

Office of the Legal Services Complaints Commissioner

Indicative Target Audit November 2007

1 INTRODUCTION

The Legal Services Complaints Commissioner (the Commissioner) formally set targets for the Legal Complaints Service (LCS) and the Solicitors Regulation Authority (SRA) for the period 1 April 2007 to 31 March 2008. These targets covered the areas where, if performance was improved, LCS and SRA could move closer towards delivering an effective and efficient complaints handling service, and covered:

- the timeliness with which complaints are handled;
- LCS and SRA's implementation of improvements; and
- the quality with which complaints are handled.

The Law Society included these targets in its Plan for improvement (the Plan), which covered the same period.

The Office of the Legal Services Complaints Commissioner (OLSCC) Research and Investigations team completed an Indicative Target Audit of the LCS and SRA in October 2007, the results of which are presented in this report. The aim of the Indicative Target Audit was to review LCS and SRA performance against each quality target (with the exception of the Legal Services Ombudsman target which is reported separately each month) as set out in the Plan for Complaints Handling submitted by LCS and SRA.

The results can only provide an indication of achievement by LCS and SRA against the targets set by the Commissioner at this stage of the plan year as the target is based on cases from throughout the year. A final and definitive assessment of LCS and SRA's performance against the targets will be through an audit conducted by OLSCC in April and May 2008.

The Indicative Target Audit was conducted in line with the Audit Plan that was shared with the LCS and SRA in August 2007.

A total of 1601 case files were audited out of a total population of 13,873. The particular characteristics of the file sample drawn for each target area are detailed in the technical appendices 1 & 2 attached to this report and this number allows us to make inferences with a 95% confidence interval and at most a 4% margin of error that another sample would produce the same results. The sample reflected a mix of both service and conduct files from the Law Society offices at Leamington Spa, Tachbrook House and Holborn.

2 EXECUTIVE SUMMARY

Overall Results

Target	Target wording (taken directly from the Law Society's Plan for Complaints Handling 2007/8)	Achieved %	Target %	Difference from target %
Q1	<p>LCS and SRA will acknowledge at least 93% of new cases within 5 working days of receipt.</p> <p><i>This target is intended to measure how effectively LCS and SRA acknowledge new cases.</i></p>	91.3%	93%	-1.7%
Q2a	<p>LCS and SRA will send at least 88% of consumers/informants a substantive response within 45 calendar days of receipt.</p> <p><i>This target measures the time taken by LCS and SRA to specifically address the issues raised by the consumer/informant and to confirm the action it is taking to deal with the complaint.</i></p>	81.1%	88%	-6.9%
Q2b	<p>LCS and SRA will inform the consumer/informant of the following standard information in at least 93% of appropriate cases.</p> <ul style="list-style-type: none"> • LCS and SRA powers and complaints handling process • How LCS and SRA deal with complaints about their services • Confirmation to the consumer/informant where appropriate, that their complaint or allegation of misconduct may be copied to the solicitor involved. <p><i>This target measures whether LCS and SRA inform the consumer/informant of certain standard information in the initial stages of their complaint.</i></p>	95.6%	93%	PASS

Q3	<p>LCS will give the consumer and solicitor sufficient information to make an informed decision for conciliation or reasonable offer made (ROM) closures in a timely way in at least 85% of appropriate cases.</p> <p><i>This target measures whether LCS shares the Indicative Awards Guidance with consumers and solicitors at the relevant stage of the case and in an appropriate way.</i></p>	87.6%	85%	PASS
Q4	<p>LCS and SRA will provide all specified consumer/informant updates in at least 88% of cases.</p> <p><i>This target measures whether LCS and SRA update consumers/informants on the progress of their complaint on at least a monthly basis or at key stages during the complaint.</i></p>	82.1%	88%	-5.9%
Q5	<p>LCS and SRA will ensure that the relevant Special Payments policy is correctly applied in at least 85% of appropriate cases.</p> <p><i>This target is intended to measure how well LCS and SRA apply their own procedures and policy in relation to making special payments where there are failings in their own service.</i></p>	81.2%	85%	-3.8%

In April 2008, the Commissioner's Office will conduct an audit of LCS and SRA complaint handling and will be assessing performance against the quality targets for the year 1 April 2007 to 31 March 2008. The findings of this audit will be reported at the end of May 2008. This will feed into any decision by the Commissioner on whether the LCS and SRA have handled complaints in accordance with their Plan.

3 AUDIT FINDINGS

Target Q1

LCS and SRA will acknowledge at least 93% of new cases within 5 working days of receipt.

Files selected

A representative sample of conduct and service complaints opened on or after 1 April 2007 and on or before 21 September 2007 were drawn from open and closed cases for auditing.

The audit determined whether there was evidence that an acknowledgement of a new case was sent within 5 working days of receipt. Acknowledgement could be by letter, telephone, fax, email or Local Conciliation Office (LCO) as long as it was evidenced on the file.

Compliance against the target was determined where:

- The complaint was acknowledged within 5 working days of receipt

Non-compliance against the target was determined where:

- The complaint was not acknowledged within 5 working days of receipt

Findings

LCS

Of the total cases audited, acknowledgements were sent within 5 working days in 92.3% of new cases.

Of the total cases audited, acknowledgements were not sent within 5 working days in 7.7% of new cases.

LCS achieved 92.3% against the target

SRA

Of the total cases audited, acknowledgements were sent within 5 working days in 88% of new cases.

Of the total cases audited, acknowledgements were not sent within 5 working days in 12% of new cases.

SRA achieved 88% against the target

Combined achievement = 91.3%

Target Q2a

LCS and SRA will send at least 88% of consumers/informants a substantive response within 45 calendar days of receipt.

Files selected

A representative sample of service cases and a representative sample of conduct cases opened between 1 April 2007 and 16 August 2007 were selected for audit. This ensured that sufficient time had passed for a substantive response to be provided within the timescale. These files were a mix of both open and closed cases.

Compliance against the target was determined where:

- A substantive response was provided within the appropriate number of days from the date of receipt as defined in the description of the target above.

Non-compliance against the target was determined where:

- A substantive response was provided, but the number of days from the date of receipt exceeded the target as defined in the description above; or
- No substantive response was provided.

Findings

LCS

Of all cases audited where a substantive response was provided, 80.4% were provided within 45 calendar days of receipt of the consumer's letter of complaint.

Of all cases audited where a substantive response was provided 19% were outside the 45 calendar day target.

Of all cases audited we found 0.3% where there was no evidence of a response that could be considered against the substantive criteria.

Of all the cases audited we found 0.3% responses that did not satisfy all the criteria in order to be considered substantive.

LCS achieved 80.4% against the target

SRA

Of all cases audited where a substantive response was provided, 83.3% were provided within 45 calendar days of receipt of the consumer's letter of complaint.

Of all cases audited where a substantive response was provided 15.2% were outside the 45 calendar day target.

Of all cases audited we found 0.6% where there was no evidence of a response that could be considered against the substantive criteria.

Of all the cases audited we found 0.9% responses that did not satisfy all the criteria in order to be considered substantive.

SRA achieved 83.3% against the target

Combined achievement = 81.1%

Target Q2b

LCS and SRA will inform the consumer/informant of the following standard information in at least 93% of appropriate cases.

- **LCS and SRA powers and complaints handling process**
- **How LCS and SRA deal with complaints about their services**
- **Confirmation to the consumer/informant where appropriate, that their complaint or allegation of misconduct may be copied to the solicitor involved.**

Files selected

A representative sample of conduct and service cases opened between 1 April 2007 and 16 August 2007 were selected for audit.

Compliance was determined where:

- All three pieces of information had been communicated to the consumer/informant where appropriate

Non-compliance was determined where:

- One or more of the pieces of information was not communicated to the consumer/informant where appropriate.

Findings

LCS

Of all the cases audited, 5.7% did not have all the three pieces of information provided to the consumer.

Of all the cases audited, 94.3% had all three pieces of information provided to the consumer.

LCS achieved 94.3% against the target.

SRA

Of all the cases audited, 0% did not have all the three pieces of information provided to the consumer.

Of all the cases audited, 100% had all three pieces of information provided to the consumer.

SRA achieved 100% against the target.

Combined achievement = 95.6%

Target Q3

LCS will give the customer and solicitor sufficient information to make an informed decision for conciliation or reasonable offer made (ROM) closures in a timely way in at least 85% of appropriate cases.

Files selected

A representative sample of service cases only, closed between 1 April 2007 and end of September 2007 where the outcome code recorded on ROAD, the Law Society's IT system, was either 'conciliated' or 'reasonable offer made' were selected for audit.

The audit determined if there was either evidence on the file of the indicative awards guidance or ROM guidance being shared with the consumer and the solicitor.

Compliance was determined where:

- the guidance was shared with the consumer and solicitor during the 30 calendar days prior to the consumer accepting the offer (or being advised of the final offer in the case of ROM)

Non-compliance was determined where:

- the guidance was shared with the consumer and solicitor but not during the 30 days prior to the consumer accepting the offer; or
- the guidance was not shared with the consumer and solicitor.

Findings

87.6% of cases that progressed to conciliation or ROM had the IAG guidance and ROM guidance shared with the consumer and solicitor within 30 days prior to the consumer accepting the offer (or being advised of the final offer in the case of ROM).

6.5% of cases that progressed to conciliation or ROM had the guidance shared with the consumer and solicitor but not within 30 days prior to the consumer accepting the offer.

In 5.9% of cases there was no evidence of the guidance being shared with the consumer and solicitor.

LCS achieved 87.6% against the target

Target Q4

LCS and SRA will provide all specified consumer/informant updates in at least 88% of cases.

Files selected

A representative sample of conduct and service cases handled between 1 April 2007 to end of September 2007 were selected for audit. For cases already live and carried over at 1 April 2007 the target was only applied to the handling of the cases during the above dates. The sample of cases received within the reporting year was restricted to those cases received prior to August 2007, (allowing time for a contact to be provided following the substantive response). Specifically there were 3 groups of files:

1. cases opened pre 1st April and still open;
2. cases opened in year and still open (opened between 1 April and 31 August only); and
3. cases closed in year (closed between 1 May and 30 September only).

For redress matters, this was measured as the number of elapsed calendar days between each contact that progresses the matter.

For those cases handled under the Informant's Protocol of SRA, the following key stages apply:

Informants with an interest

1. Advising the Informant that the SRA will be taking the matter up with the solicitor.
2. Advising the Informant what action the SRA is likely to take.

3. Outcome once a decision has been made.

Informants without an interest

1. Outcome once a decision has been made.

LCS

Compliance was determined where:

- Specified updates that progressed the matter were provided to the consumer at least every 30 days.

Non-compliance was determined where:

- Specified updates were not provided to the consumer at least every 30 days that progressed the matter.

SRA

Compliance was determined where:

- Informants with an interest were updated at key stages of the investigation.
- Informants without an interest were updated with the outcome once a decision had been made.

Non-compliance was determined where:

- Informants with an interest were not updated at key stages of the investigation.
- Informants without an interest were not updated with the outcome once a decision had been made.

Findings

LCS

Of the total number of cases audited, 76.8% of consumers were contacted at least every 30 calendar days following the first substantive response with updates that progressed the matter.

Of the total number of cases audited, 23.2% of consumers were not contacted every 30 days with updates that progressed the matter.

LCS achieved 76.8% against the target.

SRA

Of the total number of cases audited, 98.1% of informants were updated at either key stages of the investigation (or 30 days where requested by a consumer)

Of the total number of cases audited, 1.9% of informants were not updated at either key stages of the investigation (or 30 days where requested by a consumer)

SRA achieved 98.1% against the target

Combined achievement = 82.1%

Target Q5

LCS and SRA will ensure that the relevant Special Payments policy is correctly applied in at least 85% of appropriate cases.

Files selected

A representative sample of service complaints and a representative sample of conduct complaints closed after 1 April 2007 and before 30 September 2007 that were over six months old at the time of closure were selected for audit. Compliance against the target was determined where there was:

- evidence of a special payment or consideration and the policy guidelines had been correctly applied.

Non-compliance against the target was determined where there was:

- evidence of a special payment or consideration of a special payment was present on the file but the guidelines had not been correctly applied; or
- no evidence of a special payment or consideration of a special payment on the file.

Findings

LCS

Of the total cases audited 76.5% had a consideration and/or award of a special payment made and the guidelines were correctly applied.

Of the total cases audited, 17% had a consideration and/or award of a special payment made, but the guidelines were not correctly applied.

Of the total cases audited, 6.5% showed no evidence of a special payment or consideration of a special payment on the file.

LCS achieved 76.5% against the target.

SRA

Of the total cases audited 93% had a consideration and/or award of a special payment made and the guidelines were correctly applied.

Of the total cases audited, 7% had a consideration and/or award of a special payment made, but the guidelines were not correctly applied.

Of the total cases audited, 0% showed no evidence of a special payment or consideration of a special payment on the file.

SRA achieved 93% against the target

Combined achievement = 81.2%

Conclusion

If we look at the indicative performance by LCS and SRA in their own right we can see that they need to improve in the following targets:

LCS

Q1 (missed the target by 0.7%)
Q2a (missed the target by 7.5%)
Q4 (missed the target by 11.2%)
Q5 (missed the target by 8.5%)

SRA

Q1 (missed the target by 5%)
Q2a (missed the target by 4.7%)

It is clear that LCS and SRA need to focus their efforts on making further improvements in performance against the targets. It is evident that a greater effort is required by LCS.

Technical Appendix 1: Sampling for the Indicative Target Audit

Introduction

In the Indicative Target Audit 2007 we were looking at LCS and SRA performance against the 6 quality targets between 1st April 2007 and 30th September 2007.

There were a number of considerations that needed to be taken into account when constructing the sample. Due to phrasing of quality targets, each required a different type of case to be audited. These are defined below.

- **Q1:** cases that have opened within the period.
- **Q2a:** cases that have opened within the period.
- **Q2b:** cases that have opened within the period.
- **Q3:** cases that closed within the period and closed due to conciliation or reasonable offer made.
- **Q4:** any case can be looked at for this target.
- **Q5:** cases are 6 months old or more at closure and have closed within the period.

Exclusions were made from groups Q1, Q2a, Q2b and Q4 to ensure that the targets can be measured sufficiently. The exclusions are as follows.

- **Q1:** excluded cases that were opened after 21st September 2007 to allow time for the target to be achieved.
- **Q2a and Q2b:** excluded cases that were opened after 16th August 2007 to allow time for this target to be achieved.
- **Q4:** cases that opened after 31st August 2007 and cases that closed before 1st May 2007 were excluded to allow time for this target to be achieved.

Some of these groups overlap and so some files can be used to test more than one target. There was no overlap between the Q1, Q2a and Q2b cases and the Q5 cases as Q5 cases had to be over 6 months old and therefore had to have been opened before 1st April 2007, and the other target cases had to be opened after 1st April 2007. All other overlaps were possible. Targets Q2a and Q5 had separate sample drawn for LCS and SRA.

This gives us 8 target areas to divide the population into and from which to construct a sample. The tables at the end of this appendix show the breakdown of the file samples in more detail.

The numbers of files that we decided to audit in each target area are detailed below.

Target Area	File Sample
Q1	396
Q2a – LCS	377
Q2a – SRA	337
Q2b	391
Q3	357
Q4	430
Q5 – LCS	277
Q5 – SRA	179

This gives us 2,744 different aspects to look at during the audit, however because of overlap between target areas the minimum number of files to audit was 1,412. During audit it was necessary to reject some cases for certain aspect and so the final number of cases audited was 1,601.

As previously noted, the file sample for the Indicative Target Audit is made up of 8 samples with some overlap. The 8 file samples were constructed using the following criteria:

- **Opening:** Whether the case opened in year (after 1st April 2007) or was carried over into the year (live at 1st April 2007).
- **Closure:** Whether the case was open or closed at the 30th September 2007.
- **Closure reason:** For those cases that are closed at 30th September 2007 the reason for closure. This is either closed due to conciliation or ROM or another reason.
- **Age of cases:** Whether the case was less than or more than 6 months old at closure.
- **Case type:** Whether the case belongs to LCS or SRA.

The above criteria combined give 13 valid groups. The targets that were measured in these groups are listed in the table below.

Group	Description	Targets covered
A	LCS cases opened in year and closed in year due to conciliation or ROM and are less than 6 months old at closure.	Q1, 2a, 2b, 3 and 4
B	LCS cases opened in year and closed in year not due to conciliation or ROM and are less than 6 months old at closure.	Q1, 2a, 2b and 4
C	LCS cases opened in year and still open	Q1, 2a, 2b and 4
D	LCS cases carried over into the year and closed in year due to conciliation or ROM and are over 6 months old at closure.	Q3, 4 and 5
E	LCS cases carried over into the year and closed in year due to conciliation or ROM and are less than 6 months old at closure.	Q3 and 4
F	LCS cases carried over into the year and closed in year not due to conciliation or ROM and over 6 months old at closure.	Q4 and 5
G	LCS cases carried over into the year and closed in year not due to conciliation or ROM and less than 6 months old at closure.	Q4
H	LCS cases carried over into the year and still open.	Q4
J	SRA cases opened in year and closed in year not due to conciliation or ROM and are less than 6 months old at closure.	Q1, 2a, 2b and 4
K	SRA cases opened in year and still open	Q1, 2a, 2b and 4
L	SRA cases carried over into the year and closed in year not due to conciliation or ROM and over 6 months old at closure.	Q4 and 5
M	SRA cases carried over into the year and closed in year not due to conciliation or ROM and less than 6 months old at closure.	Q4
N	SRA cases carried over into the year and still open.	Q4

Technical Appendix 2: Details of the Sample Construction

The tables below show how each of the groups is represented in the samples by the quality target.

Table A1: Acknowledgement Target Q1

Category	No. of cases in the sample period	Proportion	No. of cases realised in Sample	Proportion
A	1356	13.8%	54	13.8%
B	2340	23.9%	95	24.2%
C	3889	39.6%	151	38.5%
J	1592	16.2%	65	16.6%
K	634	6.5%	27	6.9%
Total for sample period	9811	100.0%	392	100.0%

Table A2: Substantive Response Target Q2a (LCS)

Category	No. of cases in the sample period	Proportion	No. of cases realised in Sample	Proportion
A	1356	17.9%	66	17.6%
B	2340	30.9%	117	31.3%
C	3889	51.3%	191	51.1%
Total for sample period	7585	100.0%	374	100.0%

Table A3: Substantive Response Target Q2a (SRA)

Category	No. of cases in the sample period	Proportion	No. of cases realised in Sample	Proportion
J	1592	71.5%	239	71.3%
K	634	28.5%	96	28.7%
Total for sample period	2226	100.0%	335	100.0%

Table A4: Standard Information Q2b

Category	No. of cases in the sample period	Proportion	No. of cases realised in Sample	Proportion
A	1356	13.8%	55	14.1%
B	2340	23.9%	93	23.9%
C	3889	39.6%	150	38.6%
J	1592	16.2%	65	16.7%
K	634	6.5%	26	6.7%
Total for sample period	9811	100.0%	389	100.0%

Table A5: Sharing IAG Q3

Category	No. of cases in the sample period	Proportion	No. of cases realised in Sample	Proportion
A	1356	51.9%	180	50.8%
D	339	13.0%	54	15.3%
E	917	35.1%	120	33.9%
Total for sample period	2612	100.0%	354	100.0%

Table A6: Contact with the consumer/informant Q4

Category	No. of cases in the sample period	Proportion	No. of cases realised in Sample	Proportion
A	1356	9.8%	40	9.4%
B	2340	16.9%	63	14.9%
C	3889	28.0%	109	25.7%
D	339	2.4%	18	4.2%
E	917	6.6%	30	7.1%
F	437	3.2%	18	4.2%
G	986	7.1%	31	7.3%
H	360	2.6%	10	2.4%
J	1592	11.5%	47	11.1%
K	634	4.6%	20	4.7%
L	302	2.2%	15	3.5%
M	505	3.6%	17	4.0%
N	216	1.6%	6	1.4%
Total for sample period	13873	100.0%	424	100.0%

Table A7: Special Payments Q5 (LCS)

Category	No. of cases in the sample period	Proportion	No. of cases realised in Sample	Proportion
D	339	43.7%	119	43.0%
F	437	56.3%	158	57.0%
Total for sample period	776	100.0%	277	100.0%

Table A8: Special Payments Q5 (SRA)

Category	No. of cases in the sample period	Proportion	No. of cases realised in Sample	Proportion
L	302	100.0%	172	100.0%
Total for sample period	302	100.0%	172	100.0%

In total there were 27 aspects that were not looked at because files were rejected and suitable replacements could not be found before the end of the audit. The reasons for these rejections were both expected and unexpected. The expected rejections were for Q3 where cases that had a non-monetary outcome and for Q4 where there was no substantive response from which to measure contact with the consumer. Both of these reasons had been accounted for and oversamples were made. The unexpected rejections were as follows:

- **Q1, Q2a and Q2b** – cases were rejected where the auditors found that the complaint was received before 1st April 2007 even though the creation date was after 1st April 2007.
- **Q3** – The case was not conciliated or ROM'd so it was not possible to audit these. The closure reason provided in the MI was 'conciliated' or 'reasonable offer made', however it was clear that the complaint was not upheld or withdrawn by the consumer.
- **Q5** – The case was not over 6 months old at closure even though the difference between creation and closure dates from the MI was over 6 months.

These rejections could not have been foreseen and indicates that the MI provided to us to select the sample from in these particular cases is not accurate.