation system that uses experience and the type of service to determine the rate (see table 12, page 58). Experience is based on years of call. The tiered system does not apply to disbursements, duty and circuit counsel, enhanced fees in exceptional criminal cases, and criminal

category I and II offences, which are paid at the rates published in the *Guide to Legal Aid Tariffs*.

The criminal tariff is generally paid at block fee rates, which are based largely on court appearances and meant to include all services that are not billable separately, including case preparation. Block fees represent the average amount of time required for a proceeding. The other tariffs are paid at hourly rates up to a specific maximum.

The society's Strategic Case Assessment Program helps LSS develop budgets and predict

Table 12 Tiered tariff rates

Tier	Years of call	Compensation rate
1	Less than 4 years	Published tariff rate (\$83.90/hr)
2	4 or more years and less than 10 years	Tier 1 rate plus 5% (\$88.10/hr)
3	10 or more years	Tier 1 rate plus 10% (\$92.29/hr)

costs and preparation needs for lengthy criminal cases. It applies to serious (category III or IV) offences for which the anticipated length of the preliminary hearing or trial exceeds 10 half-days of court time. Advance budget decisions are made co-operatively by LSS case review lawyers and trial counsel.

Private bar lawyers with expertise in various areas of law advise and assist staff in assessing requests for extra fees and extraordinary disbursements. Most disbursement items requiring pre-approval are handled by LSS staff.

Large and unpredictable (usually criminal) cases have a significant impact on the society's budget. One way LSS manages these costs is by reserving the right to terminate a referral at any time once either the legal fees or the disbursements paid or billable for a case reach \$50,000, and the society concludes that further expenditures are unjustified.

Details of all tariffs are provided in the *Guide to Legal Aid Tariffs* on the LSS website.

Exceptional matters

Under the Memorandum of Understanding (MOU) between LSS and the Attorney General, the society maintains a budget item to cover the costs of exceptional cases. These are legal proceedings that fall within the society's mandate where:

- representation is required to meet section 7 or 11 of the Charter of Rights and Freedoms and the client is not financially eligible for legal aid but cannot afford a lawyer;

- the degree of complexity involved, a court order, or an agreement by the government requires the payment of fees and/or disbursements that exceed the standard limits set by LSS policies (i.e., enhanced fee cases);
- the total fees, disbursements, or both exceed \$50,000; or
- there is an unusually large number of similar cases that together will result in higher than normal costs.

To help ensure that spending on exceptional cases does not affect the budgets for other LSS services, the current MOU allows the society to treat any unspent funds in that budget item as deferred revenue to cover exceptional matters in future years.

Enhanced fee cases

Cases deemed to be more complex than most category IV trials may qualify for enhanced fees of \$125 per hour for senior counsel.

To be eligible for these fees, a lawyer must have a minimum of 12 years' experience in criminal law practice (i.e., at least 50% of the lawyer's practice is in criminal law). In addition, the lawyer must have acted as lead counsel on a substantial number of complex category IV trials.

Enhanced fee requests are reviewed by a panel of three senior private bar lawyers.

Appendix 5

Financial Eligibility

Anyone whose net household income and assets fall below set limits is eligible for legal representation if their legal problem is covered by LSS. Some income sources, such as the Canada Child Tax Benefit, are excluded from total net income, while some expenses, such as daycare costs, are deducted.

Applicants whose income is below the guidelines may own some assets and still be eligible for legal aid. There are five asset categories: family home, real property (any kind of real estate except the family home), vehicles, business assets, and personal property (excluding vehicles but including, for example, savings accounts, RRSPs, furniture, and jewellery). Each category has different limits, but applicants may still qualify for legal aid if they have some personal property (e.g., reasonable household furnishings), a small amount of liquid assets (e.g., cash, bank accounts), and equity of \$5,000 or less in vehicles.

As a condition of receiving a legal aid referral, clients must agree to repay some or all of their legal aid costs if their financial situation improves and, on reassessment of their eligibility, the society asks them to do so. Clients with a significant share of equity in their family home may be reassessed at a later date and required to pay for some or all of their case costs.

Applicants whose income and assets are above the financial eligibility limits can still receive legal information.

Legal representation income/asset guidelines

Table 13 below sets out the LSS income and personal property asset guidelines (effective October 12, 2005).

Table 13 Income/Asset guidelines

Household size	Monthly net household income	Personal property exemption (all cases)
1	\$ 1,349	\$ 2,000
2	1,888	4,000
3	2,427	4,500
4	2,967	5,000
5	3,506	5,500
6	4,046	6,000
7 or more	4,585	6,000

Note: These guidelines are for all family, criminal, and immigration cases, including appeals. Family cases include child apprehension matters.

Financial eligibility reassessments

Financial eligibility may be reassessed to determine whether a client is still financially eligible for legal representation. If the client is no longer eligible, the referral is terminated and the individual must pay for a lawyer privately. Such reassessments normally occur:

- if the client’s financial circumstances have changed during the course of a referral;
- if LSS becomes aware of assets, income, or family relationships that the client did not reveal during intake;
- when a new case is opened;
- when a change of lawyer is processed;

- as a result of a complaint about the client’s financial eligibility; or
- on a random basis for auditing purposes.

A client’s financial eligibility is always reassessed if he or she receives assets or money. In such cases, LSS calculates the total amount received and determines whether to convert the legal aid referral to a private fee retainer or collect a payment from the client. There is an exemption of \$10,000 in assets or money received to cover basic needs, including housing. The maximum a client could be asked to pay toward legal expenses is 50% of the amount received after deducting this exemption.

Table 14 Legal advice financial eligibility test

Number of family members ¹	Annual/monthly net household income ²
4 or fewer	\$36,000/\$3,000
5	\$42,000/\$3,500
6	\$49,000/\$4,085
7 or more	\$55,000/\$4,585

1 Family members include children and parent(s) or other adult(s) responsible for and living with the children.

2 Income is the person’s net income from all sources but does not include that of a new spouse or child support payments.

Legal advice financial eligibility test

LSS uses a separate financial eligibility test for brief legal advice services through LawLINE for most family duty counsel and family advice lawyer services. Table 14 above sets out this test (effective October 26, 2005).

To be eligible, a client’s net income must fall within the limits set out in table 14. Clients who are not financially eligible can still receive:

- legal information and referral services from LawLINE,
- 20 to 45 minutes of general assistance from family duty counsel (depending on the lawyer’s availability), and
- an initial 45-minute appointment with a family advice lawyer (if referred by a family justice counsellor).

Appendix 6

Operating Data

The tables in this section provide a detailed breakdown of the numbers of clients that use LSS services. Data is provided on applications and referrals for legal representation, LSS advice and information services, and policy compliance processes.

Legal representation

Table 15 summarizes applications and referrals for legal representation by area of law for the past three years. For information on the reliability of this data, see page 64.

Table 15 Demand for legal representation: All areas of law

Type of legal problem	2006/2007		2005/2006 ¹		2004/2005 ¹	
	Applications	Referrals	Applications	Referrals	Applications	Referrals
Criminal	29,024	22,602	28,381	22,048	27,823	21,404
Family ²	8,615	4,525	8,807	4,564	8,267	4,174
CFCSA ³	2,884	2,408	2,962	2,561	2,665	2,308
Immigration	1,199	1,012	1,034	837	994	740
Total	41,722	30,547	41,184	30,010	39,749	28,626

1 Data as recorded in previous annual reports.

2 In 2006/2007, 421 referrals were approved on exception review (because of extenuating circumstances), compared to 452 in 2005/2006 and 522 in 2004/2005.

3 Child, Family and Community Service Act (see Child apprehension in Appendix 2, page 52).

Volume changes

The volume of immigration referrals increased significantly again this year, continuing to rebound after declining markedly in 2004/2005, but still below 2002/2003 levels. There was a smaller increase in criminal volumes this year, while family referrals held steady and CFCSA referrals showed a marginal decline. Annual changes in referral volumes are displayed in table 16 on page 62.

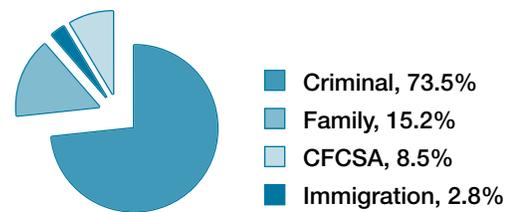
The increase in immigration volumes can be attributed in part to rising levels of immigration to BC in 2006/2007. While data is not yet available, the decrease in CFCSA referrals may reflect the Ministry of Children and Family Development's shift toward alternative dispute resolution in child protection work, reducing the number of cases in which lawyers would need to be involved.

Table 16 Changes in referral volumes by area of law

Type of legal problem	2006/2007	2005/2006	2004/2005
Criminal	2.5%	3.0%	-1.9%
Family	-0.9%	9.3%	-5.4%
CFCSA	-6.0%	11.0%	4.7%
Immigration	20.9%	13.1%	-57.9%

The overall percentage of applications resulting in referrals has remained steady over the past few years (73.2% in 2006/2007 compared to 72.9% in 2005/2006 and 72.0% in 2004/2005), as has the percentage of referrals by area of law (see figure 2).

Figure 2 Referrals by area of law, 2006/2007



Legal advice

Table 17 provides data for LSS legal advice services for the past three years. For information on the reliability of this data, see page 64.

Table 17 Legal advice services

Service	Number of client visits/calls handled ¹		
	2006/2007	2005/2006	2004/2005
Criminal duty counsel ²	82,024 ³	75,720	69,267
Immigration duty counsel	1,006	989	1,011
Family duty counsel and advice lawyers	21,122	18,789 ⁴	14,272
Brydges Line	30,011	30,733	25,848 ⁵
LawLINE advice	9,824	10,173	7,129

- 1 Totals reflect the number of times advice was given (or the number of calls handled), not the number of clients served or issues addressed (clients may have one or more issues at a time or access services more than once).
- 2 Includes duty counsel at circuit courts.
- 3 Data for this year includes 2,176 client visits with night-shift duty counsel in Vancouver, which was introduced in May 2006.
- 4 Over the course of 2005/2006, LSS introduced family duty counsel in 13 Supreme Court locations, which account for 3,508 of the clients assisted this year.
- 5 Data for Brydges services provided in June 2004 is unavailable; therefore, the 2004/2005 total represents 11 months of service.

Legal information

Tables 18 and 19 provide data on the public's use of the society's legal information resources. For information on the reliability of this data, see page 64.

Table 18 Legal information services

	2006/2007	2005/2006	2004/2005
LawLINE information/referral requests ¹	6,626	6,421	7,532
PLEI publications distributed	139,816 ²	143,905	131,003 ³
PLEI materials produced (new and revised) ⁴	28	21	37
LIOW information	3,491 ⁵	5,027	2,522

- 1 Data indicates the number of calls handled, not the number of individuals served (people may access the service more than once). Data on LawLINE advice services is reported in table 17.
- 2 2006/2007 data includes 4,163 copies of the Tenants' Rights Action Coalition publication, *Tenant Survival Guide*.
- 3 2004/2005 data includes 6,762 copies of the Tenants' Rights Action Coalition publication, *Tenant Survival Guide*.
- 4 Data excludes administrative materials such as reports, evaluations, and brochures describing LSS services.
- 5 The overall reported number of questions handled by LIOWs declined 31% in 2006/2007, primarily because Surrey and Kelowna locations were not fully staffed throughout the year.

Table 19 Use of LSS websites

Site	2006/2007 ¹	2005/2006	2004/2005
LSS website	15,770 ² visits/month	13,488 ² visits/month	12,049 visits/month
Family Law website	9,272 visits/month	9,241 visits/month	5,469 visits/month
LawLINK	5,643 visits/month	7,321 visits/month	4,666 visits/month

Note: "Visits" are the number of times the site is accessed over a given period (if the same person returns to the site after one hour, that person is counted again as a new visitor). Data reflects the average number of visits per month for each year.

- 1 In July 2006/2007, LSS began using a new website analytics tool to calculate visits to its sites. This tool tends to provide slightly lower monthly visit numbers than the previous tool. Average site visits for 2006/2007 is based on nine months of data provided by the new tool and three months of data provided by the previous tool.
- 2 LSS website data for 2006/2007 and 2005/2006 does not include visits to the site for e-billing, which are tracked separately. E-billing visits averaged 4,700 per month in 2006/2007 and 3,250 per month in 2005/2006. E-billing visits are included in data for 2004/2005.

Policy compliance

Staff at regional centres, local agent offices, and the LSS Call Centre do not provide legal representation if they believe an applicant:

- is not financially eligible,
- has a problem that falls outside the society's coverage rules, or
- has provided insufficient information to satisfy them that he or she is eligible for a referral.

Staff ensure LSS coverage and financial eligibility policies are applied accurately and consistently across the province by:

- reviewing refusals for legal representation whenever applicants ask (reviews take place within 21 days of receiving the decision), and
- investigating all complaints received by anyone who alleges someone is improperly receiving legal representation.

Table 20 shows the volumes and results of eligibility reviews for the past three years. For information on the reliability of this data, see page 66.

Table 21 shows the volume and results of investigations of complaints by third parties about clients receiving legal aid. LSS received client eligibility complaints for fewer than 1% of cases in 2006/2007. For information on reliability of this data, see page 66.

Reliability of data

The following describes the sources and accuracy of LSS operating data.

Legal representation (tables 15 and 16)

When annual report numbers are generated for any fiscal year, a few paper applications may remain to be processed or a few applications initiated in error may yet be uncorrected. As a result, the final numbers for a given year may differ slightly from those in the annual report. The 2006/2007 application data in table 15 is expected to be accurate to within 99.9% or better.

Before a referral can be issued, the client's income must be verified and his or her legal

situation assessed, and a lawyer has to be found to take the case. Although more than 90% of first referrals are approved and issued within 30 days of an application, some take longer to process. Accordingly, when the annual report data is generated, decisions are pending on some applications. For example, the final total for 2005/2006 referrals was 0.71% higher than the total in the *LSS Annual Service Plan Report 2005/2006*. The accuracy of 2006/2007 referral data in table 15 is expected to be similar to that published last year.

Legal advice (table 17)

Duty counsel data in table 17 is compiled from reports submitted by lawyers providing this service. Duty counsel can submit their bills and information on the number of clients assisted months after the service date. Accordingly, not all information is available when data for the annual report is generated. For example, after a total of 95,498 duty counsel clients assisted was published in the *LSS Annual Service Plan Report 2005/2006*, duty counsel billed for another 2,952 clients applicable to that fiscal year.

Brydges line data in table 17 is provided by the contracted service provider.

Telephone calls received by LawLINE and reported in table 17 are counted by computer; data on which of these calls involve advice services is drawn from a database maintained by LSS staff.

Legal information (tables 18 and 19)

Telephone calls received by LawLINE and reported in table 18 are counted by computer; data on which of these calls involve information services is drawn from a database maintained by LSS staff.

The publications data in table 18 is drawn from a database maintained by LSS staff.

Legal information outreach worker data in table 18 is based on information compiled manually by LIOWs.

The website data in table 19 presents an approximate measure of public use of the society's websites. Statistics for the LSS, Family Law, and LawLINK sites are captured and analyzed by computer. In July 2006, LSS switched to a new analytics tool to provide more comprehensive data

Table 20 Eligibility reviews

Reviews	2006/2007		2005/2006		2004/2005	
	Coverage ¹	Financial ²	Coverage ¹	Financial ²	Coverage ¹	Financial ²
Granted	30	26	n/a	27	n/a	32
Denied	161	173	n/a	130	n/a	106
Other ³	15	8	n/a	2	n/a	8
Files open, under review	4	4	n/a	4	n/a	0
Total	210	211	n/a	163	n/a	146

- 1 Coverage reviews determine whether an applicant was appropriately denied a referral based on the current coverage guidelines. Data on coverage reviews was not available for publication in 2005/2006 and 2004/2005 because of changes in how the information was gathered.
- 2 Financial reviews determine whether an applicant was appropriately denied a referral based on the current financial guidelines.
- 3 Other means the matter was abandoned by the applicant, returned to the referring office to consider additional information or issues, or resolved by other means.

Table 21 Complaints about clients' eligibility

Result of investigation	2006/2007	2005/2006	2004/2005
Complaint unfounded/coverage continued	76	83	64
Coverage terminated/case converted to private fee retainer or collection file opened	45	43	58
Referral cancelled after client failed to respond to a request for reassessment	—	4	6
Complaint about a non-LSS client	22	29	24
Complaint received after case concluded or substantially completed	11	14	30
No further investigation required (e.g., complaint duplicates information already reported and investigated)	19	10	17
Open, investigation continuing	52	36	21
Total¹	225	219	220

- 1 Number of individuals complained about includes files still open at the end of the previous fiscal year.

on website usage. This tool tends to provide slightly lower usage figures than the previous system. Data for the LSS website shows activity by all internal (staff) as well as external users. However, data for 2005/2006 and 2006/2007 does not include users accessing the site for electronic billing, which is now tracked separately.

Policy compliance (tables 20 and 21)

Reviews of refusals based on financial and coverage eligibility are conducted at the Vancouver Regional Centre. Data in tables 20 and 21 is drawn from a database maintained by staff.

Appendix 7 Changes to LSS Objectives, Strategies

Figure 3 New/revised objectives and strategies for 2007/2008–2009/2010

Goal	New/revised objectives	New/revised strategies
2 People with low incomes can access appropriate and effective legal information and application services	<ul style="list-style-type: none"> • No changes from 2006/2007–2008/2009 	<ul style="list-style-type: none"> • Integrate legal application and information services (revised) • Identify outcome measures for the effectiveness of PLEI services (new)
4 Low-income clients receive quality legal advice and representation services that are proportionate to their needs	<ul style="list-style-type: none"> • Reduce gaps in service (revised) • Develop and implement outcomes-based management for the Legal Advice and Representation Division and the tariff, in alignment with legal aid renewal (new) 	<ul style="list-style-type: none"> • Implement tariff renewal recommendations and evaluate outcomes (revised) • Identify outcome measures for advice and representation services (revised)
4 Strategic and sustainable management of staff capacity and LSS services to meet the legal needs of people with low incomes	<ul style="list-style-type: none"> • Facilitate ongoing resource capacity management (revised) • Develop a process for implementing legal aid renewal in BC (new) 	<ul style="list-style-type: none"> • Complete implementation of recommendations from 2004/2005 employee engagement survey (new) • Define and coordinate a process for determining desired legal aid client outcomes (new) • Support managers to establish performance measures and reporting for strategic objectives (new)
5 Effective management of LSS expenditures	<ul style="list-style-type: none"> • Use technology to streamline processes and provide innovative services (revised) • Improve quality of tariff services (new) 	<ul style="list-style-type: none"> • Define, develop, and implement a quality control program in a results-based environment (new)

Note: This table shows only the revisions to the 2006/2007–2008/2009 service plan. For all current LSS goals, objectives, strategies, and performance measures, see the *LSS Service Plan 2007/2008–2009/2010* online at www.lss.bc.ca/assets/resources/pubs_s/sp07-10.pdf.

Glossary

Act The Legal Services Society Act (the act; also LSS Act), provincial legislation under which LSS operates

Accumulated surplus The excess of revenue over expenses that accumulates over the life of the organization; the LSS accumulated surplus reflects assets (e.g., buildings, equipment, cash, investments) minus liabilities (e.g., accounts payable)

Alternative dispute resolution (ADR) funding initiative A collaborative initiative between MCFD, MAG, and LSS to evaluate and fund local alternative dispute resolution projects in child protection proceedings. Projects are designed to help government services and lawyers move toward out-of-court resolutions, and it is expected that once the infrastructure to support mediation is in place, these projects will run independently.

Case Management System A computer system (designed for and owned by LSS) that supports the society's intake, referral, tariff processing, and other business functions

Civil Justice Reform Working Group A working group of the Justice Review Task Force formed in fall 2004 that examined how to improve resolving civil disputes; the working group's final report, entitled *Effective and Affordable Civil Justice*, was released in November 2006 and is available online at www.bcjusticereview.org/working_groups/civil_justice/civil_justice.asp

Family Justice Reform Working Group A working group of the Justice Review Task Force formed in 2003 with a mandate to recommend fundamental changes to the family justice system; the group's final report, *A New Justice System for Families and Children*, was released in May 2005 and is available online at www.bcjusticereview.org/working_groups/family_justice/final_05_05.pdf

Family list days First-time court appearances for Child, Family and Community Service Act and Family Relations Act matters, such as child protection and child support; family list days are

usually held one or two days each week in larger centres and once a month in smaller communities

Federal Investment Fund A fund established to cover innovations related to criminal law services implemented from April 1, 2002, through March 31, 2007; also known as the Legal Aid Renewal Fund, it was part of the Agreement Respecting Legal Aid in Criminal Law, Youth Criminal Justice Act, and Immigration and Refugee Matters Between the Government of Canada and the Province of British Columbia

Fiscal year (LSS) A period beginning on April 1 in one year and ending on March 31 in the next year

Goals Statements that identify the key results an organization expects to achieve in a three- to five-year period; goals are closely related to objectives, which cover a shorter term

Intermediaries Judges, police, lawyers, court workers, local agents, staff at women's shelters, community advocates, and others in the justice system who interact with legal aid clients

Justice Review Task Force Established in March 2002 at the initiative of the Law Society of BC, the task force's objective is to identify potential reform initiatives to help make the justice system more responsive, accessible, and cost-effective; the task force includes working groups on criminal, civil, and family justice reform, and on mega trials; see www.bcjusticereview.org for more information

Key stakeholders (LSS) Those with a direct interest in BC's legal aid plan, including people with low incomes who need legal services, service providers and intermediaries, the public, government and other funders, and LSS staff

Key strategies The main courses of action, broadly stated, that an organization will undertake to accomplish its objectives; key strategies can change in response to environmental scans and risk analyses

Legal aid Legal representation, advice, information, and other services provided under the LSS Act

Legal Aid Renewal Fund see Federal Investment Fund

Mega Trials Working Group A working group of the Justice Review Task Force created in April 2004 with a mandate to make recommendations for managing the administration and costs of large criminal cases in BC; the Mega Trials Working Group was dissolved in 2006/2007 without making a report

Net assets The excess of revenue over expenses that accumulates over the life of the organization; it reflects assets (e.g., buildings, equipment, cash, investments) minus liabilities (e.g., accounts payable); also known as surplus in net assets or accumulated surplus

Objectives Statements that identify the main results an organization expects to achieve within a one- to three-year period

Operating surplus The excess of revenue over expenses in a fiscal year

Performance measures Methods an organization uses to determine whether it is achieving the results set out in its goals and objectives; performance measures vary from one organization to another and range from satisfaction surveys to comparative data

Public Legal Education and Information Working Group Established to co-ordinate the delivery of PLEI services in BC in response to recommendations in the *Review of the Role of Public Legal Education in the Delivery of Justice Services (2002)* (see www.ag.gov.bc.ca/public/PLE-Review.pdf), a report commissioned by MAG; the working group consists of organizations with a mandate to provide province-wide PLEI services

Private bar Lawyers in private practice

Private fee retainer An agreement between a private bar lawyer and an individual who is not receiving legal aid regarding services to be provided and the rate of compensation to be paid

Reserve fund The portion of the society's net assets restricted to offset spending increases and support strategic initiatives, as directed by the board

Rowbotham application An application made by someone who has been denied legal representation funded by LSS; in a *Rowbotham* application, the person asks the court for a stay of proceedings until he or she has been provided a government-funded lawyer

Strategic issues Major factors that will affect, or are affecting, an organization; strategic issues emerge from an environmental scan and may be either positive or negative

Strategic objectives Objectives drafted specifically to address strategic issues, either by mitigating external threats and internal weaknesses or by taking advantage of external opportunities and internal strengths

Strategic plan A plan that encompasses an organization's mission, vision, objectives, goals, and values; it sets out the direction for the organization and outlines how it will achieve its mission and vision

Supreme Court Self-Help Information Centre A pilot project to provide legal information, education, and referral services to unrepresented litigants who are involved in civil actions in the Vancouver location of the Supreme Court; opened in April 2005

Tariffs The schedule of fees and disbursements LSS pays to lawyers who take legal aid referrals, as published in the *Guide to Legal Aid Tariffs*

Total current assets Cash in hand plus cash owed to LSS

Total current liabilities Money owed to creditors and payable over the coming fiscal year

Unbundled legal services Designed to help people who are representing themselves in legal proceedings, unbundled legal services allow lawyers to provide limited assistance to clients who cannot afford to pay for full legal representation. The mandate for the Law Society's Unbundling Legal Services Task Force, scheduled to report to the society's benchers in fall 2007, includes clarifying the scope of unbundled services, how this approach might increase access to justice in BC, and identifying best practices; for more information, see www.lawsociety.bc.ca/about/TF-Unbundling.html.

Year Refers to fiscal year

Legal Aid Offices

Clients apply for legal aid services by calling the toll-free LSS InfoLINE (1-877-978-9789) or checking the phone book for current office addresses and phone numbers. Offices are listed under “Legal Aid — Legal Services Society” in the white pages of the phone book and under “Lawyers” in the yellow pages. Clients can also contact the LSS Call Centre (to apply for legal representation) and LawLINE (for legal advice or information): (604) 408-2172 (Lower Mainland) or 1-866-577-2525 (call no charge).

Interior/East Kootenays

Regional Centre:

Kamloops (Kathleen Kendall, Managing Lawyer)

Local Agents:

Cranbrook (Richard Strahl)

Salmon Arm (Brian Burgess)

Williams Lake (temporarily closed, January – March 2007)

North

Regional Centre:

Prince George (Debby O’Leary, Managing Lawyer)

Local Agents:

Dawson Creek (Glenn Stasiuk)

Fort St. James (temporarily closed, January – March 2007)

Fort St. John (Robert Zeunert)

Quesnel (Gary Lilienweiss)

Northwest

Regional Centre:

Terrace (Judith Kenacan, Managing Lawyer)

Regional Centre satellite:

Prince Rupert

Local Agent:

Hazelton (Linda Locke)

Okanagan/West Kootenays

Regional Centre:

Kelowna (Dennis Morgan, Managing Lawyer)

Local Agents:

Nelson (Richard Strahl)

Penticton (Andrew Vandersluys)

Vernon (Brian Burgess)

Surrey/Fraser Valley

Regional Centre:

Surrey (Bill Andrew, Managing Lawyer)

Regional Centre satellite:

Port Coquitlam

Local Agents:

Abbotsford (Chris Maddock)

Chilliwack (Chris Maddock)

Vancouver Island

Regional Centre:

Victoria (Forrest Nelson, Managing Lawyer)

Local Agents:

Campbell River (Doug Marion)

Courtenay (Doug Marion)

Duncan (Denice Barrie)

Nanaimo (Denice Barrie)

Port Alberni (Barbara Smith)

Vancouver/Sunshine Coast

Regional Centre:

Vancouver (Sherry MacLennan, Manager, Applications and Eligibility; Steven Wright, Managing Lawyer, Vancouver Family Clinic)

Local Agents:

North Vancouver (Dan Sudeyko)

Richmond (Robert Parsonage)

Contact Information

For further information about the society, visit the main LSS website at www.lss.bc.ca or contact the LSS Communications Department at:

400 – 510 Burrard Street
Vancouver, BC V6C 3A8
Phone: (604) 601-6000

The Legal Services Society is funded primarily by the provincial government. The society also receives grants from the Law Foundation and the Notary Foundation, and a contribution from the Department of Justice Canada (Legal Aid Renewal Fund).



Department of Justice
Canada

Ministère de la Justice
Canada

