Draft Plan of Follow-up Measures to Improve Internal Control in the Free Legal Aid System

Based on the Results of Implementing the Pilot Project 'Strengthening Internal Control in the Ministry of Justice of Ukraine' in 2025–2026

As a continuation of the activities initiated under the pilot project, the following measures are planned:

I. Work on the Internal Environment

I.1. Improvement of Internal Procedures and Rules

- Develop and approve an updated Regulation on Internal Control and a Procedure for the Organisation and Development of Internal Control within the Free Legal Aid (FLA) system. Draft materials are already available; however, in view of the new Ministry of Justice regulation and the experience gained during the pilot project, updated internal organisational documents need to be approved.
- Develop and approve a Regulation on Strategic, Operational and Budget Planning within the FLA system. Following the internal audit of the functioning of internal control under budget programme 3603020, conducted by the Ministry of Justice in 2024, two new procedures were to be developed: one on strategic planning and another on the organisation of the budget process within the FLA system. However, the pilot project demonstrated that these processes need to be mutually aligned, creating a need to rethink and redesign them. Work is currently under way, based on the two separate draft documents, to develop a single regulation on activity planning that will integrate objective-setting and budgeting. At present, a visual representation has been prepared showing the alignment over time of the stages of the two processes.

I.2. Development of a New Strategy for the FLA System

A draft strategy for the FLA system was developed earlier. However, taking into account the comments and proposals provided by experts during the pilot project regarding improvements to the formulation of goals and objectives, KPIs, indicators and related elements, the draft strategy is being further revised.

The strategy will also describe the relevant risks, including those already identified in the strategic and operational risk registers developed during the pilot project.

I.3. Development of Management Culture

For internal control to operate effectively at all management levels, managers at every level need to understand the substance of internal control approaches and principles and be able to apply them. The webinars and training sessions delivered under the pilot project laid the foundation for this understanding

Додано примітку [BF1]: Agreed.

Додано примітку [BF2]: Excellent and agreed.

Додано примітку [BF3]: Very good.

and helped develop basic skills. However, additional training is required in order to embed internal control in day-to-day work.

The current idea is to organise a series of training sessions for groups of no more than 20 participants. The estimated target audience is approximately 300–330 people: managers at all levels, except for heads of legal aid bureaus. This estimate is based on the approved staffing structure; the actual number of employees may be lower.

The proposed overall title of the training programme is 'Modern Manager in the FLA System: From Managing Activities to Managing Results'. It would comprise the following modules:

- The Role of a Manager: principles of good governance, value creation and related topics.
- Results-Based Management: the logic of RBM, the SMART approach, and how to formulate management objectives, KPIs and OKRs.
- Risk Management: risk identification and assessment, control measures, monitoring and related topics.
- Process Management: process boundaries, owner, client, resources, mapping, optimisation and related topics.
- Management Decision-Making: data-informed decision-making, analysis, delegation and the development of managerial accountability.

Note. This is not yet the final version of the programme, but only an initial concept. It may change during the development of the detailed training programme.

I.4. Practical Measures to Strengthen the Internal Environment

In parallel with the training, it would be useful to introduce practical measures that support the development of the internal environment:

- Introduction of employee KPIs. Since July, KPIs have been applied on a pilot basis to the directors of interregional centres, with an impact on the amount of their performance bonuses. It is also planned to introduce KPIs for employees in all positions within the centres. It would be beneficial if employees did not simply receive KPIs imposed from the top, but understood where they came from and agreed with them. Therefore, as part of the practical training under the RBM module, employees are expected to be able to develop KPIs that they will not resist, but will consider fair, and that will ideally be aligned with and cascade from the KPIs of their managers.
- Process mapping. This is currently a highly labour-intensive process. I have already held three two-hour meetings with a small interregional group mapping the process for handling an electronic request for free secondary legal aid (one or two representatives from each interregional centre). The conclusion is that the overall logic remains the same, as the end product is identical across all centres, but the details of the process differ in each of the five centres. The differences begin with the receipt of a request by email—different employees receive it, and some register it in the ASKOD electronic document management system while others do not—and continue through to the resolution stage, when the order setting out the decision on the provision of free secondary legal aid is forwarded for implementation. In some centres, the decision is taken only by the head

Додано примітку [BF4]: How do you identify who is a manager? I ask this because 300-330 does seem a lot of people for your organisation. From this estimate you are planning to have approximately 15 sessions? Later I will look at how long each session should last. Are you assuming help form our project in delivering these training events?

Додано примітку [BF5]: Objectives and Key Results?

Додано примітку [BF6]: I assume that this in basically COSO 2013?

Додано примітку [BF7]: I would estimate that it would take a minimum of 2 full days to deliver this programme resulting in a total of 30 days delivery and up to 5 days for preparation.

Додано примітку [BF8]: We have to be careful with developing KPI. I am sending the KPI Cascade Model that shows the type of KPI for strategic, department, team and individual levels. You should apply as much as possible this model when setting KPI.

of a directorate, while in others it is taken by the head of a department. Some record the instruction as a formal resolution, while others create a chain of assigned roles in the ASKOD record. The process involves many actions, and the role of the head of the free legal aid department also differs. There are also actions that these managers perform in practice but regard as so routine that they were not reflected in the process maps. We have not yet even reached the stage of discussing and proposing optimisation measures.

This work therefore needs to continue. It has helped the working group members to zoom out and even reconsider some of their own actions. I am already interested to see how they will share this experience with others.

Додано примітку [BF9]: Some revealing observations coming out of this process mapping and this is just one of many processes! If Standard Operating Procedures (SOP) had been developed and issued then the current confusion would be mitigated. This is proving to be a very interesting exercise and thanks Natalia for your continuing efforts.

II. Risk Management

At the current stage of internal control development, discussing risks with senior managers once per quarter is, in my view, insufficient. A particular mindset—and the flexibility associated with it—needs to be developed first. Once this has happened, quarterly meetings may be sufficient.

The immediate task is therefore to develop this mindset among managers.

The following idea is proposed: launch a six-week pilot initiative under which all employees would be asked to record events that occur while they are performing their duties and that, in one way or another, affect the results of their work. These events would then be analysed once a week together with their managers, using the approach below.

Questions to be addressed:

- Was the event anticipated?
- If so, had the actions to be taken if such an event occurred been discussed or defined? If yes, were those actions taken? Did they minimise the impact of the event?
- If not, was there a response to the event? What form did it take, and what result did it produce?
- What caused the event to occur?
- Did the cause arise in the external or internal environment?
- If it arose internally, was the negative event caused by an existing problem?
- What were the consequences of the event?
- Who was informed that the event had occurred?

Managers would be responsible for holding weekly meetings with employees to discuss and analyse such events and to record the key parameters, namely the answers to the questions above.

The directors of the interregional centres would be responsible for consolidating the information and holding weekly meetings with the heads of structural units to discuss the results of this monitoring. The purpose would be to identify patterns and analyse which events represent risks that have materialised and which represent unresolved problems.

Every two weeks, a similar meeting would be held between all directors of the interregional centres and the Coordination Centre for Legal Aid Provision to discuss the problems and risks identified.

Over an indicative six-week period, this would amount to six meetings within each interregional centre and three joint meetings between the interregional centres and the Coordination Centre. The Coordination Centre would provide feedback and consider the next steps.

This may not be the most effective approach, and new ideas may emerge. At present, however, I have not identified another way to reach employees at different levels in a manner that is not merely formal, but genuinely helps them understand the issues and prepares them for the subsequent analysis of risks and development of risk registers.

Додано примітку [BF10]: This is ambitious and my worry is that managing such a huge number of people and gathering and analysing the data will potentially interfere with the efficiency of day to day operations. Perhaps if we restricted this to say one department or one regional centre it could be done. IMO the current scope is too large and maybe unmanageable.