

## **LAW SOCIETY PLAN FOR COMPLAINTS HANDLING FROM 1 APRIL 2005 TO 31 MARCH 2006**

I wrote on 26 May 2006 to set out my provisional views on the Law Society's efforts to implement its 2005/06 Plan and to seek any representations it may wish to make. I want to thank the Law Society for written and oral representations, dated 13 and 15 June 2006 respectively, and for the Law Society's positive approach to discussions with me about its performance in 2005/06, (and on a plan for 2006/07). I am writing on this second issue separately.

I have taken these into account along with the other factors I referred to in my letter of 26 May 2006. I have decided overall that the Law Society has failed to handle complaints in accordance with its Plan. However, I have also decided that, whilst I consider it would be open to me to do so, I will not require the Law Society to pay a penalty.

I summarise in concise form my core views below.

In representations to me the Law Society emphasised strongly the progress it has made and I accept there are positives. The Law Society complaints handling organisation is, in parts, a more efficient and better performing operation since I was appointed and progress was certainly made this last year. Having now agreed a plan with the Law Society for 2006/07, referred to in my separate letter posted today, I look forward to this progress continuing.

Although it did not meet 4 of the 7 targets I set, of the 3 targets it did meet, it exceeded them. As the Law Society represented this means more customers got through the system than if those 3 targets were just met. Indeed, performance in the majority of the target areas is improved, (though not yet throughout to the levels I expected). I acknowledge too that this was done within the context of an increase in demand, but within the tolerance expected. This bodes well but there is much still to do. The increase in complaints does raise a question about what the Law Society is doing to understand why more people are complaining about the service they receive from their solicitor. I would recommend the Law Society shares with me any analysis it does in this important area.

The Law Society failed to meet its 12-month timeliness target. I accept by just 1 percentage point. On 18 months I am looking mainly at effort made. I accept some action was taken and with some positive outcomes. I recognise for example the reduction in numbers of cases over 18 months old. On the other side, the Law Society did not meet its own modified target figures, and rollover, though improved, was still a concern. I would not describe timeliness as a success story though I am pleased to have seen limited improvement.

The customer satisfaction target was missed by some 7 percentage points. I note the stated efforts that were made to impact here and take this into account in the balance. I also recognise in part the service/outcome link. The

work to analyse these links however does not seem to have been done in time to have had any opportunity to impact on performance in year.

On service standards where expectation is key, CCS standards were I am told sent to consumers on CAI cases. I do not see the sense in this, where the expectations differ and CAI was the poorer performer on the target. With reference to the representations on this I do not believe my Office took the remark that the service standards were "*aspirational*" out of context. I was and would be concerned if that was the message to Law Society staff. I am glad to be assured, at least going forward, that these are indeed standards which the Law Society is working to.

On representation, the calculation of a revised customer satisfaction percentage does not reflect the fact I would need to have adjusted the target accordingly, and therefore adds no value.

The Law Society also missed the quality of decisions target, by 3 percentage points. The Law Society refers to the baseline of 56%. This of course represented its very poor starting point. So, whilst true it has improved from that, it has not improved to the level I would expect. On the question of understanding Legal Services Ombudsman (LSO) decision making, in the period 1 April 2005 to 28 February 2006 I understand the Law Society made only 12 queries out of the 446 LSO reports recommending further action.

The initiatives are there to support delivery of the plan and I acknowledge that investment was made and implementation action and effort taken on the vast majority. I have that very much in mind. Accepting some analysis was made I do believe the assessment techniques could have been better and this would help to understand performance issues on delivery. I do not believe it unreasonable to have that expectation. I still have some concern about the solicitors' response time initiative (important for timeliness) based on the analysis I have had, and will be interested to monitor for the future the effectiveness and progress of this.

It is reasonable of me to expect that resources envisaged were fixed as they were to deliver the Plan. I am not saying the Law Society made no effort, e.g. on recruitment, but resource deployment is key to delivery. On planning (and contrary to representations) in fact the Law Society accepted the recruitment programme "had got off to a slow start" (May 2005) and that "it had originally projected that it would get to full complement much earlier than it did" (26 January 2006). Staffing complement was well below what was envisaged as needed over the first 5 months of the Plan (though did come up). This I consider did play a part on delivery failures, for example on the number of unallocated cases and on the number of cases rolling into the older timebands, (and I accept the Law Society point that purely on numbers of cases closed it ended up 0.5% above forecast). The £3m under-spend is also relevant given that targets were missed. I would like to have seen the Law Society actively consider what additional action it might have taken with this to improve on delivery, and if it rejected proposals why it had done so.

I have previously accepted a simple failure to meet a target does not of itself mean I would find a failure to handle complaints in accordance with the Plan. I take that on board. I do believe I have to look in the round, and I have done so. There are failures here, of varying degrees. I take the view they add up and amount to an overall failure. That however is not to take away from the small progress the Law Society has made. In complaints handling it is in parts a better performing organisation than it was. It has improved and it can continue to do so.

As stated, and further to my discussion with you this week, I have decided not to exercise my power to penalise the Law Society. The Law Society now needs to build on the improvements it has made in 2005/06. The plan for 2006/07 should secure a way forward for this.