

**MINUTE OF A MEETING OF THE MEMBERS OF THE SCOTTISH LEGAL COMPLAINTS  
COMMISSION: 10AM TUESDAY 30<sup>th</sup> JANUARY 2018  
Venue: The Stamp Office, 10 – 14 Waterloo Place, Edinburgh, EH1 3EG**

**PRESENT:**

**LAY:**

Jim Martin (Chair)  
Sara Hesp  
Michelle Hynd  
Emma Hutton  
Sarah McLuckie  
Morag Sheppard

**LAWYER:**

Denise Loney  
Amanda Pringle  
Kay Springham

**In attendance:**

David Buchanan-Cook (HO) (Items 1-17)  
Keith MacConnachie (CM) (Items 1-17)  
Neil Stevenson (CEO) (Items 1-21)

John Ferrie (F&CSM) (Items 1-17)  
Caroline Robertson (HI) (Items 1-17)  
[REDACTED] (secretariat - minutes)

**Apologies:**

None

**Abbreviations used:**

F&CSM – Finance and Corporate Services Manager  
HI – Head of Investigations  
WIP – Work in Progress  
FMR – Financial Management Report  
AC – Audit Committee  
CI – Case Investigator  
SGvt – Scottish Government  
ABS – Alternative Business Structures  
IMT – Investigations Management Team

CM – Clerking Manager  
HO – Head of Oversight  
DC – Determination Committee  
LSS – Law Society of Scotland  
FoA – Faculty of Advocates  
CIM – Case Investigations Manager  
FO – Facilities Officer  
OH – Oral Hearing  
CoS – Court of Session

**Private Member only session**

Members held a private session after which the Secretariat and SMT joined the meeting at 10.15am

**1. Welcome**

- 1.1 New Chair, Jim Martin welcomed everyone to this his first Board meeting and thanked everyone for their input into the very detailed induction that both he and Member, Morag Sheppard received.
- 1.2 The Chair also advised that he had asked the Secretariat to arrange 1-1 and team 'getting to know you' sessions over the next few weeks.

**2. Apologies**

- 2.1 None received.

**3. Declaration of Interests**

- 3.1 No other declarations of interest were made other than the standard declarations of interest declared by Denise Loney, Amanda Pringle and Kay Springham in relation to any pecuniary interest with regards to any budget discussions.

**4. Q2 2017/18 Long Term Trends**

4.1 The CEO spoke to the paper presented and advised that incoming cases were low for December, however early indications for January are showing an increase again. As a comparative, the figures were showing an 8% increase against the same 6months last year. Members reiterated their concern about the increasing number of Eligibility cases which were continuing to rise and tasked the SMT with considering options to reduce the waiting times. The CEO advised for the benefit of the new Chair, that all of the 4 new CIs were now in post, however, the SMT were considering the commencement of an additional CI recruitment, as there is an additional maternity vacancy. Members noted that all new CIs had an approx. 6-month training lead in time before any impact will be made on reducing the WIP. The Chair sought clarification as to what was the age of the oldest case in the system and as the HI did not have this to had, it was agreed that this would be provided for the next meeting.

Action	Owner	Due Date
SMT to provide data on the oldest case in the system and how many cases have not been suspended.	CEO/SMT	26 February 2018

4.2 Following discussion Members suggest that the SMT devise a backlog/clearance plan, with an initial 6month timescale for this work to be carried out, possibly considering the option of offering additional overtime. SMT agreed to consider all options and present at plan at the next full Board meeting.

Action	Owner	Due Date
SMT to present a backlog/clearance plan.	CEO/SMT	20 March 2018

4.3 The CEO reiterated that the Eligibility stage of the process was originally supposed to be the quickest stage of the process, however the complexity of the act and subsequent case law did not this so in practice, as often ends up taking longer than the Investigation and Determination stages.

4.4 Members noted that the information provided on performance data and the CEO reminded Members that this information was historic and will be updated again at Q4 year-end.

4.5 Members enquired as to whether there was a particular reason for spike in production in Q1, which had been positive, yet different to Q2, as they would like to understand if there is a particular reason for this and what the objective measures are. The SMT noted most monthly fluctuations were random fluctuation as so many factors influence closure of a case (vs when the greatest work is done on it). It was agreed that SMT would provide this information for the next full Board meeting.

Action	Owner	Due Date
SMT to present a visual model of data to the Board.	CEO/SMT	20 March 2018

4.6 The Chair thanked the SMT for their input to the paper presented and noted that trend data was very important.

## 5. Management Information

- 5.1 The HI spoke to the paper presented and advised that WIP was down slightly in December but early indications are that it increasing again in January. Members noted that the average Journey Time was 10.2 months and includes waiting time. The HI advised that due to staff still in training, holidays etc, the actual production at Eligibility was missed this month at 78. However, in Investigation the actual production exceeded slightly at 24. For the benefit of new Chair and Member, the HI advised that targets are set with provisions made during the year for CI's attending: meetings, trainings and holidays etc. they don't however include any allowance for sickness. Members sought clarification as to whether the CIs targets were set at the right level, the CEO and SMT advised that the new targets would be set again in June at the end of Q4. The Chair sought clarification as to where the CIs sit on the 'bell-curve' on the system. The SMT noted we had a normal distribution of performance (some in training, a few underperforming, most attaining, and some exceptional). The Chair also asked whether targets took account of other work. The CEO advised that CIs only focus on case work, and this doesn't include any project work (which is carried out by other staff). The targets do take into account contractual annual leave.
- 5.2 Members noted the other figures presented within the paper and thanked the SMT for their updates.

## 6. Q2 Operating Plan Update

- 6.1 The HO spoke to the paper presented and advised that since last reporting there had been a slight delay in 2 of the projects, these were now at Amber (rather than green). One is project 7 – in relation to ABS and from most recent meeting last week; the earliest the implementation date will be is late September/early October 2018 (this is not in our control). The HO also advised that they were still trying to arrange a meeting regarding funding for this project. The second project 17 – in relation to SGvts 'Social Impact Pledge', was due in Q2, but will be completed within the first four weeks of Q3 (so a minor, although regrettable, delay).
- 6.2 Members sought clarification in relation to:
- 6.2.1 Project 9 – were charges made for training provided and the HO advised that in some instances they do, however, in most, only expense costs were covered.
- 6.2.2 Project 18 – would Members be involved in Mental Health Week on 8-14 May and the CEO advised they could be if they wished to.
- 6.2.3 Project 13 – oversight of Client Protection Fund and Master Policy and the HO advised that the MOU has now been signed; however they were still waiting receipt of the final document from the LSS.
- 6.3 Members thanked the HO and CEO for their update on the projects presented.

## 7. Q2 Finance Report

- 7.1 The F&CSM spoke to the paper presented.
- 7.2 FMR – 6 months to 31 December 2017 – The F&CSM advised that the main fluctuations in Expenditure remain: 1) Direct staffs costs which are now £78k below budget, however the impact on the recent recruitment will show over the next few months and reduce this underspend, further recruitment is planned. 2) Members' costs are below budget, however as the new Board appointments 'bed-in' these will be adjusted as required throughout the rest of this financial year. 3) Indirect staff costs and Non staff costs are also showing underspends particularly in legal expenses, where provisions had been made for CoS, Judicial Review and Appeals, therefore further adjustments have been made to the possible year-end position. The F&CSM advised that reserves are now anticipated to be in the region of £387k subject to any further pension provision fluctuations.
- 7.3 The Chair advised Members would find it helpful to know what the cost per case was at each stage of the process. The F&CSM advised that this could be provided for the next full Board Meeting.

Action	Owner	Due Date
SMT to provide cost per case at each stage of the process.	CEO/SMT	20 March 2018

- 7.4 The Chair sought clarification on the Lothian Pension Fund re-evaluation (this is a scheme transferred from the SLSO, and relating to staff TUPE transferred from there. It has never been open to other SLCC staff). The F&CSM explained that currently we were subject to the Gilts Valuation (due to being seen as high risk, based on only one current member of the scheme, other than retirees already receiving benefit ) in 2008 SGvt agreed to under-write the pension shortfall as part of the transfer of liabilities from the SLSO. We are seeking acknowledgement that the SGvt remain aware of guarantee, but that they see investments decisions as for the SLCC. This would allow us to be removed from the Gilts only Valuation 'pot', and to achieve better return on investment through a more mixed portfolio including equities.
- 7.5 The CEO also advised that they were still continuing to work with SGvt on both the Pension Liability and current Lease provision.
- 7.6 Members noted the overview of the Balance Sheet figures presented with the FMR and thanked the F&CSM and CEO for their explanation to the papers presented.

*11.20am HRM joined the Meeting to observe*

#### **8. Q2 Customer Feedback**

- 8.1 The CEO spoke to the paper presented and gave an overview of the themes presented in the feedback results.
- 8.2 Members enquired as to whether the timescales within our processes could be reduced as a number of comments relate to 'length of time taken to deal with this matter' and whether the language used in Reports is still too 'jargonistic', Members felt there was still room to improve on the use of plain English within Reports.
- 8.3 Members thanked CEO for his explanation to the paper.

#### **9. Q1 and Q2 HR Update**

- 9.1 The CEO spoke to the paper presented and Members noted the recent outcome of the Employment Tribunal decision.
- 9.2 Members sought clarification with regards to the current Appraisal system and whether SMT use a 'bell curve targets' to achieve targets set within the Performance Appraisal system. The CEO advised they did not; the basis was individual objective assessment, although distribution was plotted, as per the paper, to ensure either no significant deviation from normal distribution or to ensure very good justification was in place. Members also enquired as to whether the current system related to 'enhanced' pay grades, the CEO advised that there were normal progression scales which applied but there were no extra enhancements as 'exceed' does not warrant/equal extra pay. Consolidated performance bonuses are current prohibited by SGvt pay remit rules. Members noted the increase in those who are 'developing' as this was to be expected due the number of new starts from the recent recruitments.
- 9.3 Members thanked CEO and HRM for their explanation and input to the paper presented.

*11.20am HRM left the Meeting*

#### **10. Levy and Budget Consultation**

- 10.1 The CEO advised that the consultation papers were circulated within the agreed timescale, and to date only one submission has been received from the FoA, this will be tabled within the agreed timescales at the March and April Board Meetings.

#### **11. Key Issues Update**

- 11.1 The CEO spoke to the paper presented.

11.2 The Chair sought clarification on the full costs to the SLCC for the LSS CoS action. The CEO and F&CSM advised that these figures have already been sent to the SGvt Justice Minister.

11.3. Members thanked the CEO for his update noted the rest of the paper as read.

## **12. Risk Register**

12.1 The CEO spoke to the paper presented and advised that the Risk Register had been fully discussed at the recent AC Meeting at which both Internal and External Auditors were present.

12.2 The CEO also advised that Risk 11 would be reviewed at the next AC meeting.

12.3 Members sought an update on Risk 13 and the CEO advised it was their understanding that the Lease Review document would be considered by SGvt Minister later this week. The CEO also advised that at present we were still within the planned timescales. The Chair enquired as to whether any potential financial savings, if the preferred option was delivered, were incorporated into the proposed budget and the CEO confirmed they had been.

12.4 It was also agreed that the Strategic Risk Register will be updated to reflect these discussions. Members noted the paper presented.

## **13. Board Actions Register**

13.1 The Chair noted all actions were complete and Members agreed all completed actions should be removed from the register.

## **14. Minutes of Previous Meeting from 12 December 2017**

14.1 The Minute of the Board Meeting from 12 December 2017 was noted approved as read.

## **15. Chairman's Report**

15.1 The Chair advised that both he and the CEO had a meeting arranged with SGvt Justice Minister for next week, 7 February and an update would be provided at the next Board meeting. The Chair also advised that meetings still had to be arranged with the LSS and FoA.

## **16. Date of Next Meetings**

16.1 Members noted the dates of the next meetings as:

- Board Performance Call will take place at 10am on Monday 26 February 2018
- Board Development Session will take place at 2pm on Monday 19 March 2018
- Board Meeting will take place at 10am on Tuesday 20 March 2018

## **17. AOCB**

17.1 None.

*11.45am comfort break and SMT left the meeting*

*11.50am meeting resumed*

## **18. Chief Executive's Report**

18.1 The Board noted the paper presented. Members sought clarification on the recent Induction meetings with I Reid from FoA and Paul Mosson from LSS, the CEO explained that they were both very positive and informative meetings, which were arranged as part of the relevant bodies 'Induction' to the SLCC, which we were very happy to provide to colleague joining the sector in a range of bodies we work with.

18.2 The CEO also confirmed that he had now stepped down from the Regulation Review Group, as our new Chair was also a member of this group and it was appropriate that there should only be one representative from the SLCC, and this should be the Chair.

*11.55am Secretariat left the meeting*

**Private Member only session in the presence of the CEO**

*1.15pm Secretariat re-joined the meeting*

**19. Outcome from the Outgoing Chair's Handover**

19.1 The Chair confirmed that the discussion paper was noted and the CEO was subsequently tasked with reviewing certain matters to bring back and update the Board.

**20. Chief Executive's Six Month Review**

20.1 The Chair confirmed that Members noted and agreed with the outgoing Chair's presented paper on the proposed 6-monthly Appraisal for the CEO.

**21. Review of the Meeting**

21.1 The Chair thanked Members for their input into both of his first meetings with the Board.

21.2 With no other business the meeting concluded.

*1.20pm Board Meeting ends*