



Legal
Services
Society

British Columbia
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Legal Services Society

Annual Service Plan Report 2009 | 2010

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The *Annual Service Plan Report 2009/2010* is a publication of the Legal Services Society (LSS), a non-government organization that provides legal aid to British Columbians. LSS is funded primarily by the provincial government and also receives grants from the Law Foundation and the Notary Foundation.

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Message from the Chair

Dear Mr. Attorney:

I am pleased to present the Legal Services Society's annual report for 2009/2010. This report outlines the society's activities to meet the government's expectation of a balanced budget in 2010/2011 and to ensure continued delivery of basic legal aid services in a time of reduced revenues, fluctuating demand, and increasing costs.

The decisions taken by the board and implemented by the society to address these issues resulted in a 40% reduction in staff, replacement of five staffed regional centres with seven contracted agent offices, reduction in tariffs paid to private lawyers, and termination of remaining civil law services. The society now has 33 offices that provide services at more than 50 locations across BC. These changes are referred to throughout the report that follows.

Total government funding for legal aid in 2009/2010 was \$69.5 million, virtually unchanged from 2008/2009. Non-government revenue was down \$1.8 million to \$6.5 million, due primarily to the impact of declining interest rates on the revenues of one of our funders, the Notary Foundation. The society finished the year with a planned deficit within authorized limits.

In 2010/2011, total government funding is expected to be \$68.5 million. As part of its financial risk management, the society is taking steps to reduce potential financial risks associated with large criminal cases by working cooperatively with the Ministry of Attorney General to develop a new funding protocol for these cases.

Legal aid ranges from self-help information (which is available to everyone), to advice from a lawyer, and representation in court

(which require issue and income eligibility). The society's goal is to help resolve the legal problems of low-income people in a manner that is timely, cost-effective, and proportional to their needs.

The ability to resolve disputes fairly, consistently, and without delay enables people to participate in society without the constant distraction of unsettled strife. A functioning justice system is a fundamental part of a democratic society. As in all other societal ventures, the system is only as good as the ability of the least privileged to participate in it. In 2009/2010, the Legal Services Society assisted more than 170,000 low-income people to navigate BC's justice system with legal representation or advice. Over 5,000 people received information services from our legal information outreach workers, while our now-terminated civil law telephone advice service aided about 8000 callers.

In 2010/2011, the society will use funds formerly used to support the now-closed offices to restore some suspended family law services and to enhance family and criminal duty counsel. While these service enhancements are welcome, the society does not have the funding to provide the services the board of directors believes necessary to meet the needs of the society's clients. Nor do we have the funding to pay or support private lawyers adequately for their work.

Also planned for 2010/2011 is the introduction of a simplified tariff to reduce the administrative burden on society staff and private lawyers. The Legal Services Society intends to work closely in the coming year with other justice system partners to ensure we are all aware of the interdependencies that

affect our organizations. This is particularly important because the loss of staff will limit the society's capacity to participate in new projects with other stakeholders.

This past fiscal year, 2009/2010, was one of the most challenging the society has faced. The office closures and staff layoffs had a significant impact on the Legal Services Society's operations and morale. The society is, however, on a stable (albeit significantly reduced) footing for the current planning cycle. This will allow the society to continue work on innovative, collaborative, and cost-effective legal aid programs that focus on client needs. With most of our clients facing multiple barriers, it is important that legal aid be part of a broader range of services focused on achieving the best outcome for the client. This means providing assistance not just with the legal process the client faces, but also by linking with other social service agencies to address underlying issues such as homelessness, addiction, or poverty that have an impact on the client's legal problems. It is this integrated approach to legal aid that will best ensure the Legal Services Society fulfils its statutory mandate to assist individuals to resolve their legal problems and facilitate their access to justice.

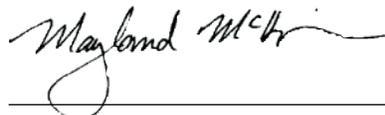
Accountability statement

The 2009/2010 Legal Services Society Annual Service Plan Report was prepared under the board's direction in accordance with the Legal Services Society Act, Budget Transparency and Accountability Act, and the BC Reporting Principles. The board is accountable for the contents of the report and how it has been reported.

The information presented reflects the actual performance of the Legal Services Society for the twelve months ended March 31, 2010, in relation to the February 2009 service plan and September 2009 service plan update.

The LSS board is responsible for ensuring internal controls are in place to ensure information is measured and reported accurately and in a timely fashion.

All significant assumptions, policy decisions, events, and identified risks, as of March 31, 2010, have been considered in preparing the report. The report contains estimates and interpretive information that represent the best judgment of management. Any changes in mandate direction, goals, strategies, measures, or targets made since the September 2009 service plan update was released, and any significant limitations in the reliability of data, are identified in the report.



D. Mayland McKimm, QC
Chair, LSS Board of Directors
April 30, 2010

Organization Overview



Organization Overview

The Legal Services Society (LSS) provides legal aid in British Columbia. Created by the Legal Services Society Act in 1979, LSS is a non-profit organization that remains independent of government. Our priority is to serve the interests of people with low incomes.

LSS mandate

Under section 9 of the current LSS Act, the society’s mandate is to:

- help people solve their legal problems and to facilitate access to justice,
- establish and administer an effective and efficient system for providing legal aid to people in BC, and
- provide advice to the Attorney General about legal aid and access to justice for people in BC.

Section 9 also states that the society is to:

- give priority to identifying and assessing the legal needs of people with low incomes in BC,
- consider the perspectives of both justice system service providers and the general public,
- coordinate legal aid with other aspects of the justice system and community services, and
- be flexible and innovative in carrying out its mandate.

Section 11(4) of the act limits the amount of legal aid the society can provide to any client to “the extent of legal or other services that a reasonable person of modest means would use to resolve the problem.”

LSS vision, mission, values

Our vision, mission, and values statements guide our work.

Our vision

Our vision is a British Columbia where all people are able to find timely and lasting solutions to their legal issues.

Our mission

Our mission is to provide innovative and collaborative legal aid services that enable people with low incomes to effectively address their issues within the justice system.

Our values

Making a positive difference: We work with clients to help them find solutions to their legal issues and prevent future issues. We strive to ensure people with low incomes get equal access to and the intended benefits from the law.

Leadership: We seek to understand our clients’ needs and collaborate with our community and justice system partners to develop innovative services to respond to those needs. We strive to ensure that all staff understand the society’s vision and values, and support each other to achieve our mission.

Respect: We recognize diverse cultures, needs, and perspectives. We act with compassion, tolerance, and integrity in our relationships with our clients, community and justice system partners, and co-workers.

Service excellence: We engage stakeholders in the design of our services and evaluate our services to ensure that our clients are achieving the best possible outcomes. We recognize that the work of all LSS staff and partners contributes to service excellence.

Memorandum of Understanding

Under section 21 of the Legal Services Society 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 27). The MOU, the LSS Act, and the Shareholder’s Letter of Expectations (see page 25) guide the relationship 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.

LSS core services

Core legal aid services include legal information, advice, and representation.

- **Legal information:** The society’s legal information services are delivered by front line staff and local agents, and through publications and websites. Other information services include training and support for community advocates who work with LSS clients. LSS also collaborates with community and government agencies to ensure people with low incomes have access to the other services they need to solve their legal issues.

- **Legal advice:** LSS offers legal advice through criminal, family, and immigration duty counsel in courthouses across BC, and through the Brydges Line telephone service for people who have been or may be arrested. LSS also provides family advice lawyers at various locations. LSS advice services can be subject to a financial eligibility test.
- **Legal representation:** LSS provides legal representation for financially eligible people with serious family law, child protection, or criminal law problems. Legal representation is also available for people who face a refugee or deportation hearing, a Mental Health Review Panel or BC Review Board hearing, or who have a prison issue for which the Charter of Rights and Freedoms establishes a right to counsel.

See table 1 below for a summary of the numbers of services provided to legal aid clients this year. The society’s websites were also visited about 564,000 times in 2009/2010, while the society distributed 129,500 public legal information and education materials. For more detailed data on legal aid services in 2009/2010, see Appendix 1 on page 45.

Service	Number of services provided
Legal representation (referrals)	26,620
Legal advice (in-person) (duty counsel, circuit counsel, Brydges Line, LawLINE)	151,785
Legal information (LawLINE information, legal information outreach workers)	8,395 ¹
Total	186,800²

¹ Data collection on information services provided by legal information outreach workers was incomplete this year, so this number undercounts services provided.

² As clients may receive services such as legal advice or information more than once, the number of individual clients who received services this year may be lower than this total.

Our service delivery model

The society works closely with our partners in the justice system—lawyers, advocates, community and government agencies—to best address the legal needs of our clients. Legal aid intake services are delivered in person at legal aid offices across the province and over the phone through the toll-free LSS Call Centre. Lawyers who accept LSS referrals provide most of the legal representation services. LSS also contracts with lawyers and other service partners to provide additional services, such as the Brydges Line. In 2010/2011, LSS will transition from a regional centre to a primarily local agent service delivery model to sustain community-based in-person services while reducing infrastructure costs.

The society works to ensure that legal aid services are accessible to all communities. For example, LSS provides the call centre for people who cannot apply for legal aid in person, as well as interpreters for call centre clients as needed. We also pay for interpreters for clients working with legal aid lawyers and produce legal information publications in a variety of languages.

For more information about legal aid services and eligibility criteria, visit the LSS website at www.legalaid.bc.ca. For a detailed profile of LSS, see “Legal aid facts” on the website under “Media.”

LSS clients

Every year, tens of thousands of BC citizens receive legal aid information, advice, and representation services. We strive to engage our clients in finding solutions to their legal problems. By taking an integrated approach, legal aid services can help clients prevent future legal issues and increase their ability to positively contribute to society.

Legal aid clients are among the province’s most vulnerable and marginalized citizens. Our clients do not have the financial resources—or frequently the educational, social, or health resources—to effectively access the justice system when their families, freedom, or safety are at risk. Of the 26,620 clients who were referred to a lawyer in 2009/2010, over 50% have less than a high school education and over 25% are Aboriginal. About 67% of clients who were referred to a lawyer and just over 38% of LawLINE callers this year were male. Women received about 33% of representation services and made 62% of the calls to LawLINE.

Governance

The society is governed by a nine-member board of directors. Under its bylaws, the board's role is "to ensure the effective governance of the society through setting direction, monitoring performance, and hiring and supporting the executive director."

LSS is committed to strong corporate governance practices that enable public accountability and transparency. The society adheres to the governance principles established by the Board Resourcing and Development Office (BRDO) and is in full compliance with BRDO guidelines. To maintain excellence in board governance, LSS reviews the governance framework regularly to ensure it meets the society's ongoing business needs while being consistent with recognized best practices.

Board governance

The governance framework of the board consists of policies and bylaws that reflect established governance best practices. Of the nine board members:

- 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.

At their first meeting in each fiscal year, the directors of the board elect a board chair and an Executive Committee. Headed by the board chair and consisting of at least two other board directors, the Executive 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 specific powers excluded by resolution of the board.

The board also establishes two board 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 two committees are:

- Finance Committee, which makes recommendations on the society's finances, funding, and fiscal allocations.
- Stakeholder Engagement Committee, which recommends ways to strengthen the society's relationships with key stakeholders (see Glossary, page 55) in the justice system.

For more information about the LSS board and its governance practices, visit the society's website at www.legalaid.bc.ca and see "Who we are" under "About us."

Senior management

The board of directors appoints an executive director to administer the business of the society. The executive director chairs the society's Executive Management Committee (EMC), which is made up of the directors of the four internal LSS divisions. EMC provides LSS with overall strategic direction, policy, and planning.

EMC also makes final decisions on strategic and operational issues brought forward by the Operations, Planning, and Policy Committee. This management committee advises EMC on interdivisional policy and planning, strategic and service planning, management initiatives, operational support issues, and policies for coverage, eligibility, and tariffs.

LSS board of directors

(at March 31, 2010)

Board members	Board committees
D. Mayland McKimm, QC, Chair (Victoria)	Executive Committee, Chair
Barbara Brink, CM, OBC (Vancouver)	Executive Committee; Stakeholder Engagement Committee
Tom Christensen, lawyer (Vernon)	Executive Committee; Stakeholder Engagement Committee
David Crossin, QC, Vice-chair (Vancouver)	Executive Committee
Sheryl N. Lee, CA (Vancouver)	Finance Committee, Chair
Deanna Ludowicz, lawyer (Grand Forks)	Finance Committee; Stakeholder Engagement Committee
Todd Ormiston (Victoria)	Stakeholder Engagement Committee, Chair
Darrell J. Wickstrom, lawyer (Vancouver)	Finance Committee
Marion Wright (Campbell River)	Lead member on board governance

LSS senior management

(at March 31, 2010)

Directors
Mark Benton, QC, Executive Director
Harold V. J. Clark, CHRP, Strategic Planning, Policy, and Human Resources
Sherry MacLennan, lawyer, Public Legal Information and Applications
Heidi Mason, lawyer, Legal Advice and Representation
Catherine McNeil, CA, Finance and Corporate Services
Senior managers
Joel Chamaschuk, Information Technology
Margaret Currie, lawyer, Audit and Investigation
Brad Daisley, lawyer, Communications and General Counsel
Corinne de Bruin, Strategic Planning and Policy
Noreen Finnerty, CHRP, Human Resources and Organizational Development
Craig Goebel, lawyer, Intake and Regional Centres
David Griffiths, lawyer, Legal Services
John Simpson, lawyer, Community and Publishing Services
Janice Staryk, Tariff Services
Eugene Wandell, CMA, Finance and Administration

Report on Performance



Report on Performance

The 2009/2010 fiscal year was one of transition for the society's clients and staff as LSS introduced measures to sustain core services for those most in need during uncertain economic times. Efforts to reduce costs and to redirect revenue from administration to client services enabled LSS to restore some previously suspended family law services beginning in January 2010, as well as to initiate enhancements to services such as family duty counsel. The society was also able to increase support for Aboriginal services and maintain community public legal education programs this year, continuing advancement on these priorities.

Facing unpredictable demand and lower revenue from non-government funders, starting in April 2009, LSS eliminated positions in the Vancouver and Surrey regional centre offices, suspended or discontinued specific family and criminal law services, reduced payments to lawyers providing legal aid services, and set early closure dates for most legal aid renewal projects, including the society's participation in the Nanaimo Justice Access Centre. LSS also discontinued civil law services, which are outside of the society's core mandate and have been funded from the society's non-government revenue since 2002. At year-end, the society closed LawLINE, our province-wide civil law telephone advice service.

After a review of the society's service delivery structure, LSS also began planning a shift to a local agent model that will significantly reduce infrastructure costs while enabling LSS to increase the overall number of locations where clients can seek legal help in person. As of March 29, 2010, LSS replaced regional centre offices in Kamloops, Kelowna, Prince George, Victoria, and Surrey with local agents, and expanded the province-wide call centre. LSS also introduced local agents—private lawyers contracted by LSS to provide legal aid and community outreach—in New Westminster and Langley. Local agents were selected in part for their community experience, as outreach forms an increasingly important aspect of the local agent role.

The impact of the loss of 40% of LSS staff across the province this year on the society's capacity and morale cannot be underestimated. However, the transition to a smaller organization forms part of an effort to reprioritize basic legal aid services in criminal, child protection, and family law, and to build a sustainable legal aid organization to help people with low incomes achieve timely and lasting solutions to their legal problems. Our definition of legal aid remains broad, including community-based information and advice services as well as legal representation, and our focus remains on the needs of our clients.

Our decisions on service design and delivery this year were informed by the principles of legal aid renewal, which promote client engagement in problem resolution and taking an integrated approach to providing services that recognizes the links between legal, health, and social issues. However, responding to fiscal constraints limited progress on achieving legal aid renewal goals. Our performance against our 2009/2010 service plan is summarized in table 4 on page 13 and detailed in the pages that follow.

Adjustments to the service plan

We made minor adjustments to our goals, strategies, and performance measures in 2009/2010 in response to the changing operational and strategic environment. These are reflected in our 2010/2011–2012/2013 service plan, available on the LSS website at www.legalaid.bc.ca. The changes are summarized in Appendix 2, on page 51. The goals, strategies, and measures in place for 2009/2010 are summarized in table 3 on page 12.

Performance management and reporting system

LSS assesses performance by surveying key stakeholder groups. We hire independent contractors to conduct all surveys, and we continue to review and improve data sources to ensure reliability. The society also monitors and reports on key internal operational and financial data.

LSS uses satisfaction measures to track our overall progress in achieving intended outcomes for clients. These measures also track our success in engaging the support of private lawyers, who are our primary service partners; our employees, who are critical to service quality; and the public, to whom we are ultimately accountable. Increased levels of client and lawyer satisfaction, employee engagement, and public support will demonstrate that we are meeting the needs of all those who are directly affected by our work. LSS chose budget-to-actual expenditure variance as a measure of financial performance.

LSS set targets by considering benchmark data, calculating what would be a statistically significant change in a particular measure, and evaluating the level of improvement possible given the strategies in place and activities planned in the coming period. Meeting our targets would demonstrate continuous improvement in stakeholder satisfaction with, support for, and use of our services, as well as financial responsibility, all of which are necessary to achieve our goals.

Improved performance will also increase public and government confidence that the society's work is helping people solve their legal problems.

A well-performing legal aid system enhances the overall efficiency and effectiveness of BC's justice system, reduces the burden on the social services sector, and contributes to sustaining key social values, including fairness, equality under the law, and compassion for those in need.

Key risks affecting performance

Fiscal circumstances continued to present the primary threat to the society's performance in 2009/2010. In our 2009/2010 service plan, LSS identified the impact of a recession, on both future revenue and demand for services, as the most significant risks to the society's ability to meet clients' legal needs and support the efficient operation of the courts.

Although steps taken by LSS to mitigate the impact of these risks did restrict our progress on our legal aid renewal goals this year, we were able to restore and enhance some basic legal aid services for clients by year-end. Table 2 (below) summarizes the major risks faced by LSS in 2009/2010 and our primary responses.

Table 2		Key risks, 2009/2010	
Issue	Risks	Key responses	
<i>Fiscal circumstances</i>			
<ul style="list-style-type: none"> ▪ The economic downturn continued to suppress the society's revenue from key sources. ▪ Reserve funds and non-government revenue support both pilot projects and core services. ▪ Longer, more complex cases and tariff improvements to sustain lawyer supply contribute to higher case costs. 	<ul style="list-style-type: none"> ▪ The society has insufficient revenue to meet service demands, requiring LSS to further reduce services and serve fewer clients. 	<ul style="list-style-type: none"> ▪ LSS transitioned to an agency delivery model to lower infrastructure costs, preserve in-person services, and free up funds for direct client services. ▪ LSS continued to refine forecasting, expenditure tracking, and data analysis to guide business decisions. ▪ LSS began creating a simplified tariff structure to enhance case cost certainty and streamline administration for both LSS and tariff lawyers. (See Goal 4, page 20) 	

Table 2

Key risks, 2009/2010

Issue	Risks	Key responses
<i>Service demand</i>		
<ul style="list-style-type: none"> ▪ Following significant increases in applications for legal aid in all areas of law in 2008/2009, demand for legal aid fluctuated in 2009/2010. ▪ The elimination of some criminal and family law services in 2009/2010 resulted in overall fewer applications for legal aid, while creating demand pressures on alternative, non-representation services, such as duty counsel, to meet the need for legal services. (See Appendix 1, page 45) 	<ul style="list-style-type: none"> ▪ Demand for legal aid does not follow historical patterns. 	<ul style="list-style-type: none"> ▪ LSS introduced new processes to monitor and respond to fluctuating demand, enabling the society to manage expenditures to budget and align services with available funding. ▪ LSS assesses clients at intake and refers them to the appropriate legal aid service. For some legal issues, timely and lasting solutions can be achieved without representation by providing legal information and advice, which can help relieve demand for representation services. (See Goal 1, page 14, Goal 2, page 16, and Goal 4, page 20)
<i>Capacity</i>		
<ul style="list-style-type: none"> ▪ Meeting clients' needs with fewer staff and resources requires significant time and cross-departmental collaboration. ▪ Restructuring, office closures, staff reductions, service changes, and the tariff simplification divert resources away from service provision and undermines morale. 	<ul style="list-style-type: none"> ▪ Our capacity to achieve our goals in future years is constrained by limited resources and reduced employee engagement. 	<ul style="list-style-type: none"> ▪ LSS provided change management support for managers and staff. ▪ LSS developed an employee engagement action plan that responds to the impacts of the transition, and continued employee and leadership development programs. ▪ LSS is reviewing business processes to enhance our ability to deliver cost-effective services with reduced capacity and to respond to fluctuations in demand and revenue. (See Goal 4, page 20)
<i>Lawyer recruitment and retention</i>		
<ul style="list-style-type: none"> ▪ Legal aid plans across Canada face ongoing lawyer attrition and the "greying" of the private bar. ▪ Lawyer concern about recent changes to LSS services, structure, and business processes affects lawyer support for legal aid. ▪ 2010 lawyer survey results indicate that 80% of tariff lawyers plan to take the same or greater number of referrals in the next fiscal year. 	<ul style="list-style-type: none"> ▪ Demographics, attrition, and negative response to recent changes threaten lawyer supply, resulting in LSS being unable to provide representation for every eligible client. 	<ul style="list-style-type: none"> ▪ LSS began building a simplified tariff designed to reduce the administrative burden on tariff lawyers while maintaining the current level of remuneration. ▪ LSS consulted widely with lawyers across BC on a simplified tariff model. ▪ LSS began developing comprehensive indicators to monitor the effectiveness of ongoing measures to recruit and retain lawyers regionally and provincially. (See Goal 4, page 20)

Table 2 Key risks, 2009/2010		
Issue	Risks	Key responses
Integrated approach		
<ul style="list-style-type: none"> As part of legal aid renewal, LSS is piloting projects that will enable LSS and other service providers to work together to help clients address their legal needs in a broad social context. 	<ul style="list-style-type: none"> Pilot projects will not be completed or will be unsuccessful because partners have insufficient resources to sustain their contributions or have different mandates. 	<ul style="list-style-type: none"> In response to fiscal constraints, LSS closed most legal aid renewal projects at year-end, a year ahead of schedule. Early closure limits the positive impact of the projects and restricts progress on key strategic goals. LSS continued to participate in the Justice Access Centre and Downtown Community Court projects, which are piloting the integrated justice model. However, LSS withdrew most staff and resources from the Nanaimo JAC at year-end. (See Goal 3, page 18)
Public awareness and support		
<ul style="list-style-type: none"> Changes to services and media coverage of those changes may create public misconceptions about the availability of legal aid services in BC. While 88% of BC residents (surveyed in March 2010) said they support legal aid services, it is important to maintain this level of support to sustain legal aid funding. 2008 Department of Justice Canada research indicates a strong majority of Canadians agree that legal aid inspires perceived fairness of (93%) and confidence in (82%) the justice system. 	<ul style="list-style-type: none"> Eligible clients do not seek legal aid as they believe it is not available. Public support for legal aid, as well as public confidence in and perceived fairness of BC's justice system, is diminished. 	<ul style="list-style-type: none"> Ongoing communications, outreach, and collaborative initiatives help sustain awareness of and support for legal aid services in client communities and among all BC residents. We have strategies to stabilize our resources and build support among elected and public officials and other community leaders. (See Goal 4, page 14, and Goal 4, page 20)
Large case management		
<ul style="list-style-type: none"> Rising volumes and costs of large cases are disproportionate to funding allocations. Large case costs are difficult to forecast and to control. 	<ul style="list-style-type: none"> Large case costs exceed the society's exceptional case fund budget. 	<ul style="list-style-type: none"> We reviewed and refined our large case management policy and processes to reduce LSS administration and facilitate forecasting. LSS worked with the Ministry of Attorney General to make improvements to large case management that meet the needs of all stakeholders. (See Goal 4, page 20)

Table 3 Goals, strategies, and performance measures, 2009/2010–2011/2012

	Goals	Strategies	Measures
1	People with low incomes who have legal issues will use LSS services.	<ul style="list-style-type: none"> ▪ Build public and intermediaries' awareness of LSS services through promotion and outreach. ▪ Provide legal aid services at locations and times accessible to people with low incomes. ▪ Pilot new projects for Aboriginal clients and adapt current LSS services to meet their needs. ▪ Use technology to provide accessible and appropriate services for diverse client groups across BC. ▪ Regularly evaluate legal aid services to ensure intended client outcomes are being met. 	<ul style="list-style-type: none"> ▪ Percent of clients satisfied with the accessibility of LSS services (triennial survey) ▪ Percent of clients satisfied with the helpfulness of LSS services (triennial survey) ▪ Percent of clients satisfied overall with LSS services (triennial survey)
2	People with low incomes participate in solving and avoiding legal issues.	<ul style="list-style-type: none"> ▪ Provide clients with information about legal aid services and their rights early in the process. ▪ Support lawyers and intermediaries to engage clients in solving their legal issues. 	<ul style="list-style-type: none"> ▪ Percent of clients satisfied with LSS support to help them participate in resolving their legal issues (triennial survey) ▪ Percent of lawyers satisfied with LSS support to help them engage clients in solving their legal issues (triennial survey)
3	People with low incomes get help with non-legal issues so they can solve and avoid legal issues.	<ul style="list-style-type: none"> ▪ Coordinate/collaborate with other service providers to increase clients' access to services for their related issues. ▪ Support LSS staff, lawyers, and intermediaries to assess and refer clients to services for their related issues. ▪ Modify LSS services to better address clients' related legal issues. ▪ Promote an integrated approach to providing legal aid services to all stakeholders. 	<ul style="list-style-type: none"> ▪ Percent of clients who say LSS informed them about services to address their related issues (triennial survey) ▪ Percent of lawyers satisfied with LSS support for increasing their ability to help clients address related issues (triennial survey) ▪ Percent of lawyers who support the integrated approach to providing legal aid services (triennial survey)
4	LSS manages resources soundly.	<ul style="list-style-type: none"> ▪ Implement measures to increase employee engagement in response to the 2008 work environment survey. ▪ Enhance LSS responsiveness to changes in demand for services. ▪ Assess effectiveness of ongoing lawyer recruitment and retention measures. ▪ Increase the accuracy of financial forecasts and reports. ▪ Monitor, advise, and respond proactively to legislative and policy changes. ▪ Build public and political support for legal aid services. 	<ul style="list-style-type: none"> ▪ Overall employee engagement score (triennial survey) ▪ Percent of lawyers satisfied with the overall support provided by LSS (triennial survey) ▪ Number of new lawyers taking more than five referrals/year (annual measure) ▪ Budget-to-actual expenditure variance (annual measure) ▪ Percent of the public that supports the provision of legal aid services (annual survey)

Table 4 Performance at a glance				
Measure	Past results	Results 2009/2010	Future targets 2010/2011	2011/2012
Percent of clients satisfied with the accessibility of LSS services (Goal 1)	66% baseline set 2007/2008	Not measured	70%	Not measured
Percent of clients satisfied with the helpfulness of LSS services (Goal 1)	65% baseline set 2007/2008	Not measured	69%	Not measured
Percent of clients satisfied overall with LSS services (Goal 1)	64% baseline set 2007/2008	Not measured	68%	Not measured
Percent of clients satisfied with LSS support to help them participate in resolving their legal issues (Goal 2)	n/a (New for 2010/2011)	Not measured	Baseline set	Not measured
Percent of lawyers satisfied with LSS support to help them engage clients in solving their legal issues (Goal 2)	n/a (New for 2009/2010)	Baseline set: 42% lawyers satisfied	Not measured	Not measured
Percent of clients who say LSS informed them about services to address their related issues (Goal 3)	n/a (New for 2010/2011)	Not measured	Baseline set	Not measured
Percent of lawyers satisfied with LSS support for increasing their ability to help clients address related issues (Goal 3)	n/a (New for 2009/2010)	Baseline set: 22% lawyers satisfied	Not measured	Not measured
Percent of lawyers who support the integrated approach to providing legal aid services (Goal 3)	n/a (New for 2009/2010)	Baseline set: 71% lawyers support	Not measured	Not measured
Overall employee engagement score (Goal 4)	70 (average score) 2007/2008	Not measured	73	Not measured
Percent of lawyers satisfied with the overall support provided by LSS (Goal 4)	75% of tariff lawyers satisfied 2006/2007	Target (84%) not met: 62% lawyers satisfied	Not measured	Not measured
Number of new lawyers taking more than five referrals/year (Goal 4)	67 lawyers 2008/2009	Target (>64) met: 71 lawyers	>64	To be determined
Budget-to-actual expenditure variance (Goal 4)	-0.17% variance 2008/2009	Target (1.5%) not met: 3.7% variance	1.5%	1.5%
Percent of the public that supports the provision of legal aid services (Goal 4)	94% public support 2008/2009	Target (>90%) not met: 88% public support	>90%	>90%

Goal 1

People with low incomes who have legal issues use LSS services.

This goal recognizes that clients will use legal aid services to help resolve their legal issues only if they know about the service, are able to access the service, and the service addresses their needs. To meet our mandate and mission, LSS must not only offer appropriate services but also deliver them effectively to clients.

Performance measures:

- Percent of clients satisfied with the accessibility of LSS services.
- Percent of clients satisfied with the helpfulness of LSS services.
- Percent of clients satisfied overall with LSS services.

Results 2009/2010

LSS surveys clients every three years. For results from the 2007/2008 client survey and information about the importance of these measures, our benchmarks, and the data source, please see table 4 on page 13 and Appendix 3 on page 52. We will conduct our next client survey in 2010/2011.

Performance highlights

Public legal education and information (PLEI) and community outreach initiatives providing clients and intermediaries with current information about legal aid services played an important role in sustaining community relationships during a challenging period. LSS also enhanced legal aid services to BC's Aboriginal communities, and improved the accessibility of public legal information across the province.

Increase use of LSS services by building public awareness

- LSS worked this year to increase public awareness of legal aid services and build regional presence by strengthening connections with local agents and improving working relationships with key community partners, including community agencies supporting clients affected by family violence.

- To make our printed public legal education and information (PLEI) materials more easily accessible to our community partners and clients, LSS contracted Crown Publications to manage province-wide distribution. The automated online ordering system has reduced clients' wait times for orders and provided LSS with cost savings. This system will also help build awareness of PLEI publications among people who we may not reach through our website or community networks, as people can access Crown Publications without going through LSS.

Provide legal aid at locations and times accessible to people with low incomes

- To maintain in-person application services and local community outreach across BC while reducing costs, LSS changed from a regional centre-based to a local agent-based service delivery model at the end of 2009/2010. Local agent offices replaced regional centres in Kamloops, Kelowna, Prince George, Victoria, and Surrey, while new local agent offices were opened in New Westminster and Langley.
- The society's continued participation with the Ministry of Attorney General and other partners at the Nanaimo Justice Access Centre (JAC) and the Vancouver Downtown Community Court (DCC) this year helped make legal aid services available to our clients at these key access points to the justice system. The JAC and DCC projects also advanced our legal aid renewal goals of client participation and service integration. For more on these projects, see Goal 3, page 19.

Pilot new services and improve LSS programs for Aboriginal peoples

- LSS piloted new services this year to improve access to justice for Aboriginal people in BC, as part of a three-year project to implement recommendations from the *Building Bridges* report.¹ The Aboriginal Legal Services Project focuses on providing community-based services to reduce the number of Aboriginal children in care and the number of Aboriginal people in prison. Piloted services, designed in consultation with Aboriginal communities, include expanded duty counsel (legal advice lawyers) in Williams Lake, Port Hardy, and at

¹ Ardith Walkem, *Building Bridges: Improving Legal Services for Aboriginal Peoples* (Vancouver: Legal Services Society, 2007). Available on the LSS website at www.legalaid.bc.ca, under "About us — Our reports — Service and program evaluations."

First Nations Court in New Westminster. At First Nations Court, expanded duty counsel also offer legal advice before court dates to prevent problem escalation. The project is also hosting workshops to build the capacity of Aboriginal and other justice workers to submit Gladue reports at sentencing and bail hearings (for information on Gladue reports, see Glossary, page 55).

- Developing public legal education materials and outreach programs to meet the needs of Aboriginal clients is another focus of the Aboriginal Legal Services Project. The society hired a new Aboriginal community legal worker (ACLW) in Port Hardy this year to enhance outreach to Aboriginal communities in that region, while the ACLW introduced at the Nanaimo JAC in 2008/2009 continued to work closely with local communities. Providing in-person assistance along with educational materials helps deliver effective support for Aboriginal clients.

Use technology to create accessible and appropriate services

- New technologies offer alternative means to deliver legal aid services. For example, the society launched a Twitter account (a free, online, microblogging service) as a quick and easy way to communicate to clients, legal aid lawyers, and community partners. See [Twitter.com/legalaidbc](https://twitter.com/legalaidbc).
- We continued our participation in a collaborative project piloting the use of video conferencing to make bail hearings more effective and efficient. Co-sponsored by the BC Criminal Justice Reform Secretariat and the Provincial Court of BC, the bail reform project was launched in 2008/2009 and will continue through 2010/2011.

Evaluate services to ensure intended client outcomes are being met

- Results from an evaluation of LSS public legal information videos, one of the first of its kind in North America, support the value of providing material in multiple, complementary formats to meet the needs of users with different learning styles and literacy levels.

The results also indicate that audio-video slide shows were more effective at communicating key information than video, while text remained the most cost-effective format.²

- LSS established frameworks this year for evaluating recently piloted services, including legal aid renewal projects (for example, Aboriginal Legal Services Projects and elements of the Integrated Civil and Criminal Law Services Projects, such as the Kelowna Expanded Criminal Duty Counsel Project—see page 17) and tariff simplification (see page 23). See page 19 for results of the Nanaimo Justice Access Centre implementation evaluation.

Future outlook

- Enhanced communications and outreach will help clients, staff, and community partners adjust to the local agent model in 2010/2011. To increase public awareness of legal aid services, LSS will launch a communications initiative that includes posters, brochures, and newspaper advertising.
- LSS will implement a community engagement strategy to develop partnerships with intermediaries in remote, rural, and Aboriginal communities, ensuring that people in the community have access to LSS services, and with a long-term goal of developing community capacity to recognize and manage legal problems. LSS will also provide ongoing support to local agents to help them enhance their community connections.
- LSS will closely monitor application rates at all locations to ensure accessibility of services is maintained and demand for services does not decline.
- Evaluations of piloted services for Aboriginal clients will be completed next year. Based on the results, LSS will begin to establish successful services as core legal aid programs.
- At the beginning of 2010/2011, LSS will reintroduce an annual cost of living adjustment of 1.6% to financial eligibility rates to protect clients from becoming ineligible due to inflation.

² Legal Services Society, "Evaluation of LSS Videos as Means to Communicate Legal Information," July 2009. Available on the LSS website at www.legalaid.bc.ca, under "About us—Our reports—Service and program evaluations."

Goal 2

People with low incomes participate in solving and avoiding legal issues.

Goal 2 recognizes that clients who are actively involved in resolving their legal issues tend to find more positive and stable solutions.

This goal represents an important element in legal aid renewal, which focuses on achieving lasting client outcomes through an integrated approach to providing legal aid services that support the whole client.

Performance measure:

- Percent of clients satisfied with LSS support to help them participate in resolving their legal issues.

Results 2009/2010

Initial results on the client measure will be collected when we next survey clients (2010/2011). For information about the importance of this measure, our benchmarks, and the data sources, please see Appendix 3 on page 52.

Performance measure: Percent of lawyers satisfied with LSS support to increase their ability to engage clients in solving their legal issues.

Past results	Performance 2009/2010		Future targets	
New for 2009/2010	Target n/a	Actual 42%	2010/2011 Not measured	2011/2012 Not measured

This measure shows the effectiveness of the society's support to lawyers to help clients participate in solving their legal issues.

Importance of this measure

Informed and engaged clients can work more effectively with their lawyers to achieve positive and lasting outcomes. By effectively supporting lawyers to engage their clients in the process, we are fulfilling our mandate to help people solve their legal problems and facilitate access to justice.

Benchmark comparison

LSS is not aware of any relevant benchmarks for this measure.

Data source

Data is gathered from a triennial survey conducted by an independent survey organization. In January and February 2010, 292 private lawyers who had taken legal aid cases or billed for legal aid work during 2009 completed an online survey. The survey results have a margin of error of +/- 5% at the 95% confidence level. The full report from the 2010 Tariff Lawyer Satisfaction Survey is available online at www.legalaid.bc.ca (under "About us—Our reports").

Results 2009/2010

- Lawyers responding to the 2010 survey appear divided over the level of support LSS provides them to help clients be more actively involved in resolving their legal issues. While 42% are satisfied with the current level of support, 31% are unsure and 27% are dissatisfied.
- LSS supports lawyers to engage clients in problem resolution by providing access to PLEI materials and training, as well as through specific tariff items (see page 17). However, changing fiscal circumstances prevented LSS from providing the level of support anticipated when this legal aid renewal goal was introduced in our 2008/2009 service plan. To increase lawyer satisfaction, LSS will need to enhance the support provided.

Performance highlights

Reduced budgets and early closure of most legal aid renewal projects at the end of 2009/2010 limited the ability of these service pilots to advance this goal to date. However, feedback on pilot projects will guide LSS decisions on services that support client participation in resolving their legal issues.

Support lawyers and intermediaries to engage clients in solving their legal issues

- Lawyers responded positively to a pilot tariff measure, introduced as part of the Integrated Civil/Family Law Services Project, to support lawyers in child protection cases to seek collaborative solutions for their clients. Although LSS suspended the tariff item in October 2009 after higher than anticipated uptake meant costs exceeded the project budget, the society was able to re-introduce this measure as part of the regular tariff when funds became available early in 2010.
- A range of training services provided by LSS in 2009/2010 helped build the capacity of lawyers and other intermediaries to work with their clients on solving their legal problems. This training included workshops for Aboriginal service providers, 13 regional workshops for advocates and community workers across BC, a criminal duty counsel workshop hosted jointly with the Trial Lawyers Association of BC, and the annual provincial training conference for legal advocates, co-sponsored with the Law Foundation.
- As part of the Integrated Criminal Law Services Project, LSS began piloting an extended criminal duty counsel service in Kelowna in June 2009 to help clients resolve specific issues, such as breach charges no longer covered by legal aid following the reduction in criminal representation services at the beginning of 2009/2010.

Integrate legal aid application and information services

- LSS continued to provide clients with immediate access to information, advice, and referral services through the society's integrated telephone services model (see "Legal advice," page 46), launched in summer 2008. When taking legal aid applications, intake legal assistants "triaged" phone clients according to their needs by providing information and referrals to outside agencies or transferring callers to the appropriate legal aid service, such as a legal information outreach worker (LIOW) or LawLINE. Although the LawLINE service was discontinued at year-end, key components of this model—client assessment and referral, and providing clients with information early in the process—will continue.

Future outlook

- Although legal aid renewal projects will not continue in 2010/2011, enhancing the ability of our front line staff, lawyers, and other intermediaries to engage clients in resolving their legal issues will be an important element in our new service delivery model. Over the year, LSS will develop an approach to delivering PLEI and community engagement that aligns with the local agent model.
- LSS will support local agent capacity in 2010/2011 through ongoing intake training and monitoring, providing local agents with PLEI "starter kits" and follow-up training on information resources for clients, and introducing a quality-assurance program. The society plans to host Aboriginal legal rights workshops across the province, as well as continue to produce and distribute Aboriginal PLEI materials, particularly through face-to-face delivery.
- LSS will increase family duty counsel services at high-volume BC courthouses, introduce family duty counsel as part of circuit court, and pilot family advice services in a range of community-based "out of court" locations. The Aboriginal expanded family duty counsel projects (see page 14) introduced this year will also continue.

Goal 3

People with low incomes get help with non-legal issues so they can solve and avoid legal issues.

Goal 3 recognizes that clients’ legal problems often arise from or trigger other problems, including unemployment and addiction. By working with other service providers to help clients get support for these issues, LSS can improve client outcomes as well as reduce the use of justice, health, and social services over the long term.

Performance measure:

- Percent of clients who say LSS informed them about services to address their related issues.

Results 2009/2010

LSS introduced this measure in our service plan for 2008/2009. Initial results will be collected when we next survey clients in 2010/2011. For information about the importance of this measure, benchmarks, and data source, please see Appendix 3 on page 52.

Performance measure: Percent of lawyers satisfied with LSS support for increasing their ability to help clients address related issues.				
Past results	Performance 2009/2010		Future targets	
New for 2009/2010	Target Not measured	Actual 22%	2010/2011 Not measured	2011/2012 Not measured

Performance measure: Percent of lawyers who support the integrated approach to providing legal aid services.				
Past results	Performance 2009/2010		Future targets	
New for 2009/2010	Target n/a	Actual 71%	2010/2011 Not measured	2011/2012 Not measured

These measures show our progress on supplying lawyers with tools and resources, and building lawyers’ support to implement an integrated approach to providing legal aid services.

Importance of this measure

Successfully integrating services requires all service providers to have the necessary skills and resources. The model’s success also depends on the support of our primary service partners—the lawyers who represent and advise our clients. Improvement on these performance measures will demonstrate that LSS is working effectively with lawyers to provide services that will help clients find positive and lasting solutions to their legal issues.

Benchmark comparison

LSS is not aware of any relevant benchmarks for this measure.

Data source

Data is gathered from a triennial survey of tariff lawyers conducted by an independent survey organization. In January and February 2010, 292 private lawyers who had taken legal aid cases or billed for legal aid work during 2009 completed an online survey. The survey results have a margin of error of +/- 5% at the 95% confidence level. The full report from the 2010 Tariff Lawyer Satisfaction Survey is available online at www.legalaid.bc.ca (under “About us—Our reports”).

Results 2009/2010

- A strong majority (71%) of respondents to the 2010 lawyer survey support LSS taking an integrated approach to providing legal aid services. However, only 22% of lawyers surveyed said they were satisfied with the support received from LSS to help them address

clients’ related legal issues such as housing or debt problems, while 32% were unsure and 45% were dissatisfied.

- The survey also indicates that just 38% of lawyers were aware of the society’s steps toward implementing an integrated approach. Another 17% of lawyers surveyed were aware

of at least one of the LSS projects advancing this approach, but they were not aware of the integrated model itself.

- Significant lawyer support for an integrated approach suggests LSS is moving in the right direction. Lawyers' limited awareness and low satisfaction in this area may be in part a result of the reduced scope and early closure of the society's legal aid renewal projects, which were intended to be the primary vehicles for advancing this approach.

Performance highlights

Increase client access to support for related issues by integrating services

- LSS, with funding from the Law Foundation, continued to participate in the Nanaimo Justice Access Centre (JAC), a collaborative project with the Ministry of Attorney General to test the impact on client outcomes of providing people a range of family and civil justice services in one location. The JAC also identifies and refers clients to services that can address their related non-legal issues. Evaluation of the implementation phase of the project indicates that more than two-thirds of JAC clients surveyed faced more than one justice issue, and 93% of clients found the integrated approach helpful.³ The evaluation also showed that JAC clients received appropriate referrals internally and externally, and demonstrated increased awareness of alternative dispute resolution.
- LSS continued to provide defence counsel services this year for the Vancouver Downtown Community Court (DCC), a problem-solving court to support earlier resolutions of criminal cases in part by providing clients with access to justice, health, and social services at the court location. This integrated justice model makes effective use of available resources and, by helping offenders address their related issues, gives them a better chance at becoming contributing members of society. In February 2010, LSS designated an LIOW to the court. The society also sits on the court's steering and evaluation committees.

Support LSS staff, lawyers, and intermediaries to assess and refer clients to services for their related issues

- LSS distributed nearly 500 copies of the Poverty Law Primer this year to lawyers and other intermediaries across BC. The primer, a basic handbook on poverty law for lawyers who do not usually practise in this area, was developed as part of the Integrated Civil/Family Law Services project. An important target user group for the primer is lawyers helping clients with their related issues under the new collateral issues tariff.
- In September 2009, LSS and Trial Lawyers Association of BC co-sponsored a training conference for criminal duty counsel in Kelowna. Held as part of the Integrated Criminal Law Services Project, the conference agenda included information on Aboriginal and problem-solving courts, as well as foetal alcohol spectrum disorder and mental health law. This was the first LSS-hosted training for criminal duty counsel in more than 20 years.
- LIOWs and LawLINE staff attended a range of training sessions this year to help build their knowledge of common issues facing clients, including housing, employment insurance, mental health, foreclosure, and debt. This training helps staff identify client's related non-legal issues so that they can direct clients to the most appropriate services.

Modify services to better address clients' related legal issues

- Lawyers responded positively to a pilot tariff item, introduced in 2008/2009 as part of the Integrated Civil/Family Law Services Project, to support them in addressing clients' collateral issues in Child, Family and Community Services Act cases. Though LSS was forced to suspend the item in July 2009 when costs exceeded the project budget, the society was able to restore the item in February 2010 as part of the regular tariff.
- One focus of the Aboriginal Community Legal Worker in Nanaimo is to help clients facing child protection issues address their related issues, including housing issues on reserve.

³ R.A. Malatest and Associates, Ltd., "Nanaimo Justice Access Centre Implementation Evaluation, Final Evaluation Report," October 2009. Available on the LSS website at www.legalaid.bc.ca, under "About us—Our reports—Service and program evaluations."

Future outlook

- Key tariff items and other services piloted under the Integrated Criminal and Civil Law Services projects will remain in 2010/2011 to support these best practices and encourage adoption of the integrated approach among stakeholders. The society plans to assess the usage and effectiveness of both the Poverty Law Primer and the collateral issues and consensual dispute resolution tariff items.
- Collaborating with our service partners is integral to our service delivery model. LSS will maintain and oversee the lead defence counsel to DCC and the LIOW services at the court next year, as well as continue our role on the steering committee and evaluation committees.

Goal 4

LSS manages resources soundly.

Goal 4 recognizes that LSS must effectively manage resources to fulfill our mission and vision. This goal also identifies LSS employees as one of the organization's key strengths; highlights the importance of sound financial forecasting, accounting, and auditing processes; and emphasizes our accountability for administering public resources.

Performance measure:

- Overall employee engagement score.

Results 2009/2010

LSS will survey employees again in 2010/2011. For information on the importance of this measure, please see Appendix 3, on page 52.

Performance measure: Percent of lawyers satisfied with the overall support provided by LSS.

Past results	Performance 2009/2010		Future targets	
2006/2007 75%	Target 84%	Actual 62%	2010/2011 Not measured	2011/2012 Not measured

This measure shows 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

Maintaining a supply of dedicated and skilled lawyers willing to take legal aid cases is essential to providing quality advice and representation services to clients. Increasing levels of lawyer satisfaction should reduce the risk that LSS will be unable to find skilled lawyers to take referrals for all eligible clients.

Benchmark comparison

We benchmark our lawyer satisfaction results against those of Legal Aid Ontario (LAO). In response to LAO's most recent lawyer survey in 2007, 72% of lawyers and 77% of duty counsel reported high satisfaction with LAO's services, down from an overall lawyer satisfaction rating of 80% in 2006. (The results were not broken down for lawyers and duty counsel for that year.) LSS results are in line with those of Legal Aid Ontario.

Data source

Data is gathered from a triennial survey conducted by an independent survey organization. In January and February 2010, 292 private lawyers who had taken legal aid cases or billed for legal aid work during 2009 completed an online survey. The survey results have a margin of error of +/- 5% at the 95% confidence level. The full report from the 2010 Tariff Lawyer Satisfaction Survey is available online at www.legalaid.bc.ca (under "About us—Our reports").

Results 2009/2010

- Overall lawyer satisfaction with LSS support declined from 75% in 2007 to 62% this year, though the proportion of lawyers saying they strongly agree that they are satisfied with the level of support has remained stable at 14% in 2010 and 13% in 2007.
- The significant drop in overall lawyer satisfaction this year may reflect lawyers' concerns with the closure of regional centres and reductions in client services following several years of service improvements. Another cause of lower satisfaction may be the discontinuation in 2009/2010 of some tariff enhancements introduced in recent years to more fairly remunerate lawyer commitment to legal aid and to advance legal aid renewal. LSS actions to redirect funds from infrastructure to client services in the coming years should help restore lawyer satisfaction.

- Just under one-half of lawyers say they feel LSS values their services, a decline from 58% percent in 2007 and a return to 2004 levels. Lawyers who feel valued by the society say it is mainly because of the way they are treated by LSS staff, who they describe as friendly, helpful, and respectful. Lawyers who feel undervalued or who are unsure whether LSS values their services explain that the tariff is too low or think the number of hours and range of services covered by the tariff do not reflect the time required to provide quality service.
- Significantly, 80% of lawyers say they plan to accept just as many legal aid referrals, if not more, in 2010 as they took in 2009. This was a new question on the 2010 survey.
- Annual lawyer count: LSS has been tracking the total number of lawyers who take legal aid referrals each year since 2002/2003. This year, 902 private lawyers took at least one legal aid case, returning to 2007/2008 levels after a slight increase last year.

Performance measure: Number of new lawyers taking more than five referrals/year.				
Past results	Performance 2009/2010		Future targets	
2008/2009 67 lawyers	Target >64	Actual 71	2010/2011 >64	2011/2012 To be determined

This measure shows the number of “new” lawyers (lawyers approved within the last two years to take legal aid cases) who accepted more than five legal aid referrals during 2009/2010.

Importance of this measure
Legal aid plans across Canada continue to face a decline in the number of lawyers willing to take legal aid referrals and the overall “greying” of the profession. This measure tracks the society’s success not only in recruiting lawyers but also in supporting their commitment to legal aid. An increasing number of lawyers who accept at least five referrals a year at the beginning of their legal aid career may indicate that LSS is building a supply of dedicated legal aid lawyers.

Benchmark comparison
LSS is unaware of benchmark data for this measure.

Data source
Data comes from the society’s case management system database.

Results 2009/2010

More than 70 lawyers new to legal aid took five or more referrals in 2009/2010 (meeting our performance target), while the overall number of new lawyers who took any number of referrals increased this year by about

10% over 2008/2009—though the count remains lower than in 2007/2008. These results reinforce the need to continue to support lawyers to make a long-term commitment to legal aid.

Performance measure: Budget-to-actual expenditure variance.

Past results	Performance 2009/2010		Future targets	
2008/2009	Target	Actual	2010/2011	2011/2012
-0.17%	1.5%	3.7%	1.5%	1.5%

This measure shows how well we are managing our expenditures.

Importance of this measure

Maintaining a low budget-to-actual expenditure variance will demonstrate that we are managing expenditures effectively so that we can make timely use of available funds for client services.

Benchmark comparison

LSS has no comparable data from other legal aid plans.

Data source

Data is gathered from the LSS financial system and is reviewed by external auditors.

Budget-to-actual expenditure variance calculation, 2009/2010

Actual total expenditures per Statement of Operations (see page 36)	\$ 79,312,229
minus Exceptional cases	3,898,419
Immigration	1,468,044
Major cases	2,640,268
Law Foundation-funded projects	1,358,635
	<u>\$ 69,946,863</u>
Approved expenditure budget	\$ 79,759,000
Exceptional cases	4,700,000
Immigration	1,700,000
Major cases	565,000
Law Foundation-funded projects	156,000
	<u>\$ 72,638,000</u>
Variance = 1 – (actual/budget)	3.7%

Results 2009/2010

LSS implemented a number of cost saving strategies this year in response to decreased revenues. As a result, expenses were 3.7% less than budgeted, in excess of the society's budget-to-actual variance target of 1.5%. (See Financial Report, page 27.)

Performance measure: Percent of the public that supports the provision of legal aid services.

Past results	Performance 2009/2010		Future targets	
2008/2009	Target	Actual	2010/2011	2011/2012
94%	>90%	88%	>90%	>90%

This measure shows the proportion of BC residents who say they support providing legal information, advice, and representation services to people with low incomes.

Importance of this measure

The level of public support for legal aid is a primary indicator of the value BC residents place on legal aid services and the contribution of these services to a fair and efficient justice system. This measure is linked to public awareness of legal aid services, and helps demonstrate the importance of legal aid in ensuring access to justice for the people of BC.

Benchmark comparison

The most recent comparable data comes from public opinion polls conducted in 2006 by Legal Aid Ontario and Legal Aid Alberta based largely on the questions developed for the LSS poll. At 88% in 2010, the level of public support in BC remains higher than the Ontario level of 85% but has dropped behind the Alberta result of 96%.

Data source

The data is gathered from an annual omnibus telephone survey conducted by an independent survey organization. In March 2010, interviewers asked 574 people from across BC a series of 9 questions about legal aid. The margin of error is +/- 4% at the 95% confidence level. When comparing to 2009 findings, a difference of +/- 5.5% is necessary to be considered significant at the 95% confidence level. All public awareness poll results are available at www.legalaid.bc.ca (look under "About us—Our reports").

Results 2009/2010

- Support for legal aid services among BC residents remained strong at 88% in 2009/2010, though it declined 6% from one year ago and fell below our target (>90%).
- The majority of BC residents—89% to 95% for criminal and family law cases respectively—continue to agree that providing legal aid to people with low incomes is important to fairness in the justice system.
- This year, 71% of BC residents agree that governments should give funding for legal aid the same priority as they give to funding for other social services such as health care and education. However, only 28% of all respondents said they think legal aid services are adequately funded (or 39% of those who provided an opinion, consistent with 2009 results), while 43% think they are not.
- Awareness that legal aid services exist for BC residents with low incomes was at 82% this year, consistent with 2009 levels. However, when asked about the availability of legal aid services by area of law, awareness of criminal law services dropped to 69% from 79% and awareness of family law services fell to 58% from 66%.
- Declining awareness of the availability of legal aid services for people who need them, as well as lower support for legal aid, may be a response to reductions in service and infrastructure, which have been widely reported in the media.

Performance highlights

LSS introduced significant organizational changes this year to respond to fluctuations in demand for service and declining revenue. Following service and staff reductions in April 2009, LSS began preparations to implement further board-directed changes, including the shift to the local agent delivery model, to begin in 2010/2011. Although transitioning to the new structure became the priority, LSS continued to pursue other strategies to improve the organization's ability to effectively manage resources and sustain services.

One of these strategies is to simplify the legal aid tariff, the fee structure and billing rules LSS uses to pay lawyers for providing legal aid services. Following models in other jurisdictions, LSS began a large project to reduce the overall number of tariff items while maintaining lawyers' current level of compensation. A simplified tariff will be easier for clients to understand and for lawyers to bill, reducing their administrative burden. Efficiencies such as fewer billing errors may also reduce the society's costs to administer the tariff, freeing up resources that can be directed to client services. To ensure the simplified tariff meets its objectives, LSS consulted widely with lawyers across the province and conducted extensive internal data analysis. The new tariff will be evaluated after its launch in 2010/2011.

Implement measures to increase employee engagement in response to the 2008 work environment survey

- Change management became a necessary focus in 2009/2010. Early in the year, LSS held change management sessions to support managers and staff through the initial restructuring process. Recognizing the importance of managing change through leadership, the society's staff-wide leadership development program also continued throughout the year.
- Through a series of cross-departmental workshops, LSS consulted staff on ideas for improving engagement at the society, particularly in areas of weakness identified through the 2008 work environment survey. The society used feedback gathered at the workshops to create an engagement plan for implementation next year.
- The average overall LSS absentee rate in 2009/2010 was 9.43 days, compared with 7.15 days in 2008/2009.⁴ The increase came in the second half of the year, in part due to staff being encouraged to stay home during the early stages of illness to minimize the potential spread of the H1N1 virus. It is also common to experience an increase in absentee rates during a time of transition and layoffs.

⁴ These rates exclude leaves greater than four weeks. By employee group, the average absentee rate in 2009/2010 was 10.84 days for BC Government Employees Union members; 6.54 days for exempt staff, and 4.68 days for Professional Employee Association members.

Enhance LSS responsiveness to changes in demand for services; increase accuracy of financial forecasts and reports

- Managing demand for legal aid services was a critical task for LSS this year. The society established a cross-divisional team to closely monitor demand and costs through regular reporting and analysis of key operating data, enabling the society to respond quickly and effectively to identified changes.
- The society also initiated a review of demand management strategies in other service organizations to inform revisions to coverage policies that will help LSS meet client demand with available funds on an ongoing basis.
- We completed a detailed review of our large case management process and worked with key justice system stakeholders to develop ways to better meet all parties' needs for cost certainty on these cases. To increase predictability in other areas of the tariff, the society introduced measures such as a two-month billing rule for duty and circuit counsel.

Assess effectiveness of ongoing lawyer recruitment and retention measures

- This year LSS began evaluating lawyer recruitment strategies introduced as part of the society's Lawyer Supply Project, which closed at year-end as project funds were redirected to client services. Several of the strategies focused on encouraging articling student involvement in legal aid cases. For example, LSS successfully tested a tariff item that allowed lawyers to bill for articling student work. An evaluation to be conducted in 2010/2011 will track whether students paid under the tariff item went on to take legal aid referrals after being called to the bar. Statistical indicators to enable LSS to closely monitor the availability of lawyers to take legal aid referrals in all regions of BC were further refined this year and will remain in place after the project end.

Build public and political support for legal aid; advise on policy changes

- Ongoing communications initiatives included regular meetings with the Attorney General, the judiciary, and key justice system stakeholders to increase understanding of and support for legal aid, and the broad social benefits of taking an integrated approach to providing services. LSS continued to advocate for justice reform through provincial and national forums.

Future outlook

- Managing fluctuating demand will remain a top priority for LSS in 2010/2011. The society will continue to refine cost monitoring and forecasting mechanisms, and will implement recommendations from the review of demand management strategies in other jurisdictions. The society will also complete an organizational review to ensure that LSS infrastructure and services continue to be aligned with existing resources to best serve clients.
- Effective communication with clients, lawyers, and other justice system partners to maintain awareness of and confidence in legal aid services will also be critical in 2010/2011, as LSS shifts to a local agent delivery model and introduces a simplified tariff. LSS also plans to increase focus on lawyer recognition next year, both to support lawyers who provide services to our clients and to demonstrate the value the society places on their commitment to legal aid.
- After implementing the simplified tariff in July 2010, LSS will closely monitor case billings and practice to ensure the tariff is "cost neutral" for lawyers and sustains quality services for clients. A new framework to manage large case costs developed in collaboration with the Ministry of Attorney General will also be established in 2010/2011.

Shareholder's Letter of Expectations

The provincial government uses a shareholder's letter of expectations (SLE) to communicate its priorities, mandate direction, and key performance objectives to each Crown agency for the coming year. LSS and the Ministry of Attorney General

jointly approved the first annual SLE from the ministry to the society for 2009/2010. For LSS, the shareholder's letter supplements the LSS Act (see page 2) and the three-year Memorandum of Understanding (MOU) (see page 2).

Our actions to address the direction set out in the SLE for 2009/2010 are outlined in the table below.

Shareholder's letter of expectations	LSS alignment
<i>Climate change</i>	
<ul style="list-style-type: none"> Comply with government requirements to make the public sector carbon neutral by 2010 	<ul style="list-style-type: none"> LSS has a draft policy in place that engages staff in efforts to reduce our greenhouse gas (GHG) emissions. LSS implemented print/copy monitoring solutions to reduce paper usage that led to about a 60% overall decrease in paper used in 2009/2010 over 2008/2009. LSS completed renovations using systems that reduce the use of conventional drywall. Operational changes in 2009/2010, including a reduction in leased office space, lowered the society's greenhouse gas emissions. LSS completed and filed carbon neutral action reports as required.
<i>Financial performance</i>	
<ul style="list-style-type: none"> Meet applicable financial reporting requirements Increase capacity to provide accurate forecasting in those areas that have a material effect on the Ministry of Attorney General's fiscal performance Give priority to budget-to-actual expenditure variance set out in service plan 	<ul style="list-style-type: none"> LSS met all financial reporting requirements. LSS provided monthly reports to the Ministry of Attorney General on exceptional case funds, which have the greatest impact on LSS expenses. Budget-to-actual expenditure variance continued to be a priority.
<i>Communicating with government</i>	
<ul style="list-style-type: none"> Share information and consult with government to support policy, planning, and program coordination 	<ul style="list-style-type: none"> This year LSS and the Ministry of Attorney General established a working group to review and coordinate budget development, strategic priorities, policy and program development, issues related to legal aid and access to justice, and other issues as they arise.
<i>Legislative framework</i>	
<ul style="list-style-type: none"> Conduct operations and financial activities consistent with legislative and policy framework established by government 	<ul style="list-style-type: none"> LSS is in compliance with the LSS Act and the MOU. LSS regularly provides financial, statistical, and other information about legal aid services to the Attorney General on request.
<i>Justice Reform</i>	
<ul style="list-style-type: none"> Participate in government's justice transformation initiatives 	<ul style="list-style-type: none"> LSS was a key partner in government justice transformation initiatives, including the Nanaimo Justice Access Centre and Community Court.



Financial Report

Financial Report

LSS began this fiscal year with an approved budgeted operating deficit of \$4.5 million as the third of four years of planned deficit spending. In response to decreased revenue from the Notary Foundation and investments, and a provincial government decision to withhold \$1.0 million of approved large criminal case funding, LSS implemented a number of cost saving strategies including demand management and a requirement that all departments decrease costs for the balance of the year. As a result, expenses were 3.7% less than budgeted and the operating deficit was reduced to \$3.0 million. This deficit includes the cost of transitioning the society to the new service delivery model, which eliminated the need for a fourth year of deficits. For 2010, the society has approved a balanced budget and forecasts a balanced budget through 2012/2013.

The following discussion of the society's financial condition for the year ending March 31, 2010 should be read in conjunction with the society's audited financial statements. 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

At March 31, 2010, the society's total reserve was \$6.8 million. The total reserve includes \$2.9 million invested in capital assets, \$3.7 million restricted by the board, leaving \$213,855 unrestricted.

Resource allocations

LSS allocated \$52.1 million or 65.3% of its budget to contracted representation services this year. Salaries and benefits comprised the next largest budget item at \$13.9 million or 17.4% of budget. Expenses for building leases and amortization amounted to \$3.2 million or 4.0%. The budget for all other costs totalled \$10.6 million or 13.3% (see budget in table 6, page 29).

Revenue

The society's revenues were \$76.3 million this year (see table 5, page 28). Although revenues decreased by \$1.6 million from 2008/2009, \$4.0 million of the funding was directly tied to additional expenses for specific items such as major cases and Law Foundation projects. As a result, LSS had \$2 million less revenue for ongoing day-to-day operations.

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 (large criminal cases) 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 for actual costs incurred during the year (see Tariff expenses, page 28). 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. The society's obligation to provide services is limited to the funding allocated in the MOU for each specific area.

While the approved core provincial grant budget for 2009/2010 was \$68.5 million, the society was advised by the Ministry of the Attorney General that this amount would be reduced by \$1.0 million. The cost for exceptional matters was \$636,142 under budget; therefore, in accordance with the MOU, that amount was deferred for use in future years.

In addition to MOU funding, the provincial government provided specific funding for a number of major cases during the fiscal year. The total funding for these cases was \$2.6 million.

Federal funding

The federal government contributes to the province 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, and are included as revenue as part of core provincial government funding. For this fiscal year, LSS recorded revenue of \$900,000 for immigration tariff expenditures.

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, we can allocate them at our discretion based on LSS board priorities and service plan goals.

The Notaries Act requires the Notary Foundation to contribute 55% of their interest revenue to the society. The foundation provided \$347,171 to LSS in 2009/2010, down \$1.3 million from the amount provided in 2008/2009, and down \$3.4 million from 2007/2008.

The Law Foundation provided the society with \$3.6 million in base funding and \$1.1 million in project funding. Project funds are initially recorded

as deferred contributions and then as revenue when actual project costs are incurred. Of the project funds, \$1.2 million was included as revenue, and \$0.1 million was transferred from deferred contributions. The capital funds were used to purchase specific assets and will be recorded as revenue to match the amortization expense. See notes 7(a) and 7(b) of the financial statements, pages 40 and 41.

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. Effective April 1, 2007, LSS implemented the new reporting requirements for financial instruments. This required LSS to categorize the investments for revenue recognition and reporting costs (see note 3(b) of the financial statements, page 38). The total revenue for the year was \$664,775.

Other revenue

Other sources of revenue for 2009/2010 include payment for administrative services that LSS provides to the Ministry of Attorney General for out-of-mandate cases, funding from the Department of Justice for federal out-of-mandate cases, and a deferred contribution from the Ministry of Children and Family Development for child protection mediation projects.

Table 5 Legal Services Society revenue, 2009/2010

Revenue	Actual	%	Budget	%
Core provincial government funding	\$ 66,906,658	87.7	\$ 68,543,000	91.1
Major Cases ¹	2,640,268	3.4	565,000	0.8
Law Foundation grant	3,599,750	4.7	3,599,750	4.8
Notary Foundation grant	347,171	0.5	750,000	1.0
Investments	664,775	0.9	640,000	0.8
Other ²	760,811	1.0	855,000	1.1
Law Foundation project grants	1,358,636	1.8	276,250	0.4
Total	\$ 76,278,069	100.0	\$ 75,229,000	100.0

¹ Funded by provincial government.

² "Other" includes publishing revenue, administrative fees, etc.

Expenses

The society's expenses decreased to \$79.3 million this year, compared to \$82.0 million in 2008/2009. Of this, \$3.5 million was for building and amortization, \$52.0 million for contracted representation, and \$15.7 million for salaries and benefits. Table 6 on page 29 shows LSS expenses for 2009/2010. Tables 8 to 13 on pages 30 and 31 summarize the society's expenses for the past five years.

Tariff expenses

Tariff expenditures decreased by \$3.0 million to \$52.0 million in 2009/2010. The largest reduction in expenditures was in the criminal tariff, where a number of coverage changes were introduced effective April 1, 2010. These changes, which included eliminating category 1 offences, resulted in a cost reduction of \$2.3 million. Family tariff

costs decreased by \$0.7 million, as a result of an almost 25% reduction in the number of referrals.

The total cost of exceptional matters for the year was \$4.1 million or \$0.6 million less than budgeted. A surplus of \$636,142 was transferred to deferred revenue available for use in future years.

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 performed 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 2009/2010 is \$11.1 million.

Salaries and benefits

Salary and benefit costs are subject to negotiated collective agreements and terms and conditions of employment. These agreements are approved and funded by the provincial government.

Risks

Increasing case costs and fluctuating demand volumes—particularly in family and immigration law—combined with declining revenues to create significant fiscal challenges for LSS this year, and we expect these budget pressures to continue into 2010/2011 and 2011/2012. LSS is implementing measures to better track and forecast both volumes and costs.

Our ability to manage demand will be critical to meeting budget targets, as we face increasing uncertainty in revenue from non-government sources that are subject to fluctuations in the general economy. Revenues directly attributed to interest rates and general economic conditions decreased by \$1.7 million during the year, down \$4.2 million from 2007/2008. Interest rates are expected to start increasing during the summer of 2010 and, therefore, interest-based revenues should start to increase during 2010/2011.

Funding for exceptional matters increased to \$4.7 million for the year, resulting in a \$636,142 surplus that was transferred to the deferred contribution fund at year-end. Concerns regarding the future costs of large cases required the society and MAG to work together to create a new framework within the MOU for these cases. This framework will set an upper cost limit for exceptional matters. Funding for costs above this limit will be negotiated by the society and MAG.

Unexpected service costs resulting from legislative and policy changes and government-initiated projects posed an increasing financial risk for LSS. Short provincial government budget timelines also negatively affected budget accuracy.

Long-term funding for immigration/refugee legal aid also continued to be a concern for the society, as immigration volume pressures fluctuate.

Although \$1.7 million in provincial and federal funding is available in 2010/2011, no funding commitments have been made in this area beyond March 31, 2011.

Future outlook

The provincial government approved the society's 2010/2011 operating budget in April 2010. This budget is the first in three years to balance, and the forecast is for balanced budgets through 2012/2013. Table 7 on page 30 shows the financial outlook for 2010/2011.

At the end of 2010/2011, LSS's total accumulated surplus was \$6.8 million, with \$3.0 million reserved for future amortization of capital assets and the balance of \$3.8 million effectively frozen due to the restriction on deficit spending. This reserve will remain with the society and may increase over time. It will be available to the society should the government allow the society to incur a deficit.

Table 6 Legal Services Society expenses, 2009/2010

Expenses	Actual	%	Budget	%
Contracted representation	\$ 52,048,819	65.6	\$ 52,107,000	65.3
Salaries and benefits	15,654,992	19.7	13,885,786	17.4
Building and amortization	3,555,635	4.5	3,173,139	4.0
All other costs	8,052,783	10.2	10,593,075	13.3
Total	\$ 79,312,229	100.0	\$ 79,759,000	100.0

Table 7 Financial outlook		
	2009/2010 - Actual	2010/2011 - Projected
Revenue (all sources)	\$ 76,278,069	\$ 71,642,000
Expenses		
Contracted representation services and support (tariff support, etc.)	52,048,819	52,411,000
Strategic initiatives and other expenses	27,263,410	19,231,000
Total expenses	\$ 79,312,229	\$ 71,642,000
Deficit	(3,034,160)	0

Revenue and expenses, 2005/2006–2009/2010

Table 8 History of revenue and expenses					
	2009/2010	2008/2009	2007/2008	2006/2007	2005/2006
Revenue	\$ 76,278,069	\$ 77,860,686	\$ 76,237,707	\$ 74,362,120	\$ 71,284,730
Expenses	79,312,229	82,039,267	77,871,314	71,982,852	66,575,834
(Deficiency) Excess revenue over expenses	(3,034,160)	(4,178,581)	(1,633,607)	2,379,268	4,708,896
Market value adjustment ¹	(127,392)	127,982	(11,713)	–	–
Net assets	\$ 6,755,223	\$ 9,916,775	\$ 13,967,374	\$ 15,612,694	\$ 13,233,426

¹ See Statement of Changes in Net Assets, page 35.

Table 9 History of operating expenses: Legal aid offices					
	2009/2010	2008/2009	2007/2008	2006/2007	2005/2006
Regional centres	\$ 5,514,810	\$ 5,145,475	\$ 5,207,073	\$ 5,373,664	\$ 5,343,847
Local agents	1,132,535	784,708	852,639	704,608	711,300
Contracted services ¹ and advice lawyers	1,939,006	1,439,101	1,384,623	1,344,696	1,297,502
Brydges Line	492,000	492,500	483,000	624,583	366,000
Total	\$ 9,078,351	\$ 7,861,784	\$ 7,927,335	\$ 8,047,551	\$ 7,718,649

¹ Contracted services include the Community Legal Assistance Society, West Coast Prison Justice Society, and Downtown Community Court.

Table 10 History of operating expenses: Client programs					
	2009/2010	2008/2009	2007/2008	2006/2007	2005/2006
Appeals	\$ 629,313	\$ 614,159	\$ 608,871	\$ 598,362	\$ 541,456
Community Services	2,062,887	1,844,226	1,803,890	1,702,110	1,533,948
Public Legal Education and Information	1,614,760	1,831,817	1,973,192	1,907,504	1,632,970
Total	\$ 4,306,960	\$ 4,290,202	\$ 4,385,953	\$ 4,207,976	\$ 3,708,374

Table 11 History of operating expenses: Service delivery support					
	2009/2010	2008/2009	2007/2008	2006/2007	2005/2006
Tariff, Audit and Investigation	\$ 2,627,529	\$ 2,303,736	\$ 2,399,613	\$ 1,970,028	\$ 2,177,157
Total	\$ 2,627,529	\$ 2,303,736	\$ 2,399,613	\$ 1,970,028	\$ 2,177,157

Table 12 History of operating expenses: Management and administration					
	2009/2010	2008/2009	2007/2008	2006/2007	2005/2006
Human Resources, Policy and Planning	\$ 1,993,800	\$ 2,345,321	\$ 2,343,298	\$ 2,114,426	\$ 1,342,856
Finance and Corporate Services	5,767,061	7,037,209	7,362,708 ¹	4,461,672	4,410,585 ²
Information Technology	2,184,606	2,329,726	2,292,288	1,932,705	1,994,321
Communications	333,710	165,707	115,806	80,463	92,729
Amortization	1,463,393	706,261	727,176	809,608	891,024
Total	\$ 11,742,570	\$ 12,584,224	\$ 12,841,276	\$ 9,398,874	\$ 8,731,515

¹ The 2007/2008 amount for Finance and Corporate Services includes \$2.5 million for one-time spending as a result of increased funding from the Notary Foundation.

² The 2005/2006 amount for Finance and Corporate Services includes \$660,000 for the early contract settlement incentive payment.

Table 13 History of operating expenses: Tariff¹					
	2009/2010	2008/2009	2007/2008	2006/2007	2005/2006
Criminal	\$ 23,122,774	\$ 25,432,052	\$ 24,403,277	\$ 24,892,578	\$ 23,268,162
Family	9,533,376	10,262,192	8,399,588	7,748,648	7,071,015
CFCSA	4,663,826	4,592,664	4,226,431	4,443,968	3,777,742
Immigration	1,468,044	1,893,180	1,491,151	1,223,767	1,047,402
Exceptional matters	3,898,419	4,349,044	4,306,686	2,510,899	2,031,346
Duty counsel ²	7,996,973	7,795,103	6,798,153	6,683,606	6,166,008
Human rights ³	(9,582)	–	(24,847)	8,682	68,441
Transcripts	821,805	588,056	672,839	735,124	740,106
Pro bono disbursements ⁴	–	(15,434)	(49,892)	(632)	(34,462)
Staff case disbursements	61,184	102,464	93,751	111,783	104,379
Total⁵	\$ 51,556,819	\$ 54,999,321	\$ 50,317,137	\$ 48,358,423	\$ 44,240,139

¹ Tariff expenses consist mainly of fees and disbursements payable to private lawyers for services performed in 2009/2010.

² In this table, duty counsel consists of payments for criminal duty counsel, circuit courts, and family duty counsel, but not payments for immigration duty counsel, Brydges Line, and advice lawyers. Payments for immigration duty counsel are included in immigration; payments for Brydges Line and advice lawyers are included in table 9 on page 30. The duty counsel amount in the Statement of Operations on page 36 includes payments for all duty counsel types.

³ Human rights coverage was eliminated as of April 2002, due to funding cuts to the BC Human Rights Commission. Expenses reported are 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.

⁴ Tariff services for poverty law cases were eliminated in April 2002. Private lawyers reimburse LSS for costs they recover from clients assisted under the former poverty law services. These reimbursements are paid back into pro bono disbursements.

⁵ The 2009/2010 total consists of expenses on duty counsel, tariffs, and transcripts (shown in the Statement of Operations on page 36) minus expenses on Brydges Line and advice lawyers.

Legal Services Society Financial Statements 2009/2010

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, 2010, have been examined by KPMG LLP. Their examination was made in accordance with Canadian

generally accepted auditing 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, QC
Executive Director



Catherine McNeil, CA
Director, Finance and Corporate Services



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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, 2010 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, 2010 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Chartered Accountants

Burnaby, Canada
May 5, 2010

KPMG LLP, is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firm's affiliated with KPMG International, a Swiss cooperative KPMG Canada provides services to KPMG LLP.

Legal Services Society Balance Sheet

For the year ended March 31, 2010 with comparative figures for 2009

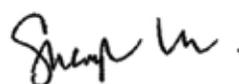
	2010	2009
Assets		
Current assets		
Cash	\$ 1,622,646	\$ 1,403,842
Short-term investments (note 4)	11,319,580	6,308,022
Accounts receivable		
Government of British Columbia	1,391,797	1,414,156
Government of Canada	2,047,456	2,780,691
Other	608,943	1,205,637
Prepaid expenses	219,471	642,925
Total current assets	17,209,893	13,755,273
Long-term investments (note 4)	3,970,970	11,207,140
Capital assets (note 5)	3,567,286	4,803,007
Total assets	\$ 24,748,149	\$ 29,765,420
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities		
General	\$ 2,777,515	\$ 2,706,950
Tariff (note 6)	13,004,778	14,959,702
Deferred contributions (note 7a)	1,370,892	1,017,123
Total current liabilities	17,153,185	18,683,775
Deferred capital contribution (note 7b)	464,737	588,218
Long-term liabilities (note 9)	375,004	576,652
Surplus in net assets		
Invested in capital assets (note 11)	2,865,549	3,920,789
Internally restricted (note 12)	3,675,819	5,945,077
Unrestricted	213,855	50,909
	6,755,223	9,916,775
Total liabilities and surplus	\$ 24,748,149	\$ 29,765,420
Commitments (note 13)		
Contingencies (note 16)		

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

Approved by:



D. Mayland McKimm, QC
Chair of the Board of Directors



Sheryl N. Lee, CA
Chair of the Finance Committee

Legal Services Society Statement of Changes in Net Assets

For the year ended March 31, 2010

	Invested in capital assets (note 11)	Unrestricted	Internally restricted (note 12)	2010	Total 2009
Balance, beginning of year	\$ 3,920,789	\$ 50,909	\$ 5,945,077	\$ 9,916,775	\$ 13,967,374
Deficiency of revenue over expenses for the year	(1,339,912)	(1,624,990)	(69,258)	(3,034,160)	(4,178,581)
Investment in capital assets	284,672	(284,672)	-	-	-
Change in market value of investment classified as “available-for-sale”	-	(127,392)	-	(127,392)	127,982
Internal transfer	-	2,200,000	(2,200,000)	-	-
Balance, end of year	<u>\$ 2,865,549</u>	<u>\$ 213,855</u>	<u>\$ 3,675,819</u>	<u>\$ 6,755,223</u>	<u>\$ 9,916,775</u>

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

Legal Services Society Statement of Operations

For the year ended March 31, 2010 with comparative figures for 2009

	2010	2009
Revenue		
Grants		
Government of British Columbia (<i>note 14</i>)	\$ 69,546,926	\$ 69,415,029
Law Foundation	4,958,386	4,891,561
Notary Foundation	347,171	1,654,214
	<u>74,852,483</u>	<u>75,960,804</u>
Other income		
Interest	664,775	1,019,053
Miscellaneous	760,811	880,829
	<u>1,425,586</u>	<u>1,899,882</u>
Total income	<u>\$ 76,278,069</u>	<u>\$ 77,860,686</u>
Expenses		
Amortization	1,463,393	706,261
Local agents	1,132,535	784,708
Board expenses	158,280	161,077
Computers	1,289,030	1,364,267
Duty counsel	8,628,350	8,420,675
Grants and contracted services	3,783,417	3,897,299
Libraries	128,857	147,486
Miscellaneous	726,638	419,314
Office	594,602	904,578
Premises	2,135,229	2,051,458
Salaries and benefits	15,654,992	16,010,113
Tariffs	42,596,476	46,395,667
Transcripts	823,993	592,725
Travel	196,437	183,639
	<u>\$ 79,312,229</u>	<u>\$ 82,039,267</u>
Total expenses	<u>\$ 79,312,229</u>	<u>\$ 82,039,267</u>
Deficiency of revenue over expenses	<u>\$ (3,034,160)</u>	<u>\$ (4,178,581)</u>

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

Legal Services Society Statement of Cash Flows

For the year ended March 31, 2010 with comparative figures for 2009

	2010	2009
Cash flows from (to):		
Operating activities		
Deficiency of revenue over expenses for the year	\$ (3,034,160)	\$ (4,178,581)
Items not involving the outlay of cash		
Amortization	1,463,393	706,261
Accretion expense	15,000	15,000
Leasehold inducements	(108,648)	(27,708)
Amortization of deferred capital contributions	(123,481)	(105,714)
	<u>\$ (1,787,896)</u>	<u>\$ (3,590,742)</u>
Changes in non-cash operating items		
Accounts receivable	1,352,288	1,753,333
Prepaid expenses	423,454	49,943
Accounts payable	(1,884,359)	62,748
Deferred contributions	353,769	(452,577)
	<u>\$ (1,542,744)</u>	<u>\$ (2,177,295)</u>
Financing activities		
Long-term liabilities	(93,000)	31,000
Deferred capital contributions received	-	184,862
	<u>\$ (93,000)</u>	<u>\$ 215,862</u>
Investment activities		
Short-term investments	(5,011,558)	7,757,637
Capital asset additions	(242,672)	(2,266,961)
Long-term investments	7,108,778	(3,033,493)
	<u>\$ 1,854,548</u>	<u>\$ 2,457,183</u>
Net increase in cash position	218,804	495,750
Cash, beginning of year	1,403,842	908,092
Cash, end of year	<u><u>\$ 1,622,646</u></u>	<u><u>\$ 1,403,842</u></u>

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

Legal Services Society Notes to the Financial Statements

For the year ended March 31, 2010

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 31, 2007. The society is governed by a board of directors, of which five are appointed by the province of British Columbia (the province) and four are appointed by the Law Society. The purpose of the society is to:

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

The society is not subject to income taxes.

2. Change in Accounting Policies

(a) Revisions to not-for-profit accounting standards:

Effective April 1, 2009, the society adopted the amendments to CICA Handbook Sections 4400, *Financial Statement Presentation by Not-for-Profit Organizations*, and 4470, *Disclosure of Allocated Expenses by Not-for-Profit Organizations*. The amendments removed the requirement to disclose net assets invested in capital assets, clarified capital asset recognition criteria and amortization, expanded interim financial statement requirements to not-for-profit organizations that prepare interim financial statements, and added a requirement for disclosure of allocated fundraising and general support expenses by not-for-profit organizations and a requirement to follow Handbook Section 1540, *Cash Flow Statements*. The application of these amendments did not have any impact on the society's financial statements.

(b) **Financial instruments:** During the society's 2009 fiscal year, the CICA announced that not-for-profit organizations could elect to continue to apply Handbook Section 3861, *Financial Instruments – Disclosure and Presentation*, in place of Handbook Sections 3862, *Financial Instruments – Disclosure*

and 3863, *Financial Instruments – Presentation*. The society has elected to continue to apply the financial instrument disclosure and presentation standards in accordance with Section 3861.

Future changes in accounting policies:

The society is classified as a not-for-profit organization. The Accounting Standards Board and Public Sector Accounting Board have released exposure drafts relating to the future of financial reporting by not-for-profit organizations. The society is in the process of reviewing the potential impact of the proposals on its reporting framework and financial statements.

3. 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) Financial instruments

The society's cash, short-term investments, and long-term investments have been classified as available-for-sale and are carried at market value with the changes in market value recorded in unrestricted surplus in net assets.

Accounts receivable have been classified as loans and receivables and are measured at amortized cost. Accounts payable and accrued liabilities have been classified as other financial liabilities and are measured at amortized cost.

(c) Capital assets

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

	Per year
Furniture	10–20%
Equipment	20%
Computer equipment	25–33%
Computer software	20–33%
Case Management System	10%
Leasehold improvements	lower of lease term and useful life

(d) Deferred lease inducements

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

(e) Asset 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 the Statement of Operations as an operating expense using the effective 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.

(f) 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.

(g) 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.

(h) 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.

(i) 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.

(j) 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 valuation of accounts receivable, amortization of capital assets, asset retirement obligations, tariff liabilities, and contingent liabilities. Actual results could differ from those estimates.

4. Investments

All investments are classified as available-for-sale. The combined carrying value of the society's short- and long-term investments is \$15,290,550 (2009—\$17,515,162). Included in investments is \$183,291 for accrued interest (2009—\$246,952). Investments are comprised of Guaranteed Investments Certificates (GIC) and Provincial Bonds, with maturities from June 2010 to December 2012 and rates of return ranging from 1.49% to 3.75%.

5. Capital Assets

	Cost		Accumulated amortization		Net book value	
					2010	2009
Furniture	\$	1,000,302	\$	(553,625)	\$ 446,677	\$ 533,681
Equipment		506,250		(317,303)	188,947	287,873
Computer equipment		739,717		(331,206)	408,511	470,790
Computer software		2,222,297		(1,233,573)	988,724	1,317,892
Case Management System		1,126,527		(1,126,527)	–	9,397
Leasehold improvements		2,418,461		(884,034)	1,534,427	2,183,374
	\$	8,013,554	\$	(4,446,268)	\$ 3,567,286	\$ 4,803,007

6. Accounts Payable and Accrued Liabilities—Tariff

	2010	2009
Balance, beginning of year	\$ 14,959,702	\$ 13,977,564
Duty counsel	8,628,350	8,420,675
Tariffs	42,596,476	46,395,667
Less: tariff payments made during year	(53,179,750)	(53,834,204)
Balance, end of the year	\$ 13,004,778	\$ 14,959,702

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 \$11,162,000 (2009—\$11,826,000). This estimate included in the above table incorporates average case costs and service billings for similar cases, based on historical experience over a two-year period. Actual costs could differ from this estimate.

7. Deferred Contributions

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

	Balance, beginning of year	Restricted contributions	Criminal tariff surplus	Amortized to operations	Balance, end of year
Law Foundation	\$ 137,825	\$ 1,121,880	\$ –	\$ 1,235,153	\$ 24,552
Ministry of Children and Family Development	227,440	–	–	169,100	58,340
Government of British Columbia (exceptional matters*)	651,858	4,700,000	–	4,063,858	1,288,000
Total	\$ 1,017,123	\$ 5,821,880	\$ –	\$ 5,468,111	\$ 1,370,892

* 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. In the case of an annual shortfall, the society must first apply the shortfall to any surplus in the criminal tariff. Any remaining shortfall is then applied to the deferred contribution. 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.

(b) Deferred capital contribution represents the unamortized amount of externally restricted grants and other funding received for the purchase of capital assets. Amortization of capital contribution is included in Law Foundation revenue in the statement of operations.

	2010	2009
Balance, beginning of year	\$ 588,218	\$ 509,070
Contributions received	-	184,862
Amortization of deferred capital contributions	(123,481)	(105,714)
Balance, end of year	\$ 464,737	\$ 588,218

8. 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 158,000 active members and approximately 57,000 retired members. Active members include approximately 33,000 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, 2006, indicated a surplus of \$438 million for basic pension benefits. The next valuation will be as at December 31, 2009 with results available in 2010. The actuary does not attribute portions of the surplus to individual employers. The society paid \$805,064 for employer contributions to the plan in fiscal 2010 (2009 — \$846,613).

9. Long-Term Liabilities

	2010	2009
Asset retirement obligations (a)	\$ 307,000	\$ 400,000
Lease inducements	68,004	176,652
	\$ 375,004	\$ 576,652

(a) Asset retirement obligation

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:

	2010	2009
Balance, beginning of year	\$ 400,000	\$ 385,000
Accretion expense	15,000	15,000
Less: liabilities settled	(108,000)	–
Balance, end of year	307,000	400,000
Long-term portion	\$ 307,000	\$ 400,000

The accretion expense is included in the premises expense. The undiscounted estimated cash flows required to settle the obligation ongoing to 2019 is \$472,000. The cash flows are discounted using a credit-adjusted, risk-free rate of 5% (2009—5%).

10. Capital

The society receives its principal source of capital through funding received from the Ministry of Attorney General. The society defines capital to be net assets and deferred capital contributions.

The society's objective when managing capital is to fund its operations and capital asset additions. The society manages the capital structure in conjunction with the Ministry of Attorney General and makes adjustments based on available government funding and economic conditions. Currently, the society's strategy is to monitor expenditures to reduce capital in accordance with budgets approved by the Ministry of Attorney General.

The society is not subject to debt covenants or any other capital requirements.

11. Invested in Capital Assets

	2010	2009
(a) Net assets invested in capital assets are calculated as follows:		
Capital assets	\$ 3,567,286	\$ 4,803,007
Amounts financed by: Asset retirement obligation, net of accretion expense	(237,000)	(294,000)
Deferred capital contribution	(464,737)	(588,218)
Balance, end of year	\$ 2,865,549	\$ 3,920,789
(b) Deficiency of revenue over expenses:		
Amortization of capital assets	\$ (1,463,393)	\$ (706,261)
Less amortization of deferred capital contribution	123,481	105,714
	\$ (1,339,912)	\$ (600,547)
(c) Net change in investment in capital assets:		
Net increase in capital assets	\$ 227,672	\$ 2,251,961
Change in asset retirement obligation	57,000	–
Investment in capital assets	\$ 284,672	\$ 2,251,961

12. Internally Restricted Net Assets

	Child protection	Board-directed strategic initiatives	Total
Opening balance	\$ 69,258	\$ 5,875,819	\$ 5,945,077
Less: expenditures	(69,258)	–	(69,258)
Transfer	–	(2,200,000)	(2,200,000)
	\$ –	\$ 3,675,819	\$ 3,675,819

The board of directors has authorized the following restrictions 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 initiatives.
- The board approved the transfer of \$2.2 million during fiscal 2010 from the restricted net assets to unrestricted net assets.

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

13. Commitments

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

2011	\$ 643,695
2012	687,554
2013	734,013
2014	774,792
2015	798,094
Thereafter	4,316,695

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 \$18 million. This estimate uses the same methodology as described in note 6 for tariff payables.

14. Related Parties

The society is related to the Province of British Columbia and its ministries, agencies, and crown corporations. In this relationship, the Province provided funding in the amount of \$69,546,926 (2009—\$69,415,029) and the society is responsible for providing legal aid to individuals throughout BC. At year-end, the province owed the society \$1,391,797 (2009—\$1,414,156).

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 for their services during the year was \$112,928 (2009—\$227,696). All payments to board members are reviewed by the finance committee on a quarterly basis.

15. Economic Dependence

In 2010, the society received 91% (2009—89%) of its operating revenue from the province, and 7% (2009—6%) from the Law Foundation of British Columbia. The society depends on funding from these sources for the continuance of its operations.

16. Contingencies

The nature of the society's activities is such that there is usually pending or prospective litigation at any time against the society. With respect to claims at March 31, 2010, 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.

17. Financial Instruments

Accounts receivable and accounts payable and accrued liabilities approximate their fair values due to their immediate or short term to maturity.

18. Comparative Figures

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



Appendices

Appendix 1: Operating Data

The tables in this section provide a detailed breakdown of the numbers of clients that used LSS services over the past three years. Data is provided on applications and referrals for legal representation, advice and information services, and policy compliance processes. For more information on LSS services, please visit our website at www.legalaid.bc.ca.

Legal representation

Table 14 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 49.

Table 14 Demand for legal representation: All areas of law

Type of legal problem	2009/2010		2008/2009 ¹		2007/2008 ¹	
	Applications	Referrals	Applications	Referrals	Applications	Referrals
Criminal	26,761	19,113	30,039	23,630	29,314	22,867
Family ²	9,136	4,059	10,345	5,332	9,067	5,081
CFCSA ³	2,811	2,211	2,775	2,254	2,786	2,274
Immigration	2,024	1,237	2,079	1,464	1,480	1,192
Total	40,732	26,620	45,238	32,680	42,647	31,414

¹ Data as recorded in previous annual reports.

² In 2009/2010, 282 referrals were approved on exception review (because of extenuating circumstances), compared to 770 in 2008/2009 and 746 in 2007/2008. The decline reflects changes in coverage in 2009/2010.

³ Child, Family and Community Service Act.

Volume changes

Applications and referrals fluctuated in 2009/2010 after significant increases in demand in most areas of law last fiscal year. Table 15 on page 46 shows changes in application and referral volumes for the last three years, and figure 1 illustrates the breakdown of referrals by area of law for 2009/2010.

About two-thirds of this year's decrease in applications and referrals for criminal representation may be attributable to the elimination of coverage for minor criminal offences at the beginning of 2009/2010. The decline may also reflect a significant drop in Vancouver's property and violent crime rates this year.

Applications for family law returned to 2007/2008 levels after jumping 14% in 2008/2009. Referral volumes may have declined in part because LSS eliminated referrals for dispute resolution services (among other coverage reductions) in 2009/2010 to re-allocate those funds to core family law services for clients most at risk. Applications and referrals for CFCSA stayed at 2008/2009 levels.

After large increases in immigration applications and referral volumes last year, application volumes remained at 2008/2009 levels, while referrals dropped 15% (227 referrals) below last year's high.

Table 15 Percent change in application and referral volumes from previous year by area of law

Type of legal problem	2009/2010		2008/2009		2007/2008	
	Applications	Referrals	Applications	Referrals	Applications	Referrals
Criminal	-10.9%	-19.1%	2.4%	3.3%	0.9%	1.2%
Family	-11.7%	-23.9%	14.0%	4.9%	5.2%	12.3%
CFCSA	1.3%	-1.9%	-0.3%	-0.9%	-3.3%	-5.6%
Immigration	-2.6%	-15.5%	40.0%	2.8%	23.4%	17.8%
Total	-10.0%	-18.5%	6.0%	4.0%	2.2%	2.8%

Legal advice

LSS legal advice services provide essential legal assistance to people with low incomes who are not eligible for legal representation.

Table 16 provides data for LSS legal advice services for the past three years. Significant increases in criminal duty counsel (up 5.5%) and family duty counsel (up 15%) volumes reflect higher demand for alternative non-representation services in the wake of reductions to criminal and family law representation services in 2009/2010. An increase of nearly 400 client visits to immigration duty counsel is attributable to processing detention reviews after the marine arrival of a group of refugee claimants in the fall of 2009. Continued decline in LawLINE advice calls handled reflects reduced staffing levels and scope of services during the final months before the service was terminated at year-end (see table 17 for LawLINE information call data). For information on the reliability of this data, see page 50.

Figure 1 Referrals by area of law, 2009/2010

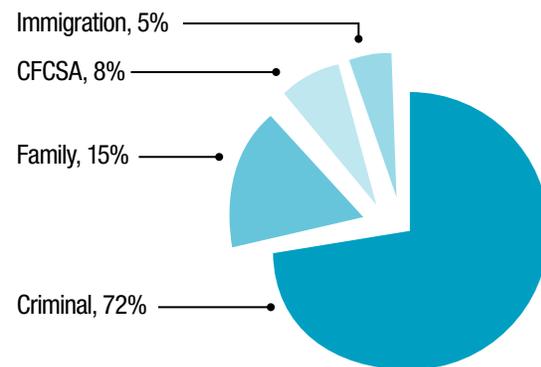


Table 16 Legal advice services

Service	Number of client visits/calls handled ¹		
	2009/2010	2008/2009	2007/2008
Criminal duty counsel ²	86,811	81,581	81,216
Immigration duty counsel	1,460	1,113	832
Family duty counsel and advice lawyers	30,039	25,899	22,371
Brydges Line	29,584	27,045	28,360
LawLINE advice	4,836	6,218	8,001

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 and may access services more than once).

² Includes duty counsel at circuit courts. In 2009/2010, circuit court accounted for 2,699 client visits.

Legal information

LSS offers a range of legal information services that can help people with low incomes solve their legal problems on their own or with help from intermediaries (see Glossary, page 55).

Table 17 below provides data on legal information services provided by LSS to clients for the past three years. The decline in LawLINE information call volumes (down 58% from 2007/2008 levels) and the increase in calls handled by a legal information outreach worker (LIOW) demonstrates the effectiveness of the telephone triage model to direct callers to the most appropriate service provider to meet their needs (see page 17). Starting in July 2008, callers requiring basic information and referral

services received that service from the intake legal assistant answering the phone or were directed to an LIOW, while more complicated legal information and advice calls were transferred to LawLINE (see table 16 for LawLINE advice call data). The average number of visits per month to the society's websites, shown in Table 18 below, continued to grow this year. The LSS website (www.legalaid.bc.ca) provides information about the law and legal aid services. The family law website (www.familylaw.lss.bc.ca) helps people understand and use the law to resolve their family law problems. For information on the reliability of the data in tables 17 and 18, see page 50.

Table 17 Legal information services

	2009/2010	2008/2009	2007/2008
LawLINE information/referral requests ¹	3195	4,591	7,625
Public legal education and information publications distributed	109,104	123,751	130,055
Legal aid awareness materials distributed ²	20,489	28,867	85,527
Public legal education and information materials produced (new and revised) ³	22	21	23
Legal information outreach worker (LIOW) information requests via call centre ⁴	5197 ⁴	2161 ⁵	–

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 16.

² This includes brochures, posters, advertisements, bookmarks, and other materials produced by LSS to ensure the people of BC are aware of legal aid services and how to access them.

³ Data excludes brochures and other materials about legal aid services as well as administrative materials such as reports and evaluations.

⁴ This data includes only information requests received through the LSS call centre as part of telephone triage, which began July 2, 2008. It does not include in-person LIOW support offered at various locations across BC, which is estimated to equal an additional 3,500 to 6,000 requests each year since 2006/2007.

⁵ Data for 2008/2009 includes only 9 months of service.

Table 18 Use of LSS websites

Site	Number of visits/month		
	2009/2010	2008/2009	2007/2008
LSS website	23,069	20,384	16,886
Family Law in BC	20,259	16,174	12,508

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.

Eligibility for representation

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 upon request unless legal representation is not available for the issue (requests must be submitted within 30 days of the applicant's application being denied), and
- investigating all complaints received by anyone who alleges someone is improperly receiving legal representation.

Table 19 below shows the volumes and results of eligibility reviews for the past three years. Tables 20 and 21 show the volume and results of investigations about clients receiving legal aid. After significant increases in coverage and financial

eligibility reviews in 2008/2009, the volume of coverage reviews rose another 7% this year, while financial eligibility reviews declined by 27%.

In December 2009, LSS introduced a new database for tracking coverage and financial eligibility reviews and financial reassessments. At this time, it changed the way it categorizes the results of investigations of clients' financial situations, formerly referred to as "complaints about clients' eligibility." These investigations can be launched in response to an external complaint, information obtained from within LSS, or during spot reviews. The data under the old system is shown in table 20, while data for the remainder of the year is shown in table 21 Financial reassessments. The change in the categories means that 2009/2010 data cannot be compared to previous years. The total number of financial reassessment investigations, however, rose by about 8.3% in 2009/2010.

LSS conducted coverage and financial eligibility reviews for 1.2% of total applications and conducted financial reassessments for 1% of total referrals in 2009/2010. Clients were found ineligible in 41.2% of financial reassessments conducted. For information on the reliability of the data in tables 19, 20, and 21, see page 50.

Table 19 Eligibility reviews

Reviews	2009/2010		2008/2009		2007/2008	
	Coverage ¹	Financial ²	Coverage ¹	Financial ²	Coverage ^{1,3}	Financial ²
Granted	24	19	22	62	16	34
Denied	222	183	216	249	153	180
Other ⁴	7	10	12	13	9	20
Files open, under review	15	27	0	6	1	3
Total⁵	268	239	250	330	179	237

¹ Coverage reviews determine whether an applicant was appropriately denied a referral based on the current coverage guidelines.

² Financial reviews determine whether an applicant was appropriately denied a referral based on the current financial guidelines.

³ In 2007/2008, files reviewed for both coverage and financial eligibility were recorded in a combined category to improve reporting accuracy. Given the small number of files that fall under this category, this practice was discontinued. For 2007/2008, these 16 files are included under Coverage reviews.

⁴ "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.

⁵ Total includes files still open at the end of the previous fiscal year.

Table 20 Complaints about clients' eligibility (financial reassessments)

Result of investigation	2009/2010 ¹	2008/2009	2007/2008
Complaint unfounded/coverage continued	26	70	57
Coverage terminated/case converted to private fee retainer or collection file opened	35	46	31
Referral cancelled after client failed to respond to a request for reassessment	10	11	1
Complaint about a non-LSS client	15	19	30
Complaint received after case concluded or substantially completed	8	7	11
No further investigation required (e.g., complaint duplicates information already reported and investigated)	29	9	18
Complaint received but investigation not completed	n/a ²	44	16
Total³	123	206	164

¹ This data is for April 1, 2009 to November 30, 2009 only. In December 2009, LSS introduced a new database for tracking the handling of these files. These files are now referred to as "financial reassessments," as they include investigations into client's financial situations initiated internally as well as through complaints.

² For 2009/2010, see table 21 for this number.

³ Total number of complaints includes files still open at the end of the previous fiscal year.

Table 21 Financial reassessments

Result of investigation	2009/2010 ¹
Bankruptcy	1
Eligible	
Full investigation	9
No merit to complaint	1
Verified by internal information	2
Ineligible	
Not referred to collections	12
Referred to collections	23
Matter not pursued	7
Non-client	16
Complaint received but investigation not complete	73
Total	144

¹ This data is for December 1, 2009 to March 31, 2010, after LSS introduced a new database for tracking the handling of these files, formerly known as "Complaints about clients' eligibility" (see table 20). As these categories track the results of investigations differently than before, the data cannot be meaningfully compared with that from previous years.

Reliability of data

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

Legal representation (tables 14 and 15)

When annual report numbers are generated for any fiscal year, a few applications may not have been processed yet or were initiated in error and not yet corrected. As a result, the final numbers for a given year may differ slightly from those in the annual report. The 2009/2010 application data in table 14 is expected to be accurate to within 99.9% or better.

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 2008/2009 referrals was 0.7% higher than the total in the *Annual Service Plan Report 2008/2009*. The accuracy of the 2009/2010 referral data in table 14 is expected to be similar to that published last year.

Legal advice (table 16)

Duty counsel data in table 16 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 108,593 duty counsel clients assisted was published in the *Annual Service Plan Report 2008/2009*, duty counsel billed for another 1,537 clients applicable to that fiscal year.

Brydges Line data in table 16 is provided by the contracted service provider.

Telephone calls received by LawLINE and reported in table 16 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 17 and 18)

Telephone calls received by LawLINE and reported in table 17 are counted by computer. Data that shows which of these calls involve information services is drawn from records maintained by LSS staff.

The publications data in table 17 is drawn from a database maintained by LSS staff. Legal information outreach worker (LLOW) data in table 17 is automatically tracked by the phone system. The website data in table 18 presents an approximate measure of public use of the society's websites. Statistics for the society's websites are captured and analyzed by computer. Data shows activity by internal (staff) as well as external users, but does not include users accessing the LSS website for electronic billing.

Eligibility for representation (tables 19, 20, and 21)

Reviews of refusals based on coverage and financial eligibility are conducted at the Vancouver Regional Centre. In fall 2009, LSS launched a new computer system to track this data. Data in tables 19 and 20 for 2009/2010 includes numbers drawn from the new system, as well as from records maintained by staff.

Appendix 2:

Adjustments to Service Plan

2010/2011–2012/2013

	Goals	Strategies	Measures
Use Goal 1	No change	<ul style="list-style-type: none"> ▪ Shifted the focus of strategy 1.1 from building to sustaining awareness of legal aid services. ▪ Shifted focus of strategy 1.2 from the provision of accessible services to monitoring the impact of new service delivery model on client access. ▪ Removed strategies on using technology to provide accessible services and on evaluating services, as both are core operational work. 	<ul style="list-style-type: none"> ▪ No change
Participate Goal 2	No change	<ul style="list-style-type: none"> ▪ Added reference to “related legal issues” to strategy 2.1 to underscore our emphasis on integrated services. ▪ Added reference to “local agents” to strategy 2.2 to reflect the importance of the local agent role. ▪ Added new strategy on promoting community engagement to support client participation in resolving legal issues. 	<ul style="list-style-type: none"> ▪ No change
Integrate Goal 3	Adjusted wording from “non-legal issues” to “people get help with related legal issues” to clarify current scope of legal aid renewal.	<ul style="list-style-type: none"> ▪ Added reference to “local agents” to strategy 3.2 to reflect the importance of the local agent role. ▪ Removed strategy 3.4 “Promote an integrated approach to providing legal aid services to all stakeholders” to reflect the narrowed scope of legal aid renewal given current fiscal circumstances. 	<ul style="list-style-type: none"> ▪ No change
Manage Goal 4	No change	<ul style="list-style-type: none"> ▪ Adjusted strategy 4.1 to respond to the impact of the transition to a new service delivery model on LSS staff. ▪ Added strategies 4.3 (implement tariff simplification), 4.4 (shift to new service delivery model), and 4.5 (enhance large case management) to respond to current fiscal challenges. ▪ Removed strategies on lawyer recruitment and retention, on financial forecasting and reporting, and on responding to legislative and policy changes as all are core operational responsibilities. 	<ul style="list-style-type: none"> ▪ No change
* <i>Service Plan 2010/2011–2012/2013</i> is available online at www.legalaid.bc.ca .			

Appendix 3: Additional Performance Measures

To measure our performance, we survey stakeholders every three years. This frequency allows time for our strategies to have a measurable impact on our performance; reduces costs; and minimizes the risk that our lawyers, clients, and staff will experience “survey fatigue” from being over-surveyed. However, it also

means that we do not have new results for all performance measures each year.

The information below describes past results and future targets, the importance, the benchmark comparison, and the data sources for each performance measure for which no data was collected in 2009/2010.

Goal 1

People with low incomes who have legal issues use LSS services.

Performance measures:
Percent of clients satisfied with the accessibility of LSS services.
Percent of clients satisfied with the helpfulness of LSS services.
Percent of clients satisfied overall with LSS services.

Past results	Performance 2009/2010		Future targets	
2007/2008	Target	Actual	2010/2011	2011/2012
Accessibility: 66%	Not measured	Not measured	70%	Not measured
Helpfulness: 65%	Not measured	Not measured	69%	Not measured
Overall: 64%	Not measured	Not measured	68%	Not measured

These measures show the degree to which clients are satisfied with the steps they had to take to receive legal aid services and the effectiveness of these services in helping them solve their legal problems.

Importance of these measures

Sustaining or increasing overall client satisfaction as well as satisfaction with the accessibility and helpfulness of LSS services will show that the society is providing clients with the legal aid services they need when and where they need them, fulfilling our mandate to help people solve their legal problems and facilitate access to justice.

Benchmark comparison

LSS submitted survey results to the Institute of Customer-Centred Service (ICCS) for benchmarking. The society’s 2007/2008 overall satisfaction rating (3.8 out of 5.0) and accessibility rating (3.9 out of 5.0) is in line with the average rating (4.0 and 4.1 out of 5.0 respectively) for like Canadian public sector organizations, including other legal aid plans, who provide data to ICCS. Service “helpfulness” is not included on the Common Measurements Tool survey the ICCS uses for benchmarking.

Data source

In 2007, Synovate, an independent survey organization, interviewed 1,582 legal aid clients by telephone about their experiences with the legal aid services they received. The margin of error at the 95% confidence level ranges from +/-2.5% for all clients and varies from +/- 4.4 to +/-5.9% for specific client groups. The full survey report is available online at www.legalaid.bc.ca (look under “About us—Our reports”).

Goal 2

People with low incomes participate in solving and avoiding legal issues.

Performance measure:
Percent of clients satisfied with LSS support to help them participate in resolving their legal issues.

Past results	Performance 2009/2010		Future targets	
n/a (New for 2010/2011)	Target Not measured	Actual Not measured	2010/2011 Baseline set	2011/2012 Not measured

This measure shows the effectiveness of the society's efforts to provide clients with information about their legal issues and rights.

Importance of this measure

For clients to meaningfully participate in finding resolutions to their legal issues they must be informed about their legal rights and options. Improving our results on this measure will indicate that we are enhancing clients' ability to effectively address their issues within the justice system and achieve lasting solutions.

Benchmark comparison

LSS is not aware of any relevant benchmarks for this measure.

Data source

LSS will add new questions to its 2010/2011 client survey to provide data for this measure.

Goal 3

People with low incomes get help with non-legal issues so they can solve and avoid legal issues.

Performance measure:
Percent of clients who say LSS informed them about services to address their related issues.

Past results	Performance 2009/2010		Future targets	
n/a (New for 2010/2011)	Target Not measured	Actual Not measured	2010/2011 Baseline set	2011/2012 Not measured

This measure shows the effectiveness of LSS in connecting clients with resources to help them with their non-legal issues.

Importance of this measure

Clients who get help for their non-legal issues are more likely to achieve positive, lasting solutions to their legal issues. Providing this help is outside of the society's mandate. However, by facilitating clients' access to services that can address these issues, we are more likely to meet our mandate to help people solve their legal problems and facilitate access to justice.

Benchmark comparison

LSS is not aware of any relevant benchmarks for this measure.

Data source

LSS will add new questions to its 2010/2011 client survey to provide data for this measure.

Goal 4

LSS manages resources soundly.

Performance measure:
Overall employee engagement score.

Past results	Performance 2009/2010		Future targets	
2007/20087 70 (average score)*	Target Not measured	Actual Not measured	2010/2011 73	2011/2012 Not measured

This measure is a composite rating that includes employee commitment, job satisfaction, and organization satisfaction. It measures the society's performance in providing employees with the resources necessary to perform their duties, to develop their skills, and to contribute to the society's goals.

Importance of this measure

Research indicates that a high level of employee engagement is related to improved service for clients. Engaged employees are also more likely to stay with the organization. Increasing our engagement score over time will show that we are enhancing our ability to retain highly skilled employees and, in turn, to provide quality legal aid services efficiently.

Benchmark comparison

We benchmark our employee engagement score against the BC Public Service using data provided by BC Stats. The society's 2008 overall engagement score of 70 exceeds the 2008 BC Stats benchmark of 66. LSS also scored higher than the benchmark on 14 out of 15 of the engagement model "drivers" or workplace concepts. BC Stats administers a Work Environment Survey to all BC Public Service employees annually—the same survey that BC Stats administered at LSS. The work environment at LSS, as a crown agency, shares important characteristics with the work environment experienced by the BC Public Service, making the comparison relevant.

Data source

Data is gathered from a tri-annual online Work Environment Survey conducted by BC Stats. 89% of LSS employees participated in the March 2008 survey. BC Stats made significant changes in the questionnaire since first measuring LSS employee engagement in 2005, and now presents the engagement score as an "average score."

*An "average score" is a single number that expresses all the responses to a survey question and is ideal for comparing results between organizations. In contrast, a percentage score shows the proportion of employees who agreed, disagreed, or gave a neutral response. This presents the range of opinion on a question and is useful for internal analysis.

Glossary

Common Measurements Tool (CMT).

A standard set of client satisfaction survey questions developed by the Institute of Customer-Centred Service (ICCS), a non-profit agency that encourages publicly funded programs to measure client satisfaction. Public organizations submit data from surveys they conduct using the Common Measurement Tool to the ICCS, which stores it in a national databank. ICCS uses this data to provide a free benchmarking service for participating organizations.

Gladue reports. A Gladue report provides background information on the accused, the historical circumstances of his or her Aboriginal community, and available options other than jail, such as restorative justice and community sentencing, enabling the judge to make an informed decision. Gladue requires judges to consider all options other than jail when sentencing or setting bail for an Aboriginal person. Gladue refers to the 1999 Supreme Court decision in the case of an Aboriginal woman named Jamie Gladue. In the decision, the court said there is racism against Aboriginal people within Canada and the justice system that has led to a disproportionately high rate of incarceration for Aboriginal people.

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 access centres. A single location where people can access legal information and self-help services, needs assessment and referrals to other agencies, alternative dispute resolution services, and legal advice. Services may be delivered by on-site providers or through referrals to providers in the community. A service centre model was recommended by both the Family and Civil Justice Reform Working Groups (see www.bcjusticereview.org for more information).

Key stakeholders. 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.

Reserve funds. The excess of revenue over expenses that accumulates over the life of the organization; the LSS reserve reflects assets (e.g., buildings, equipment, cash, investments) minus liabilities (e.g., accounts payable); also known as a surplus in net assets.

Contact information

For further information about the society, contact the
LSS Communications Department at:

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

Clients apply for legal representation at LSS regional centre offices in Vancouver and Terrace, or at local agent offices across the province. Clients can also apply through the LSS Call Centre at 604-408-2172 (in Greater Vancouver) or at 1-866-577-2525 (call no charge). To find the address and phone number of the office nearest you, visit our website at www.legalaid.bc.ca (look under “Legal aid”) or look in your phone book.



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