
The coming year

Look ahead for the period 1 April 2006 to 31 March 2007.

In my Business Plan for 2005 – 2006 I set out the key aims that I wanted to achieve.

These were to:

- improve complaints handling by the Law Society;
- audit and benchmark the Law Society's systems and processes;
- help ensure that the needs of the consumer were at the heart of the Government's reforms of legal services; and
- deliver a quality service that represented good value for money.

I achieved all of those aims. But I am always looking for continuous improvement in all that I do, and this year I want to enhance further each of these themes, so that all consumers and practitioners of legal services can see a real difference.

The extensive work undertaken by my Office during the last twelve months has been fundamental to



Raising standards

informing the development of targets for the Law Society for 2006-07. These targets reflect my desire to move closer towards an effective and efficient service for consumers. My hope is that these changes will bring about further improvements and have a tangible and beneficial impact on the consumers of legal services.

As part of these targets I want to see evidence from the Law Society that it is dealing with cases in a timely manner, to a quality standard and with due regard to customer service. Fairness for both the consumer and the profession throughout the whole process is my primary concern. I want to see the Law Society closing new cases quickly as well as dealing with existing cases promptly. I want to see a reduction in delays throughout all of its processes, so that it takes less time to handle complaints, and that there is an effective and efficient utilisation of its budget and resources.

Along with improved timescales, I want to see greater improvements for the consumer in the quality of decisions, for example, a consistent approach to decision making and more effective quality control processes to track and monitor cases from beginning to end. I also want to see more detailed assessments of cases at the outset which I consider is key, to establishing that cases are designated to the correct business area at the start of the complaint handling process.

Targets for complaints handling starting from 1 April 2006

I have now set the following strategic priorities for the Law Society to focus on during 2006-07, including targets. I consider that these provide balanced and complementary objectives covering all complaints handling activity within the Law Society. Full details of all the targets and recommendations for the period 1 April 2006 to 31 March 2007, relating to these strategic priorities, are shown in full in Appendix 9.

Strategic Priority 1: Improving the speed with which complaints are handled by the Law Society.

I consider that the timely handling of complaints is key to the strategy of improving the consumer experience. This means both closing new cases quickly, and dealing with existing cases that have already been open for a significant time. By focusing on both ends of the time taken to handle a case, my timeliness targets for 2006-07 should enable the Law Society to handle complaints more quickly, so that consumers will be more satisfied with the speed at which their complaint has been handled.

Strategic Priority 2: Improving the quality of complaints handling by the Law Society.

It is important that the Law Society continues to work towards improving the quality of its decision making on complaints. However, I believe that quality control measures should be extended to capture the end to end process for complaints handling. As a result of this, the Law Society should be in a position to provide greater improvements for the consumer, particularly in the areas of delays, designation, case management and assessment of cases at the outset. This approach, I feel, recognises the need to continually strive to improve services to consumers.

Strategic Priority 3: Implementing the Law Society's agreed Plan.

I consider that successful delivery of the Law Society's Plan is also key to bringing about the improvements needed to move complaints handling closer to being effective and efficient. My Office will continue to measure the Law Society's capability as an organisation, to enable it to successfully take forward delivery of its Plan.

My recommendations for 2006-07

I have also made a number of recommendations, which I believe if the Law Society implements will improve complaints handling. I will be closely monitoring the action the Law Society takes and if necessary, where action is not evident, consider introducing further targets. These recommendations are listed in Appendix 9.

Law Society initiatives for 2006-07

Continuous improvement and the ability to introduce change effectively is key for any organisation if it is to improve its services. That is why I believe the Law Society should focus on introducing a more manageable number of initiatives to bring about the necessary improvements. This may mean fewer initiatives but should increase the chances of them being implemented successfully and delivering the level of improvement expected. An area that is critical to ensure the right initiatives are implemented in the first place is for the benefits of that initiative to be identified prior to implementation. Failure to do this provides no confidence that the initiatives will deliver improvements.

Identification of key areas for audit during 1 April 2006 to 31 March 2007

I have an annual audit schedule that will form the basis of a work programme for my Research and Investigations team for the period 1 April 2006 to 31 March 2007. This will be a combination of an annual case file audit, audits to support target measurements and audits which analyse adherence to, and appropriateness of, the key Law Society processes and policies.



There is a need for flexible resources to meet consumer needs

Law Society Plan for the period 1 April 2006 to 31 March 2007

On 3 April 2006, I announced that I had declared the Law Society Plan for the period 1 April 2006 to 31 March 2007, as inadequate for securing effective and efficient complaints handling. This was because:

- the Plan presented by the Law Society did not aim to deliver sufficient improvements in complaints handling which consumers and practitioners expect and deserve;
- the Plan did not include all of the targets I set which I believed to be reasonable. Those targets included changes I had made to try and secure agreement with the Law Society.

Following my announcement that the Law Society Plan was inadequate for securing effective and efficient complaints handling, I provided it with an opportunity to make representations to me as to whether I should

impose a penalty, and if so, in what sum. The Law Society took this opportunity and provided both written and oral representations to me, on 28 April and 5 May 2006, respectively.

Having taken these representations and all other factors into account, on 17 May 2006, I notified the Law Society of my decision to levy a penalty of £250,000.

Although I found it disappointing to have made this decision, I believe it is now important to maintain the focus and to look at how the Law Society can move forward to improve complaints handling. To that effect, I am pleased to say that my Office has already held meetings with the Law Society to consider options for the way forward. I will continue to monitor and measure the Law Society's performance against the targets I have set for the period 1 April 2006 to 31 March 2007.

Future of Legal Services – what will this mean for the consumer?

The launch of the Government's draft Bill for legal reform¹⁹ and its passage through Parliament will be very much in the forefront of my thinking in the coming year. If the Bill remains intact during the legislative process, the consumer and profession can expect a new and independent Office for Legal Complaints that will act as a single point of entry for all complaints about lawyers in England and Wales.

As described in the draft Bill, the formation of the Legal Services Board as a new oversight regulator will enable consumer groups to play a statutory role in overseeing regulation of the profession.

Consumers and the profession will benefit from new choices and opportunities created by the provision for Alternative Business Structures. This will enable new combinations of legal and other professionals to work together to bring complementary services to the consumer. I would hope that this shake up in the market will re-energise the sector, introduce more competition and bring a renewed focus on meeting the consumer's needs.

I welcome the Government's reforms and hope to see them implemented fully. However, the consumer and profession have waited a long time for these reforms, expectations of improvements to the current system (especially the handling of complaints) will not be put on hold while the reforms move towards implementation. It is essential that all concerned continue to make every effort to improve the current system.

It is my role as Commissioner to continue to work with the Law Society to deliver the most effective and efficient complaints handling service possible.

Advisory Board activities during 1 April 2006 to 31 March 2007

My plans for my Advisory Board for next year include advising and supporting me on areas such as the Law Society's performance, setting of targets for 1 April 2007 to 31 March 2008 and the use of my powers as Commissioner.

Legal Services Consumer Board activities during 1 April 2006 to 31 March 2007

At the first meeting of my Consumer Board I agreed that their views and recommendations would feed into a 'Consumer Strategy'. The main areas for focus for my Consumer Board during 2006-07 will be to assist me in identifying what the consumer expects from complaints handling in legal services provision, now and in the future.

Working with the Law Society

Since my appointment as Commissioner, I have continued to work with the Law Society to help it to improve its complaints handling. I am pleased that the positive working relationship that has been built has been maintained between my staff and the Law Society during the period covered by this Annual Report. I will continue to have a result focused and productive working relationship with the Law Society over the next 12 months. One that supports and encourages delivery of what consumers should reasonably expect from a complaints handling system.

¹⁹ The draft Legal Services Bill - more information can be found on the Parliament website www.Parliament.gov.uk