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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 NOVEMBER 2007**

• 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.olsc.gov.uk](http://www.olsc.gov.uk)

## **APPROACH TO SETTING TARGETS**

In order to focus the Law Society on key areas for improvement, the Commissioner 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, she also set targets in three key areas:

- **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](http://www.lawsociety.org.uk) [www.sra.org.uk](http://www.sra.org.uk) [www.legalcomplaints.org.uk](http://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.

At the end of the Plan year, 31 March 2008, the Commissioner will assess whether the Law Society has handled complaints in accordance with its Plan. If she decides that it has not, the Commissioner can levy a penalty on the Law Society of up to one million pounds.

## **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;
- 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

### **MONITORING THE LAW SOCIETY'S PROGRESS AGAINST THE TARGETS**

This summary report provides information to show how LCS & SRA are performing against each of the target areas included within its Complaints Handling Plan.

Performance against the timeliness target areas, the Legal Services Ombudsman's satisfaction rating, and delivery of the Plan is monitored via monthly management information reports provided by LCS & SRA. Progress and performance against some of the quality targets can only be measured by the Commissioner's Office undertaking an audit of case files.

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

The work outlined in the Plan is aimed at bringing the Law Society's complaints handling service closer to an effective and efficient level of performance and achieving the targets set by the Commissioner.

The Commissioner has the power to levy a penalty against the Law Society if it fails to handle complaints in accordance with its Plan. In determining whether the Law Society has handled complaints in accordance with its Plan, the Commissioner will take all relevant factors into account at the end of the Plan year, 31 March 2008.

The Law Society performance against its Plan will be assessed through the critical analysis of Management Information, Key Performance Indicators, audit findings, meetings with the Law Society, written correspondence and the outcomes of any visits to the Law Society.

# Summary of Law Society Performance and Progress Against its Targets and Plan During the Period 1 April 2007 to 31 March 2008

## 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 November 2007 this figure had reduced to 129.
- Of the 129 cases over 12 months old, 81 are over 15 months old and 38 of these cases are over 18 months old.
- Of the 129 cases over 12 months old, 46 are RDC complaints both on the service provided by the solicitor and on allegations of misconduct.

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

- In-month performance for November 2007 shows that LCS & SRA achieved 61% of cases closed within 3 months.
- Year-to-date performance shows that LCS & SRA are currently achieving 67% of cases closed within 3 months, against a target of 67%.

## 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 rule is quality target Q6, which is assessed through monthly management information supplied to the Commissioner by LCS & SRA.
- The Commissioner's Office also undertakes an Indicative Target Audit (ITA) of case files at the halfway point of the Plan year. And although these findings do not contribute towards the end-of-year decision, they do provide a useful indication of LCS & SRA performance so far. The findings of this audit are now available.

<b><u>Year-to-Date Performance Against Quality Targets 1 to 5</u></b>	<b>OLSCC ITA Audit Results</b>	<b>Commissioner's Target</b>	<b>Variance from Target</b>
<b>Q1 - Acknowledgements</b>	<b>91.3%</b>	<b>93%</b>	<b>-1.7%</b>
<b>Q2a - Substantive Response</b>	<b>81.1%</b>	<b>88%</b>	<b>-6.9%</b>
<b>Q2b - Standard Information</b>	<b>95.6%</b>	<b>93%</b>	<b>2.6%</b>
<b>Q3 - Sufficient Information</b>	<b>87.6%</b>	<b>85%</b>	<b>2.6%</b>
<b>Q4 - Customer/Informant Updates</b>	<b>82.1%</b>	<b>88%</b>	<b>-5.9%</b>
<b>Q5 - Special Payments</b>	<b>81.2%</b>	<b>85%</b>	<b>-3.8%</b>

**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.
- According to the recent audit results, LCS & SRA acknowledged 91.3% of cases within the five-day time limit, 1.7 percentage points below the Commissioner’s target of 93%.

**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.
- According to the recent ITA audit results, LCS & SRA sent 81.1% of customers/informants a substantive response within the 45-day deadline, 6.9 percentage points below the Commissioner’s target of 88%.

**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.
- According to the recent ITA audit results, the customer/informant was informed of the relevant standard information in 95.6% of cases, 2.6 percentage points above the Commissioner’s target of 93%.

**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.
- According to the recent ITA audit results, LCS shared the IAG and ROM guidance with the consumer and solicitor in 87.6% of cases, 2.6 percentage points above the Commissioner’s target of 85%.

**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.
- According to the recent ITA audit results, LCS & SRA provided all customer/informant updates in 82.1% of cases, 5.9 percentage points below the Commissioner’s target of 88%.

**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 where there are failings in their own service.
- According to the recent ITA audit results, 81.2% of cases had a consideration and/or award of a Special Payment in line with LCS & SRA’s own Special Payments policy guidance, 3.8 percentage points below the Commissioner’s target of 85%.

**Quality Target Q6 – The Legal Services Ombudsman 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.
- In-month performance for the month of November 2007 shows that LCS & SRA achieved 67% quality of decisions performance.
- Year-to-date performance shows that LCS & SRA are currently achieving 67%, 6 percentage points below the Commissioner's target of 73%.

**Caseload Trends During 2007/08**

- The number of cases within LCS & SRA's system has increased by 958 cases (23.6%), from 4,055 at the end of March 2007 to 5,013 by the end of November 2007.
- The number of cases over 12 months old has decreased by 34 cases, from 163 at the end of March 2007 to 129 by the end of November 2007.
- The number of cases over 15 months old has increased by 25 cases, from 56 at the end of March 2007 to 81 by the end of November 2007.
- The number of cases over 18 months old has decreased by 1 case, from 39 at the end of March 2007 to 38 by the end of November 2007.
- Conduct caseload was 781 at the end of March 2007. This has increased by 43 cases to 824 by the end of November 2007.
- Service caseload was 3,132 at the end of March 2007. This has increased by 913 cases to 4,045 by the end of November 2007.
- The caseload for complaints involving both service and conduct issues was 142 cases at the end of March 2007. This has increased by 2 cases to 144 by the end of November 2007.

**Unallocated Cases**

- At the end of March 2007, there were 500 unallocated cases, which was 12.3% of the current caseload.
- By the end of November 2007 this had increased to 840 unallocated cases, which is now 16.8% of the current caseload.

**Receipts & Closures**

- Since the beginning of April 2007, LCS & SRA have received 13,173 new complaints, 108 cases (1%) above their year-to-date forecast of 13,065.

- Since the beginning of April 2007, LCS & SRA have closed 12,215 complaints, 702 cases (5%) below their revised year-to-date forecast of 12,917.

### **Productivity per Caseworker**

- LCS and SRA report that the average year-to-date productivity is 7.9 case closures per caseworker. During April 2006 to March 2007 the average closure over the year was 8.5 per caseworker.

### **Special Payments**

- Since the beginning of April 2007, a total of 491 special payments have been made by LCS and SRA, totalling £169,168.54. The largest award made was for £4,000, with an average payment of £344.54.

### **Outsourcing**

- Of the 12,215 total closures made since the beginning of April 2007, 1,421 (11.6%) files 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.**

- LCS & SRA are currently reporting that their actual year-to-date expenditure for April to November 2007 was £23.645 million, £505K (2.09%) below their year-to-date budget forecast of £24.151 million.

**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 November 2007 there were 466.53 staff in post, which is:
  - 10.53 (2.3%) above the 456 staff LCS & SRA said they expect to have in post by the end of March 2008; and
  - 8.81 (1.9%) above the 457.72 staff LCS & SRA said they would need during the month of November.

November 2007	LCS	SRA	TOTAL
Management	56.06	9.94	66.00
Caseworkers	220.89	28.76	249.65
Support	130.28	20.6	150.88
<b>TOTAL</b>	<b>407.23</b>	<b>59.3</b>	<b>466.53</b>

**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 have identified a number of areas to help deliver strategic improvements to its complaints handling service. The three Complaints Handling Improvement Projects (CHIPs) identified for this year are:
  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](http://www.lawsociety.org.uk) [www.sra.org.uk](http://www.sra.org.uk) [www.legalcomplaints.org.uk](http://www.legalcomplaints.org.uk)

**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 November 2007 the Commissioner's Office has received the monthly Management Information reports by the agreed deadlines.

## GLOSSARY OF TERMS

<b>Complaint</b>	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.
<b>Conciliation</b>	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.
<b>Conduct Complaints</b>	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.
<b>Improvement Plan</b>	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.
<b>Indicative Awards Guidance</b>	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.
<b>Informant's Protocol</b>	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.
<b>Legal Complaints Service (LCS)</b>	The Legal Complaints Service (LCS) is responsible for dealing with complaints about the service provided by solicitors in England and Wales to consumers.
<b>Outsourcing</b>	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.
<b>Productivity</b>	Productivity is measured by the number of cases closed by those caseworkers involved in complaints handling in any given period.
<b>Redress Complaints</b>	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.
<b>ROM (Reasonable Offer Made)</b>	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.
<b>Special Payments</b>	These are used to compensate the consumer for loss, inconvenience or distress caused by failings in the LCS or SRA service.
<b>Solicitors Regulation Authority (SRA)</b>	The Solicitors Regulation Authority (SRA) is responsible for regulatory and disciplinary matters; setting and maintaining standards and handling complaints that allege misconduct against solicitors.
<b>Substantive Response</b>	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.
<b>The Law Society</b>	The Law Society is responsible for representing solicitors.
<b>Unallocated Cases</b>	These are complaint cases that have not yet been assigned to a caseworker to deal with.