



Zahida Manzoor CBE
Commissioner

PRESS NOTICE

23 JUNE 2008

IMPROVEMENT IN PERFORMANCE SAVES LAW SOCIETY FROM FURTHER FINE

The Legal Services Complaints Commissioner, Zahida Manzoor CBE announced today (23 June 2008) her decision that the Law Society's complaints handling arms – the Legal Complaints Service (LCS) and the Solicitors Regulation Authority (SRA) - have not handled complaints in accordance with their Improvement Plan for the period 1 April 2007 to 31 March 2008. However, the Commissioner has decided that she will not impose a financial penalty on the Law Society.

The Commissioner set the Law Society thirteen targets relating to timeliness, quality and use of resources. The Law Society has met six of these targets, exceeded two and missed five.

Speaking of her decision, the Commissioner said:

“Whilst I would have liked to have announced that the LCS and SRA have met all the targets I set I acknowledge that improvements have been made in most areas.

“I am particularly pleased that jointly LCS and SRA met their overall target to close 67% of cases within three months (the LCS achieved 63% and the SRA 77%). Since I was appointed in 2004 and began setting targets, the number of older cases has reduced substantially and complaints are being handled more quickly. This is good news for the consumer and this upward trend needs to be sustained and improved upon.”

The Commissioner sounded a warning that the lack of a fine should not be seen as a commendation:

“My decision not to levy a penalty on the Law Society is not a cause for celebration as the LCS and SRA have both missed a number of targets and further effort is needed, especially on those targets measuring their adherence to quality processes.”

This year has shown a clear divergence in performance between the LCS and SRA with the LCS performance levels meeting only three of its seven quality targets set and the SRA performance being at targeted levels for five of its six quality targets.

Commenting on this the Commissioner stated:

“The LCS still has a long way to go in terms of value for money, cost efficiency and quality. I have set individual targets for 2008/09 for the LCS and SRA. This means the LCS will have to be more effective in meeting the targets I have set as any targets exceeded by the SRA in future will be considered separately.”

Regarding her decision not to impose a financial penalty, the Commissioner added:

“When I announced my decision in November 2007 not to impose a penalty on the Law Society for LCS and SRA’s failure to handle complaints in accordance with their Improvement Plan for 2006/07, I said I would be unlikely to extend the same latitude again.

“However, where there are failures against the targets for 2007/08, I have set these against the improvements that have been made. For example, the Law Society achieved 84.4% against a target of 85%, to ensure it applies its own procedures and policy relating to making special payments to consumers as compensation where there are failings in its own service. This is a welcomed improvement compared to 48.4% in 2006/07.”

The Commissioner spoke of her earlier decision in relation to the 2008/09 Plan:

“I had hoped that the LCS and SRA would want to build on the improvements in performance for 2007/08 by submitting an appropriate Improvement Plan (including the targets I set) for 2008/09. However, I recently announced my decision to impose a £275,000 penalty on the Law Society for its inadequate 2008/09 Plan. It failed to demonstrate a commitment to achieve many of the targets at the level I set and this would have prevented sufficient progress being made towards achieving effective and efficient complaints handling. Having an adequate Plan in place is in the best interests of consumers and the legal profession.”

The Commissioner concluded:

“The LCS needs to commit to further improvements that will safeguard the consumer and profession as it moves towards closure in the next two years and hands over complaints to the new Office for Legal Complaints, scheduled to be established in 2010.”

(Ends)

NOTES TO EDITORS

1. Ms Manzoor CBE was appointed Legal Services Complaints Commissioner in February 2004 in addition to her role as Legal Services Ombudsman (LSO). The Commissioner only has powers in relation to the Law Society of England and Wales. Ms Manzoor was reappointed as both Commissioner and LSO for a period of three years in March 2006.
2. The roles of the LSO and the Commissioner are distinct. The LSO examines the handling of individual complaints by the legal professional bodies on behalf of members of the public. The Commissioner examines the Law Society's capability to handle complaints made about its members efficiently and effectively.
3. The Commissioner has the power under section 52 of the Access to Justice Act 1999 to require the Law Society to provide information on how it deals with complaints, to make recommendations about the complaints system, to set targets for complaints handling, and require the Law Society to submit a plan for improved complaints handling. In addition, the Commissioner has the power to levy a penalty on the Law Society if it fails to deliver an adequate plan or fails in the delivery of that plan. For example, on 3 June 2008 the Commissioner announced that she would be levying a penalty of £275,000 on the Law Society because of its inadequate plan for the period 1 April 2008 to 31 March 2009. Text from the Commissioner's letters, notifying the Law Society of this decision, are available on the website www.olscc.gov.uk.
4. The targets set by the Commissioner and contained in the Law Society's Plan for the period 1 April 2007 to 31 March 2008 include the following.

Improving timeliness:

- To have no cases over 12 months old, except 65 Redress Conduct matters (RDC) – the Law Society had 10 cases plus 44 RDC.
- To close 67% of complaints within 3 months – the Law Society achieved 67% (LCS achieved 63% and SRA achieved 77%).

Improving the quality of decisions

- To acknowledge 93% of cases within 5 days of receipt – the Law Society achieved 92.3% (LCS achieved 93.4% and SRA achieved 89.2%).
- To send 88% of customers/informants a substantive response within 45 calendar days of receipt – the Law Society achieved 86.2% (LCS achieved 84.9% and SRA achieved 90.8%).
- To inform customers/informants of certain standard information in 93% of cases – the Law Society achieved 97.1% (LCS achieved 96.5% and SRA achieved 98.9%).
- To give customer and solicitor sufficient information to make an informed decision for Conciliation or Reasonable Offer Made (ROM) closures in 85% of cases – this only applies to the LCS, who achieved 90.6%.
- To provide specified customer/informant updates in 88% of cases – the Law Society achieved 79.9% (LCS achieved 76.3% and SRA achieved 98.4%).
- To ensure relevant Special Payments policy is correctly applied in 85% of cases – the Law Society achieved 84.4% (LCS achieved 81.8% and SRA achieved 94.1%).
- 73% or more of referrals to the Legal Services Ombudsman result in the Law Society's handling of the case being upheld. The Law Society achieved 71% (LCS achieved 67% and SRA achieved 81%).

5. Additional background information on the Commissioner's decision, and text from the letters notifying the Law Society of the decision, are available on the Commissioner's website www.olsc.gov.uk.
6. For enquiries please contact Marie Craven, tel: 0113 2615446.

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