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Commissioner

THE LAW SOCIETY'S PERFORMANCE & PROGRESS AGAINST THE TARGETS & PLAN DURING THE PERIOD 1 APRIL 2007 TO 31 MARCH 2008

SUMMARY OF PERFORMANCE End-of-Year Position

• Impartiality • Transparency • Efficiency • Effective remedy •

Appointed under the Access to Justice Act 1999 as an independent regulator working with the Law Society on behalf of the consumer to improve standards in complaints handling

AIM OF THE LEGAL SERVICES COMPLAINTS COMMISSIONER

The aim of the Legal Services Complaints Commissioner (the Commissioner) is to regulate the complaints handling arm of the Law Society to help ensure that it handles complaints about its members effectively and efficiently. The Commissioner's website address is www.olscc.gov.uk

APPROACH TO SETTING TARGETS

In order to focus the Law Society on key areas for improvement, the Commissioner set targets and requested that it provide a complaints handling Plan (the Plan) showing how it would deliver performance improvements in its complaints handling system and processes over the period 1 April 2007 to 31 March 2008. In relation to the Law Society's performance, the three target areas were:

- **Timeliness** – to improve the speed with which complaints are handled by the Law Society;
- **Quality of decisions** – to improve the quality and consistency of complaints handling by the Law Society; and
- **Delivery of the Plan** – to implement the agreed plan for complaints handling.

The targets set by the Commissioner included areas where, if performance was improved, the Law Society could move closer towards delivering an effective and efficient complaints handling service.

The Law Society agreed to the targets set by the Commissioner and included these within its Plan for the period 1 April 2007 to 31 March 2008. A full copy of this Plan along with details of the Law Society's complaints handling organisation can be found on the following websites www.lawsociety.org.uk www.sra.org.uk www.legalcomplaints.org.uk

In setting the targets the Commissioner took into account the Law Society's performance and what it could realistically aim to achieve. The Commissioner considered a range of information, including monthly performance information from the Law Society, the requirement for broader improvements, the results of a benchmarking study conducted by her Office of other complaints handling organisations, and the findings of audits undertaken by her Office in 2005 and 2006. This information demonstrated that the Law Society needed to take further action to improve its systems and processes, including the consistent application of its own policies and procedures when dealing with complaints as well as delivering more broader improvements, for example improving accessibility to its services.

LAW SOCIETY'S COMPLAINTS HANDLING OPERATION

The Law Society handles complaints about solicitors concerning service or conduct issues, from consumers of legal services. For the purpose of this report, "complaints" includes both complaints in which solicitors' clients seek redress, and complaints about solicitors' conduct, whether made by solicitors' clients or by third parties. The term "complaint" does not include enquiries, (this is where the Law Society provides information, clarification, or an explanation of jurisdiction), these are counted separately.

In January 2006, the Law Society re-structured its organisation into 3 separate functions:

- the **Law Society** is responsible for representing solicitors and promoting their services;
- the **Legal Complaints Service (LCS)** is responsible for handling the majority of client related redress complaints about the service provided by solicitors in England and Wales to consumers; and
- the **Solicitors Regulation Authority (SRA)** is responsible for regulatory and disciplinary matters; setting and maintaining standards; handling complaints that allege misconduct against solicitors.

Although the Commissioner's powers under the *Access to Justice Act (1999)* relate to the Law Society and complaints about its members, the Law Society has taken an operational decision to delegate its complaints handling to the boards of the LCS and SRA. Under the statutory framework, however, it is still the Law Society that is accountable for complaints handling.

FINAL ASSESSMENT OF THE LAW SOCIETY'S PERFORMANCE AGAINST ITS PLAN

In determining whether the Law Society handled complaints in accordance with the Plan, the Commissioner has taken into account all relevant factors at the end of the Plan year, 31 March 2008.

This report provides an assessment of how LCS & SRA have performed against each of the target areas included within the Plan – and is based on the Management Information provided by LCS & SRA each month, as well as the results of the Commissioner's end-of-year audit of case files.

THE COMMISSIONER'S DECISION

Of the 13 targets contained within the Plan, the Commissioner considers the Law Society to have met 6, exceeded 2 and missed 5.

On 23 June 2008, the Commissioner declared that, for the purposes of *section 52(3) of the Access to Justice Act (1999)*, the Law Society had not handled complaints in accordance with its 2007/08 Plan. It was also announced that, in light of the improvements made in complaints handling, the Law Society would not be required to pay a penalty for this failing.

For more information on the factors influencing the Commissioner's decision, and for a copy of the text of her decision letter, please visit the Commissioner's website at www.ol SCC.gov.uk.

Summary of Law Society Performance During the 2007/08 Plan Year

TIMELINESS TARGETS

Timeliness Target T1 - By the end of March 2008, to have no cases that have been open for 12 months or more, except for a maximum of 65 Redress and Conduct (RDC) matters.

- At the beginning of April 2007 there were 163 cases over 12 months old. By the end of March 2008 this figure had reduced to 85.
- Of the 85 cases over 12 months old:
 - 44 were RDC complaints both on the service provided by the solicitor and on allegations of misconduct, and are therefore within the tolerance allowed by the target and can be disregarded.
 - 31 formed part of a new insurers pilot initiative, and remained open to recover compensation. These cases can also be disregarded for the target.
 - Whilst there were still 10 cases over 12 months old at the end of March 2008 – for various reasons, including for exceptional circumstances - this is a much-needed improvement.
- **Target T1 is considered to have been met.**

Timeliness Target T2 – to close 67% of complaints within 3 months of receipt.

- End-of-year performance shows that LCS & SRA jointly closed 67% of cases within 3 months, against a target of 67% (LCS closed 63% and SRA closed 77%).
- **Target T2 has been met.**

QUALITY TARGETS

- Performance against most of the quality targets can only be measured by the Commissioner's Office undertaking an end-of-year audit of case files. The exception to this is quality target Q6, which is assessed through monthly management information supplied to the Commissioner by LCS & SRA.
- This end-of-year audit has now been concluded, and the results are as follows:

End-of-Year Performance Against Quality Targets Q1 to Q5	LCS End-of-Year Audit Results	SRA End-of-Year Audit Results	Combined End-of-Year Audit Results	Commissioner's Target	Gap Between Audit Results & Target
Q1 - Acknowledgements	93.4%	89.2%	92.3%	93%	-0.7%
Q2a - Substantive Response	84.9%	90.8%	86.2%	88%	-1.8%
Q2b - Standard Information	96.5%	98.9%	97.1%	93%	4.1%
Q3 - Sufficient Information	90.6%	N/A	90.6%	85%	5.6%
Q4 - Customer/Informant Updates	76.3%	98.4%	79.9%	88%	-8.1%
Q5 - Special Payments	81.8%	94.1%	84.4%	85%	-0.6%

Quality Target Q1 – to acknowledge 93% of new complaints within 5 working days of receipt.

- Quality target Q1 is intended to measure how effectively LCS & SRA acknowledge new cases.
- Findings from the Commissioner’s end-of-year audit show that LCS & SRA acknowledged 92.3% of cases within the five-day time limit, 0.7 percentage points below the Commissioner’s target of 93% (LCS achieved 93.4% and SRA achieved 89.2%).
- **Target Q1 has not been met.**

Quality Target Q2a – to send 88% of customers/informants a substantive response within 45 calendar days of receipt of the complaint.

- Quality target Q2a measures the time taken by LCS & SRA to specifically address the issues raised by the consumer/informant, and to confirm what action is being taken to deal with the complaint.
- Findings from the Commissioner’s end-of-year audit show that LCS & SRA sent 86.2% of customers/informants a substantive response within the 45-day deadline, 1.8 percentage points below the Commissioner’s target of 88% (LCS achieved 84.9% and SRA achieved 90.8%).
- **Target Q2a has not been met.**

Quality Target Q2b – to inform the customer/informant of the following standard information in 93% of cases: the Law Society’s powers and complaints handling processes, the internal complaints procedure and confirmation that their complaint may be copied to the solicitor about whom the complaint has been made.

- Quality target Q2b measures whether LCS & SRA inform the consumer/informant of certain standard information in the initial stages of their complaint.
- Findings from the Commissioner’s end-of-year audit show that the customer/informant was informed of the relevant standard information in 97.1% of cases, 4.1 percentage points above the Commissioner’s target of 93% (LCS achieved 96.5% and SRA achieved 98.9%).
- **Target Q2b has been met.**

Quality Target Q3 – 85% of complaints have, at an appropriate stage, the Law Society’s indicative awards guidance (IAG) and Reasonable Offer Made (ROM) guidance (where the ROM process is being followed) shared with the consumer and solicitor.

- Quality target Q3 measures whether LCS shares appropriate guidance with consumers and solicitors at the relevant stage of the case. This ensures that they can make an informed choice about the resolution of their complaint.
- Findings from the Commissioner’s end-of-year audit show that LCS shared the IAG and ROM guidance with the consumer and solicitor in 90.6% of cases, 5.6 percentage points above the Commissioner’s target of 85%.
- **Target Q3 has been met.**

Quality Target Q4 – to provide all specified customer/informant updates in 88% of cases. For redress matters (including where the informant has taken up the offer of 30 day contact), consumers are contacted at least every 30 days during the life span of the case. For the full life span of Redress and Conduct (RDC) matters, and for conduct matters where informants have an interest, they will be offered contact every 30 days. Those informants not requesting 30-day contact will be kept informed at three key stages. Informants without an interest will be kept informed at the final key stage.

- Quality target Q4 measures whether LCS & SRA update consumers/informants on the progress of their complaint on at least a monthly basis, or at key stages during the complaint.
- Findings from the Commissioner’s end-of-year audit show that LCS & SRA provided all customer/informant updates in 79.9% of cases, 8.1 percentage points below the Commissioner’s target of 88% (LCS achieved 76.3% and SRA achieved 98.4%).
- **Target Q4 has not been met.**

Quality Target Q5 – in 85% or more of cases closed on or after 1 April 2007, and aged 6 months or over, consideration and/or award of special payment must be in line with the Law Society special payment policy guidance and evidenced on the file; and there must be evidence on the case of a special payment consideration on closure that is in line with policy guidance.

- Quality target Q5 is intended to measure how well LCS & SRA apply their own procedures and policies in relation to making consumer payments for failings in their own service.
- Findings from the Commissioner’s end-of-year audit show that 84.4% of cases had a consideration and/or award of a Special Payment in line with LCS & SRA’s own Special Payments policy guidance, 0.6 percentage points below the Commissioner’s target of 85% (LCS achieved 81.8% and SRA achieved 94.1%).
- **Target Q5 has not been met.**

Quality Target Q6 – The Legal Services Ombudsman (LSO) will uphold the handling of the case by LCS and SRA in 73% of cases that are referred.

- Quality target Q6 provides an independent measure of the quality of LCS & SRA's decision-making, as it is based on the findings of the Legal Services Ombudsman (For more information, see the Ombudsman's website at <http://www.olso.org>).
- End-of-year performance shows that LCS & SRA achieved 71%, 2 percentage points below the Commissioner's target of 73% (LCS achieved 67% & SRA achieved 81%).
- **Target Q6 has not been met.**

SUPPORTING KEY PERFORMANCE INDICATORS (KPIs)

Caseload Trends During 2007/08

- The number of cases within LCS & SRA's complaints handling system has increased by 676 cases (17%), from 4,055 at the end of March 2007 to 4,731 by the end of March 2008.
- The number of cases over 12 months old has decreased by 78 cases, from 163 at the end of March 2007 to 85 by the end of March 2008.
- The number of cases over 15 months old has decreased by 16 cases, from 56 at the end of March 2007 to 40 by the end of March 2008.
- The number of cases over 18 months old has decreased by 19 cases, from 39 at the end of March 2007 to 20 by the end of March 2008.
- LCS caseload was 3,104 at the end of March 2007. This had increased by 607 cases to 3,711 by the end of March 2008.
- SRA caseload was 947 at the end of March 2007. This had increased by 71 cases to 1,018 by the end of March 2008.

Unallocated Cases

- At the end of March 2007, there were 500 unallocated cases, which was 12% of the LCS & SRA caseload (4,055).
- By the end of March 2008 this had increased to 595 unallocated cases, which is 13% of the LCS & SRA caseload.

Receipts & Closures

- Since the beginning of April 2007, LCS & SRA have received 19,219 new complaints, 53 cases (0.3%) above their 2007/08 forecast of 19,166, and 785 more cases than last year (2006/07).
- Since the beginning of April 2007, LCS & SRA have closed 18,543 complaints, 1,138 cases (6%) below their revised 2007/08 forecast of 19,681, and 1,821 less closures than last year (2006/07).

Productivity per Caseworker

- LCS and SRA report that, during 2007/08, the average productivity was 7.9 case closures per caseworker (6.8 within LCS and 14 within SRA). This is lower than the 8.5 case closures achieved during 2006/07.

Special Payments

- Since the beginning of April 2007, a total of 657 special payments have been made by LCS and SRA for their service failings, totalling £220,572. The largest award made was for £4,000, with an average payment of £336.

Outsourcing

- Of the 18,543 total closures made by LCS & SRA since the beginning of April 2007, 2,049 (11%) have been closed using outsource firms.

PLAN TARGETS

Plan Target P1 - Unless varied by agreement with the Commissioner, the total budget to support delivery of the Law Society's 2007/08 Improvement Plan to be at least 95% utilised in accordance with the Plan.

- By the end of March 2008, LCS & SRA had spent £35.286 million on complaints handling, £352K (1%) above their final 2007/08 budget of £34.934 million.
- By the end of March 2008, LCS had spent £30.926 million on complaints handling, £551K (1.8%) above its final 2007/08 budget of £30.375 million.
- By the end of March 2008, SRA had spent £4.360 million on complaints handling, £199K (4.4%) below its final 2007/08 budget of £4.559 million.
- **Target P1 has been met.**

Plan Target P2 - Unless varied by agreement with the Commissioner, all resources (including: staff, outsourcing, Local Conciliation Officers) to support delivery of the Law Society's 2007/08 Improvement Plan to be at least 95% utilised in accordance with the Plan.

- By the end of March 2008, LCS & SRA had 467.58 permanent and temporary staff in post. This is 11.58 (3%) above the 456 staff LCS & SRA agreed in the Plan, to have in place by the end of March 2008.

Actual Staff in Post	LCS	SRA	TOTAL
Caseworkers	227.72	27.76	255.48 (55%)
Management & Support	180.56	31.54	212.1 (45%)
TOTAL	408.28	59.3	467.58

- **Target P2 has been met.**

Plan Target P3 – Priority initiatives to support the delivery of the Law Society’s 2007/08 Improvement Plan are delivered to time and cost in accordance with the Plan, and meet all related milestones and benefits to be realised.

- In the 2007-2008 Improvement Plan LCS & SRA identified a number of areas to help deliver strategic improvements to its complaints handling service. The three Complaints Handling Improvement Projects (CHIPs) identified for 2007/08 were:
 1. Improving the gathering recording and analysis of Equality and Diversity information
 2. An overall Complaints Handling Process Review
 3. Publishing Solicitors Complaints Records.
- Further details of these CHIPs are explained in the 2007-08 Complaints Handling Plan, a copy of which can be found on the following Law Society websites.
www.lawsociety.org.uk www.sra.org.uk www.legalcomplaints.org.uk
- Overall, LCS & SRA met the agreed deadlines for these projects - **Target P3 has therefore been met.**

Plan Target P4 - Progress against the Law Society’s 2007/08 Improvement Plan, targets and supporting Key Performance Indicators, will be reported to the Commissioner each month in line with the timescales agreed with the Commissioner. This report should also show, at least on a quarterly basis, the findings of the Law Society’s own internal quality audit report.

- During the period April 2007 to March 2008 the Commissioner’s Office received the monthly Management Information reports from LCS & SRA by the agreed deadlines.
- **Target P4 has been met.**

GLOSSARY OF TERMS

Complaint	This is an expression of dissatisfaction about the service provided by a firm of solicitors or the conduct of an individual solicitor where LCS or SRA take action to conciliate or investigate.
Conciliation	This is a process leading to the resolution of the complaint by agreement between the consumer and solicitor without the need for a formal decision by the LCS or SRA.
Conduct Complaints	A complaint that relates to the actions/behaviour of an individual solicitor rather than the service received by the firm of solicitors as a whole.
Improvement Plan	Each year the Commissioner requests that LCS & SRA provide an Improvement Plan showing how they will deliver performance improvements to their complaints handling system and processes. The Commissioner has approved the Improvement Plan for the period 1 April 2007 to 31 March 2008.
Compensation Guidance (previously known as Indicative Awards Guidance)	This guidance provided by LCS is available to both the consumer and solicitor and sets out likely compensation awards to the consumer by putting the effects of poor service into certain categories.
Informant's Protocol	An informant is someone who approaches the SRA with an allegation or information about a solicitor's misconduct or regulatory breach. The Protocol is the process by which the SRA updates the informant with progress made in the handling of that report of professional misconduct.
Legal Complaints Service (LCS)	The Legal Complaints Service (LCS) is responsible for dealing with complaints about the service provided by solicitors in England and Wales to consumers.
Outsourcing	In order to help it reduce the number of complaints it has in its system, LCS and SRA use a number of Solicitor's firms to which they outsource cases to be dealt with.
Productivity	Productivity is measured by the number of cases closed by those caseworkers involved in complaints handling in any given period.
Redress Complaints	Complaints that relate to the service provided by a solicitor or firm of solicitors where LCS can seek compensation for the consumer as a form of redress.
ROM (Reasonable Offer Made)	LCS caseworkers can close cases on this basis if they are of the view that the solicitor has made a reasonable offer to conciliate the complaint even if the consumer does not want to accept it.
Special Payments	These are used to compensate the consumer for loss, inconvenience or distress caused by failings in the LCS or SRA service.
Solicitors Regulation Authority (SRA)	The Solicitors Regulation Authority (SRA) is responsible for regulatory and disciplinary matters; setting and maintaining standards and handling complaints that allege misconduct against solicitors.
Substantive Response	A response to a consumer complaint provided by a LCS or SRA caseworker, that addresses all the consumer's heads of complaint, is specific to their circumstances and serves to progress the matter.
The Law Society	The Law Society is responsible for representing solicitors, and promoting their work.
Unallocated Cases	These are complaint cases that have not yet been assigned to a caseworker to deal with.