

Scottish Legal Complaints Commission

Annual Report and Accounts

Year ended 30 June 2025

Laid before the Scottish
Parliament by the Scottish
Ministers under section 15(2) of
Schedule 1 to the Legal Profession
and Legal Aid (Scotland) Act 2007
and section 22(5) of the Public
Finance and Accountability
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List of Contents

| | |
|---|-----------|
| 1. Performance report | 5 |
| Performance overview | 5 |
| <i>Introduction</i> | 5 |
| <i>History and statutory background</i> | 5 |
| <i>Purpose: statutory powers and responsibilities</i> | 5 |
| <i>Organisational Structure</i> | 6 |
| <i>Purpose: strategy and process</i> | 6 |
| <i>Summary statement of the CEO</i> | 8 |
| <i>Key issues and risks – looking forward</i> | 9 |
| <i>The link between KPIs, risk and uncertainty</i> | 10 |
| <i>Statement of going concern</i> | 10 |
| Performance Analysis | 11 |
| <i>Key performance data in complaints</i> | 17 |
| <i>Payment of creditors and regularity of expenditure</i> | 23 |
| <i>Social matters</i> | 23 |
| <i>Sustainability Report</i> | 23 |
| <i>Explanation of the development and performance of the entity</i> | 23 |
| <i>Annual Audit</i> | 24 |
| 2. Accountability report | 25 |
| <i>Corporate Governance Report</i> | 25 |
| <i>The Directors' Report</i> | 25 |
| <i>Date of Issue</i> | 25 |
| <i>The Senior Management Team</i> | 25 |
| <i>The Board</i> | 25 |
| <i>Board Attendance</i> | 26 |
| <i>Accountable Officer's responsibilities</i> | 26 |
| <i>Governance statement</i> | 27 |
| <i>Scope of responsibility</i> | 27 |
| <i>Governance framework</i> | 27 |
| <i>Remuneration and staff report</i> | 30 |
| <i>Remuneration policy and report</i> | 30 |
| <i>Remuneration - CEO</i> | 30 |
| <i>Remuneration - SMT</i> | 30 |
| <i>Chair and Board fees</i> | 31 |
| <i>Fair Pay Disclosure</i> | 31 |
| <i>Staff report</i> | 32 |
| <i>Equal pay</i> | 34 |
| <i>Equal opportunities and diversity statement</i> | 35 |
| <i>Staff policies for disabled staff, and other employee matters</i> | 35 |
| <i>Trade Union Facility Time</i> | 35 |
| <i>Parliamentary accountability</i> | 35 |
| 3. Independent auditor's report to the members of Scottish Legal Complaints Commission, the Auditor General for Scotland and the Scottish Parliament | 37 |
| 4. Statement of comprehensive net expenditure for year ended 30 June 2025 | 41 |
| 5. Statement of financial position as at 30 June 2025 | 42 |
| 6. Statement of cash flow for year ended 30 June 2025 | 43 |
| 7. Statement of changes in taxpayers' equity for year ended 30 June 2025 | 44 |

| | |
|---|-----------|
| 8. Notes to the Financial Statements | 45 |
| 1. <i>Accounting policies</i> | <i>45</i> |
| 2. <i>Operating Income.....</i> | <i>47</i> |
| 3. <i>Staff Costs and Numbers</i> | <i>47</i> |
| 4. <i>Pension Costs.....</i> | <i>48</i> |
| 5. <i>Other Administration Costs.....</i> | <i>48</i> |
| 6. <i>Interest and Other Finance Costs</i> | <i>49</i> |
| 7. <i>Property, Plant and Equipment.....</i> | <i>49</i> |
| 8. <i>Trade and Other Receivables</i> | <i>50</i> |
| 9. <i>Cash and Cash Equivalents</i> | <i>51</i> |
| 10. <i>Trade and Other Payables</i> | <i>51</i> |
| 11. <i>Creditors – amounts falling due after more than one year</i> | <i>51</i> |
| 12. <i>Provisions for liabilities and charges</i> | <i>52</i> |
| 13. <i>Leases</i> | <i>52</i> |
| 14. <i>Capital commitments</i> | <i>53</i> |
| 15. <i>Related party transactions</i> | <i>53</i> |
| 16. <i>Contingent liabilities</i> | <i>53</i> |
| 17. <i>Post Balance Sheet Events</i> | <i>53</i> |
| Appendix 1 – Direction by Scottish Ministers | 54 |

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1. Performance report

Performance overview

Introduction

The purpose of this section is to provide an overview of the organisation, how our work links to the national performance outcomes, our functions and powers, and our strategy. Details are provided below on our performance and key outcomes for the year.

History and statutory background

The Scottish Legal Complaints Commission (“the SLCC”) is constituted under the terms of the Legal Profession and Legal Aid (Scotland) Act 2007, enacted on 1 October 2008.

The SLCC is a body corporate and is domiciled in Scotland.

Purpose: statutory powers and responsibilities

The SLCC’s main functions are currently set out under the Legal Profession and Legal Aid (Scotland) Act 2007 and the Legal Services (Scotland) Act 2010.

The SLCC has four main sets of statutory functions.

1. The SLCC’s statutory function in respect of legal complaints is to:

- Provide a **gateway for all complaints** about lawyers in Scotland.
- **Give advice** on complaints to all parties.
- Assess if the complaint is **eligible**, against a number of legal tests.
- Directly manage complaints that relate to the **service** provided by lawyers – providing redress where appropriate (whether that service is provided by a traditional law firm or a new “Licensed Provider”).
- Refer complaints about the **personal conduct** of lawyers to the RPO.
- Refer **regulatory complaints** about Licensed Providers to the Approved Regulator.
- Manage complaints about how the RPO and Approved Regulators have dealt with those conduct or regulatory issues (called ‘**handling complaints**’).
- Manage complaints about **Approved Regulators**. A register of Approved Regulators is published by the Scottish Government: <https://www.gov.scot/policies/access-to-justice/alternative-business-structures/>

2. The SLCC’s statutory function in respect of oversight of **complaint handling** and the **Relevant Professional Organisations**:

In relation to their conduct complaints processes:

- **Investigating handling complaints about RPO** investigations into conduct.
- **Auditing RPOs’** conduct complaints records.
- **Monitoring and reporting on trends** in the way the legal profession deals with complaints – to help ensure the sector learns from complaints made.
- **Issuing guidance** to the legal profession on dealing with complaints and promoting best practice.

3. The SLCC’s statutory function in respect of an **independent advisory Consumer Panel** which can:

- Make recommendations on how SLCC can improve our policies and processes.
- Suggest topics for research connected to legal consumers.
- Express a view on matters relating to the SLCC’s functions.

4. The SLCC’s statutory function in respect of **indemnity and client protection funds**:

- ***The SLCC’s function in respect of the effectiveness of the Client Protection Fund and indemnity arrangements*** allows us to make recommendations to the RPOs about the arrangements in place and has included research into the Client Protection Fund and the Master Policy.

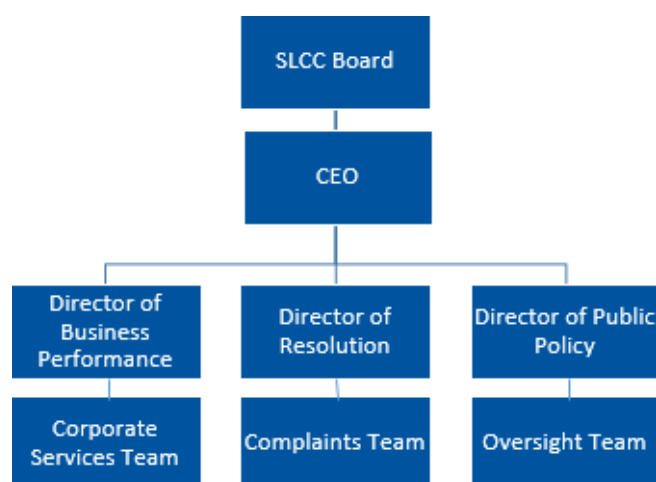
The Regulation of Legal Service (Scotland) Act 2025 received royal assent on 27 June. This will change the SLCC’s functions over time, but the Act has not yet been commenced.

While the SLCC is an independent body, the work we do is influenced by the Scottish Government’s National Performance Framework. We contribute through the delivery of our functions to the following outcomes:

- ***Communities***: we live in communities that are inclusive, empowered, resilient and safe.
- ***Culture***: we are creative and vibrant and diverse cultures are expressed and enjoyed widely.
- ***Economy***: we have a globally competitive, entrepreneurial, inclusive and sustainable economy.
- ***Fair Work and Business***: we have thriving and innovative businesses, with quality jobs and fair work for everyone.

We also take account of the Scottish Government “Vision for Justice in Scotland” (which was updated in 2023).

Organisational Structure



Purpose: strategy and process

Our current strategy was originally set to cover the period July 2020 to June 2024. It was extended for one year, to June 2025, due to legislative reform being imminent, but not finalised to the extent that a new strategy could be set.

The process we used to develop the original strategy was published as part of our annual statutory consultation on work planning and budgets. This background context can be found at:

<https://www.scottishlegalcomplaints.org.uk/media/c4ynk1xz/background-document-final.pdf>

We also consulted on the one-year extension (in January 2024):

<https://www.scottishlegalcomplaints.org.uk/media/tarhnxz1/slcc-budget-operating-plan-2024-2025.pdf>

Our vision is that **every client receives a professional service, and every lawyer adheres to professional standards.**

Our mission is to **resolve complaints, prevent the common causes of complaints, and enable quality improvement.**

We have five strategic aims to achieve our ambition to be an efficient and effective complaints, regulatory, and oversight body, delivering a quality service. Our aims are to:

| | |
|-------------------|---|
| Deliver | Deliver our functions as a high-quality service which is accessible and inclusive, has good customer service at its heart, is prompt, and proportionate, and which delivers fair resolutions. |
| Innovate | Innovate across our complaints, regulatory and oversight functions by working as a performance-focused, agile, change-confident and resilient team, delivering continuous quality improvement and best value in our work. |
| Prevent | Prevent the common causes of complaints through analysis, shared learning and improvement work. |
| Influence | Influence the evolution of the regulatory system across the legal services market through complaints learning and our regulatory and oversight functions. |
| Transition | Transition the organisation through a period of strategic change and expansion of functions and role, supporting our staff, and focusing on a service design approach. |

Our values are:

| | |
|-----------------|---|
| Fairness | Our processes and outcomes can be trusted by all as fair, independent and impartial. |
| Respect | We understand and respect the diverse groups we work with, work inclusively, and offer a good customer experience to all. |
| Impact | Every element of our work will deliver a meaningful result. |
| Learning | We continuously learn and develop, and share that learning, so we all improve our processes and the quality of our work. |
| Clarity | Our decisions, explanations, communication, and services will be clear and accessible. |

Summary statement of the CEO

Our business planning cycle is set in statute. Each year we must consult in January on an operating plan and on a budget sufficient to meet planned expenditure. We must publish consultation responses in March and lay a budget before Parliament in April. Our Annual Report and Financial Statements then complete the cycle, reporting on performance within that year.

In this performance analysis section, we give a full account of our performance against our operating plan, key achievements and activities, our key performance data (on the complaints process), our financial position, key risks, and the future development of the organisation. Later we provide remuneration information, governance information, the full financial statements, and the detailed notes to the financial statements. However, this section provides a high-level summary.

We delivered almost all the projects in our published Operating Plan for 2024/25. There were 27 projects set in the operating plan at the start of the year.

Two projects were decommissioned by the Board. In both cases these related to the implementation of the SLCC's duties under the Legal Services (Scotland) Act 2010. This work was dependent on the Law Society of Scotland, who had indicated in their operating plan that they intended to take steps which would have triggered the SLCC's work. This did not happen, meaning the SLCC could not complete these elements of work.

Of the remaining 25 projects 22 (88%) were fully completed.

Three projects were delayed (by the departure of two different staff members). Some progress was made in each of these, and they were added to the 2025/26 operating plan to ensure completion.

The 88% completion rate exceeds the 85% completion target set by the Board. This compares to 97% of projects in 2023/2024, 97% in 2022/23, 91% in 2021/22, and 97% in 2020/21. This annual delivery of projects also supports the overall delivery, and assessment of delivery, of the strategy noted above.

More details on the delivery of work are provided below in the 'Performance Analysis' section.

We largely maintained the improved core performance of our complaints process. On certain journey time and allocation targets we fell slightly short of KPIs due to the impact of high incoming volumes last year which were still affecting workloads. However, by the last quarter we were back within KPI on most. We met all other key complaints targets set by the Board for 2024/25.

We handled a high 'work in progress' coming out of an exceptional and unbudgeted incoming level of complaints in the previous year. 2023/24 saw a 14% rise from the previous year, 8% above the maximum incoming number which we projected in our budgeted consultation and could be managed within the set budget. This led to a higher number of cases still open at the start of this year. Incoming complaints this year fell back slightly, as predicted, to 1,339, around 3% less than last year.

We continued to manage our response to a major incident in the profession. The collapse of a single firm some time ago had a major impact last year. This year saw fewer new full complaints, but a large volume of stakeholder correspondence which has taken significant resource to manage. We have also carried out our own 'lessons learnt' exercise, which led to a number of actions including the updating of policies and procedures for the future. We continue to look at how we can use all our statutory powers to assist those impacted by this situation.

We have been successful in pressing for much needed reform, with the Regulation of Legal Services (Scotland) Act 2025 passed in the Scottish Parliament on 20 May 2025. This will help us build better services and processes for the public and for the profession, so we are both more efficient and more effective. We are now actively working with Scottish Government to discuss commencement orders and set-up funding.

We have been testing significant changes at our 'eligibility stage' following a Court of Session appeal decision and to help prepare for the implementation of reform (see above). The decision of the court could have had significant impact on cost and delay, but a new approach has been developed and tested which met the guidance of the court, this has the potential to deliver savings at this stage in the process. This was a significant change for staff and for certain key stakeholders, and we were grateful for their engagement throughout.

Key issues and risks – looking forward.

Our risk policy and risk register were maintained, updated, and scrutinised at Audit Committee and Board throughout this year.

Our main uncertainty, presenting both risks and opportunities, comes from the new Regulation of Legal Services (Scotland) Act 2025.

This reform did not go as far as the SLCC, or many other stakeholders had hoped, but does represent an opportunity to improve our efficiency and effectiveness through changes to the complaints process and the allocation of new duties and regulatory objectives to the SLCC.

Now that the legislation is finalised the main risks are:

- Delayed dates for commencement of the new legislation (as has happened since 2010 with previous reform).
- A failure by Scottish Government to provide the set-up funding detailed in the Finance Memorandum accompanying the Bill.
- Uncertainty in relation to commencement and funding. This is separate to delay and failure to fund, as above. Those scenarios both provide certainty which can be planned around, whereas an ongoing failure by others the SLCC is dependent on to decide a date or funding leads to an ongoing cycle of uncertainty. This is the persisting situation in relation to the 2010 reform, which creates particular costs and risks each year.
- The need to prepare ahead, without over-committing resource. We must do some advance preparation to ensure that the practical implementation of suggested reform is possible, however must not over commit resource until commencement dates and funding are agreed.
- Being ready for a fast implementation, without risking quality. We would want to move swiftly to take advantage of potential efficiencies from the new drafting of the legislation and new opportunities for public protection but need to ensure this does not undermine the quality of our work.
- New room for uncertainty leading to judicial review. Much of the wording of current legislation had been tested in the courts. New wording risks the chance of increased legal challenge for a period.
- The scale of the change programme for the SLCC and ensuring multiple dependencies are managed.
- Working with the unregulated market. The Act imposes a new mandatory complaints regime on a potentially large number of businesses who were not specifically consulted in the development of the legislation and will have had little visibility of their new liabilities. There is also a risk that elements of work may be partially subsidised by the regulated market, which may lead to impact on relations with legal sector stakeholders. The SLCC had not proposed these new duties, but now they are law must implement them.

This year we avoided any serious IT security or failure incidents. We have achieved this by ensuring regular software updates and patches are carried out. We gained our Cyber Essentials Plus Accreditation at the start of 2024/25. Cynet, a cybersecurity service, continues to give us real time alerts of any potential threats. We also carried out Vulnerability Assessments of our network. We continue to focus on mitigations around security and staff training to minimise risk. As for all organisations, and despite all mitigations, cybersecurity remains a major concern.

Other issues. No other major financial risks, issues or process failures were reported or identified. The Employment Tribunal mentioned in last year's accounts (an unusual situation as this was not taken by an employee, but a solicitor seeking to challenge an adjudicative decision) found in the SLCC's favour. It was appealed, and the appeal was dismissed. This year, just after year end, a Sheriff Court case has been raised on discrimination grounds. The SLCC is seeking to intervene, as the member of staff was acting in the course of their employment and we believe the allegations are unfounded.

These medium and long-term risks continue to be reviewed regularly by the Audit Committee and Board.

Summary: we have performed well, delivering within our budget and operating plan and close to KPIs. We have now completed most cases coming from a major situation following the failure of a single firm. We have continued to achieve redress for parties affected, and to liaise extensively with stakeholders to assist a co-ordinated regulatory response, to the extent possible within current regulation. Risks identified will be monitored closely. As with many organisations cybersecurity is a key ongoing risk, with multiple mitigations; the risk is still considered high simply due to how sophisticated and intense attacks can now be. In other respects, our assumption is that the operating environment will be similar in the coming year.

The link between KPIs, risk and uncertainty

The most important factor influencing our Key Performance Indicators (KPIs) is the incoming case load of complaints. We can make assumptions, but there is uncertainty in any forecast model. The key risk for the business is a sharp increase, or decrease, in complaints which takes resource and budget out of alignment with workload.

As noted above, last year (2023/24) we saw incoming complaints rise to their highest ever since the SLCC was established, and well above what was budgeted for the year. This was driven by the failure of a single firm. That workload was managed without major impact on that year's performance, in part due to the 'lag' as to when complaints progress to later stages of the system. This year, the impact is seen a little more (detailed performance analysis below).

If there is an increase above our budgeted prediction, this immediately affects KPIs. Contingency plans for higher workloads can be put in place, but this will often have an implication for the following year's levy. Increases also reduce our capacity to deliver projects or deal with other risks that materialise within the year. Sharp reductions would mean short-term inefficiency, with a staff complement bigger than justified by workload. In the medium term this can be managed through re-deployment, including secondment to other public bodies and natural wastage, and savings can be reflected in future levies.

Statement of going concern

In preparing the accounts, the Scottish Legal Complaints Commission's Accountable Officer is required to comply with the Government Financial Reporting Manual (FrEM) and, in particular to prepare the financial statements on a 'going concern' basis, unless it is inappropriate to presume that the SLCC will continue in operation.

Management have assessed the appropriateness of the going concern basis of accounting required by IAS 1 and have concluded that the use of going concern basis is appropriate. This is informed by the following:

- There has been no substantive change to the Legal Profession and Legal Aid (Scotland) Act 2007 in the operational year. New legislation, the Regulation of Legal Services (Scotland) Act 2025,

although not yet commenced, further enhances and extends the functions of the SLCC.

- If the SLCC did not exist it is likely the Scottish Government would be required to appoint another organisation to carry out the legal complaints process.
- There is a strategic plan in place until June 2026 (the 2020 to 2024 strategy was continued for a further two years as reform was delayed). Development of strategy for 2026 to 2030 is currently underway, and we will consult on this in January 2026.
- Financial planning is in place for 2025/26, and the budget has been laid before Parliament. The SLCC has a medium-term financial plan up to 2028/29.
- Funding levels are linked to the number of practitioners in the sector and data shows this is not declining.

Performance Analysis

In this section of the report, we provide **feedback on this year's work, as published in our Operating Plan at the start of the year.**

DELIVER our functions as a high-quality service which is accessible and inclusive, has good customer service at its heart, is prompt, and proportionate, and which delivers fair resolutions.

Our complaints work:

- Details of our main KPIs and complaints volumes are in the next section. Here we note additional work.
- Our ongoing programme of improvement work saw 11 new 'sprints' (rapid test and deploy cycles of improvement) started during the operational year. These included testing SharePoint file transfer for gathering files from firms and for our mediation work, the use of preliminary decision letters, how we share feedback with staff, major changes to our eligibility stage following a court decision, managing the knock-on impact on the investigation stage of our process, investigating without a file from the firm (when they have failed to supply), and piloting a confidential service for solicitors wanting advice on our process (separate to their specific case).
- We have continued to engage with victims' groups and other key stakeholders following the issues around the former firm of W W & J McClure Limited. We have also carried out a 'lessons learnt' exercise and have amended policies and procedures as appropriate.
- We have continued our work to tackle a significant and longstanding issue in the solicitor branch of the profession with a failure to comply with statutory s17 notices seeking to access files and explanations from law firms. This year there were several developments.
 - We have had to instruct solicitors and seek to initiate court action in 11 cases. This is the lowest percentage of cases where we have had to do so in 8 years – being 3% of cases where we request a file and response under S17. We have flagged the improvement to key stakeholders but also noted we need to see this sustained.
 - There is also a reduction in firms needing to be reminded once a s17 request for a file and response to a complaint is made. Requests peaked in 17/18 with 42% needing a reminder, and we have seen a slow reduction to 16% needing a reminder in 24/25. However, 16% of firms who are requested to provide a file and response to a complaint is still a considerable number failing to prioritise this work and adhere to a disciplinary rule. This results in complaints taking longer, more work being needed than should be and therefore there is a cost to the profession as a whole. Again, we will need to monitor this closely.
 - This year we have seen a number of cases where we have had to pursue the same solicitor or firm on multiple occasions. Of those, a number have given evidence in court regarding health issues which are affecting their practice. While we can take account of health issues where they are raised with us, there is also a public protection issue to consider, including

at what point a lawyer needs to step back from work if they cannot service existing clients or new ones they continue to take on. This issue is particularly acute where lawyers involved have pled in contempt proceedings that they have been unable to comply with regulatory duties to clients due to health issues, and yet the wider regulatory system is permitting them to continue to practise. We [highlighted these concerns publicly](#) and with relevant stakeholders, including the Lord President, who [expressed similar concerns](#) from the bench when presiding over one of these cases.

- We commenced a 'sprint' to test moving straight to a decision, based on the evidence available, as an alternative to going to court to gain access to the file. We have done this in 7 cases this year. This is only done in cases where the firm is not a repeat offender, and we can deal with the complaint in this way. This is a slightly faster and cheaper solution in terms of delivering our complaints function and saves the court time. However, it also means that the breach of the legal obligation to provide the file is not being overseen by the courts.
- We delivered adjudication refresher training to our Board members which included issues arising from cases, determinations and appeals in the previous year.
- Our Service Experience Team (SET), developed a new customer feedback report for both the Board and Consumer Panel. They finalised a sprint taking control of our Trustpilot page and developed our new Process Assistance Line "PAL" for solicitors to ask about how the complaints process works and what to expect through the process.
- We were informed, once again, by the Law Society of Scotland that they would be starting the licensing of 'licensed providers' (ABS) within this year, finally implementing the Legal Services (Scotland) Act 2010. The SLCC worked to be operationally ready but were then told the Law Society of Scotland would not yet be implementing. This means that for 12 out of the last 15 years, since the Act, we have been told the SLCC needs to be ready to implement its elements of the new model, and then this has not happened. We noted in this report last year and the year before the cost of this happening, so it is especially disappointing this happened again.

Our oversight work:

- We continued to meet quarterly with both Faculty and Law Society of Scotland to discuss issues raised in our handling complaints and oversight work. We thank them for their constructive engagement.
- We published our [second annual update report](#) on the Law Society's progress on implementing our recommendations about its conduct complaint handling timescales and welcomed the continued progress.
- We have now published a [third annual update report on the Master Policy](#) which reiterates our recommendations for improvement.
- We published a [report on the Law Society's Client Protection Fund](#) which made recommendations for improvement which they have committed to implement. The Law Society also issued its own [statement](#) on the report.
- We published an [update report](#) on Faculty's progress against the recommendations we made in our report last year on their conduct complaint handling processes, with Faculty recommitting to implementing the requested improvements.
- We concluded joint work with the Law Society and Master Policy brokers to address specific concerns around the operation of the Master Policy regarding payment of claims relating to the former firm of W W & J McClure Limited.

Consumer Panel:

- Our Consumer Panel informed and challenged our work on customer service feedback and the wider work of our Service Experience Team (SET), helping us as we moved to a new system of reporting this data and insight.
- The Panel promoted the need for consumer-focused regulatory reform, submissions and briefings as part of the parliamentary debate on reform.
- The Panel published a report on the demographic information collected by the SLCC on complaint forms to help understand what may be creating barriers to people making complaints and make recommendations for action.
- The Panel also responded to the Scottish Solicitors' Discipline Tribunal's consultation on its standard of proof, and to the SLCC's consultation on its budget and operating plan.
- The Panel started to discuss and plan for its new extended role under the new 2025 Act.

Other:

- We reviewed the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024. We considered how this should form part of our broader approach to impact assessment. Along with the Consumer Panel, we considered how we make our service more visible and accessible to children and young people. We also learnt from SPSO's work on child friendly complaints to inform our approach when we do receive complaints from or on behalf of children.
- We delivered an integrated training programme to staff including legal updates and training on reasonable adjustments, unconscious bias, equality, how to deal with complaints about the SLCC's own service, understanding and boosting confidence, kindness and compassion in public service, supporting bereavement, trauma informed practice, and on Insights profiles (a personality assessment tool). This included talks from colleague organisations relevant to our work. Our thanks go to the Scottish Legal Aid Board, Public Defence Solicitors Office, LawCare, and Alzheimer Scotland. We also heard from former police officers on issues around human trafficking. Finally, we note our thanks to our panel law firms for a programme of sessions on areas of law and practice commonly leading to complaints.
- We prepared our application to be re-validated by the Ombudsman Association as meeting the standards required of a complaints body member (which represent best practice in the sector). This process helps to provide external assurance on our approach. The application was submitted just after year-end.
- We worked with Scottish Government on a new Framework Agreement, and just after year end this was signed off.
- We reviewed our approach to member expenses.
- We commissioned an independent review of our governance. The main finding was that *"There is positive evidence that supports the view that performance across all areas of SLCC's governance is strong and (having reviewed many other organisations governance arrangements) beyond the standard of many similar bodies. In risk management terms it achieves, at least, reasonable assurance and significantly better in a number of areas. There is not a great deal to be done to achieve excellence in governance. However, as is to be expected from such a project, some potential improvement opportunities were identified in the course of this review."* We published a [summary and action plan](#) in response.
- We produced our annual Health and Safety Report.
- We reported progress on our records management plan to National Records Scotland. They assess our progress against 14 criteria. All 14 of these are now assessed as 'Green'.

INNOVATE across our complaints, regulatory and oversight functions by working as a performance-focused, agile, change-confident and resilient team, delivering continuous quality improvement and best value in our work.

- We developed further inhouse 'apps' to support more efficient ways of working. This included building our own recruitment platform (having assessed costs of using an external service and finding these high). We also developed apps to support our Board members in their work and updated our purchase order app based on feedback from an internal audit.
- We continued our careful exploration of the use of AI. Freely available products were used to analyse anonymised customer feedback to look for new insight (alongside manual review) and we increased our use of AI for generating first drafts of new policies and documents (with staff always reviewing and finalising). We have also been using tools to improve the tone and accessibility of communications with users, and in producing initial draft summaries of various documents we need to review from time to time.
- We continue to monitor AI usage in the sector. This year we admitted the first complaint about AI use (where it is suggested a lawyer submitted 'hallucinated cases' to the courts). We welcome the Law Society of Scotland issuing new helpful [guidance](#) on the use of generative AI.
- We completed our roll out of new laptops, part of our investment in IT to ensure staff can carry out their roles to a high standard.
- We started a review of office use and layout, part of continuing evolution about how we work and having the right environment to support that.
- Our new working model 'Your Job, Your Way' (discussed in previous annual accounts) has now been fully embedded into our Staff Handbook.
- We worked with our Case Management System provider to be able to use our case data in Power BI to allow us to improve reporting.
- We have concluded the first part of our data maturity audit as part of our participation in the Scottish Government's Data Maturity Cohort and to inform a data action plan for the organisation. Work was delayed due to staff changes, but further work is planned over the coming year.
- We held business continuity training with our management team and completed the Scottish Government's Cyber Resilience Survey and Self-Assessment. We also actioned recommendations from our Vulnerability Assessments to improve our cyber security.
- We ran sustainability events and took part in climate change week.
- We worked with our Wellbeing and Inclusion Staff Group to ensure the health and wellbeing of colleagues. Events this year included ones based on: Chinese New Year, First Aid, Menopause, Fertility, Arthritis, International Men's Day, Human Rights Day, Ovarian and Prostate Cancer and Autism.
- We implemented a new HR IT system this year. The system is more reliable for recording of our flexi time scheme, which had been an issue in previous systems. We finalised a new version of our employee handbook and refreshed both our workforce plan and succession plans.

PREVENT the common causes of complaints through analysis, shared learning and improvement work.

- We published a [report](#) on the benefits of price transparency and clear costs to reduce the risk of misunderstandings which often lead to complaints. We discussed this work throughout its development with the LSS Regulatory Committee. Our press statement was [covered in the Journal](#), accompanied by a supportive comment from the Committee Convener.
- We published our first short podcast, trialling a new approach to getting our outreach messages out to the profession and drawing on learning from other ombudsman podcasts.

- We issued new guidance on ‘withdrawing from acting’ to help support solicitors and the public around an issue we see featuring in complaints.
- As part of the aforementioned ‘lesson learnt’ on the failure of a firm which led to a significant number of complaints, we also sought to identify learning which could be shared with the profession to reduce further incidents, although there are limitations about what we can do (at the moment) without breaching the confidentiality duty in the current legislation.
- We promoted [new guidance](#) the Law Society of Scotland has issued to clarify that solicitors should not attempt to prevent or discourage people from exercising their right to complain, or to seek to prevent clients from making truthful comments about the services they’ve received. We understand this is partly in response to our 2023 Terms of Business report and our continued flagging of cases of this nature (including those attempting to charge for complaints), SSDT decisions on such cases, enquiries made to the Society and the increasing trend in posting online reviews of solicitors.
- We delivered 17 outreach sessions to the profession and have been in contact with 7 CRMs or practitioners who approached us with questions and proactively contacted 3 to discuss concerns about the text relating to complaints in their terms of business letters, or something we’d identified in their response to a complaint.
- We developed new videos and social content to highlight and drive engagement with our guidance for practitioners on preventing complaints. We also developed and shared new content for consumers to support our consumer guides.
- We continued our use of short videos to share information about our work, including a quarterly CEO vlog and other ad hoc content. We used our quarterly e-newsletter to deliver engaging content to the profession, we were successful in having some of our articles covered in the Law Society Journal and elsewhere in the legal press and we delivered bimonthly articles in The Scotsman about our work.

INFLUENCE the evolution of the regulatory system across the legal services market through complaints learning and our regulatory and oversight functions.

- Our work over several years to make the case for reform has led to the Regulation of Legal Services (Scotland) 2025 being passed on 20 May 2025.
- The legislation includes overarching regulatory objectives for the SLCC, new flexibilities and powers in relation to how we deliver our complaints role, and new functions in other areas.
- Although the Bill does not fully implement the reforms proposed by the Government’s own independent review, or by the SLCC and consumer bodies, the SLCC has welcomed what will be a significant positive step forward in regulation and complaints allowing new efficiencies and more effective working.
- We worked with our Consumer Panel to ensure we understood the consumer perspective on proposed reforms.
- The SLCC has already started discussions with Scottish Government on commencement orders and funding.
- We also [responded](#) to a call for evidence from the Delegated Powers and Law Reform Committee to inform their [inquiry into framework legislation and Henry VIII powers](#). This was part of our wider engagement on reform and helped us to get across key messages on the need for clear, proportionate, and principle-based legislation, which provides flexibility for circumstances not yet foreseen and helps to guard against legal challenges. We were invited to give oral evidence and were able to provide specific and practical examples.

- We were pleased to see Scottish Solicitors Discipline Tribunal consulting again on the burden of proof applied to misconduct. The tribunal currently uses ‘beyond all reasonable doubt’. That is, and has been for a long time, out of kilter with most professional regulators in the UK. The SLCC has a long standing policy line on this, expressed in our papers on the reform debate and in our response the last time the [SSDT consulted on this in 2019](#).
- We also [responded](#) to a request from the Citizen Participation and Public Petitions Committee in respect of a petition. [PE2061: Require solicitors to ensure capacity of vulnerable individuals by having a medical professional co-sign legal document](#).
- We engaged in wider work within the regulatory and complaints sectors, ensuring we learnt from others and shared our best practice. This year we joined the Institute of Regulation as we prepare for a wider role under new legislation. We chaired a session at the Ombudsman Association conference on ‘User Experience’ looking at the experiences, needs and expectations of complaints service users.

TRANSITION the organisation through a period of strategic change and expansion of functions and role, supporting our staff, and focusing on a service design approach.

- We have developed initial draft project outlines, costings, commencement phasing and risk registers for the projects which will be necessary to implement reform.
- We have reviewed examples of other regulators bound by overarching regulatory objectives and developed an initial draft ‘regulatory statement’ on how we will interpret and implement the regulatory objectives in the new Act. We will consult on this next year.
- We have recruited a project coordinator to support implementation.
- We developed and consulted on a budget and operating plan taking account of the need to implement the new legislation in the coming year.

Work we had planned, but which did not take place or where we amended our approach:

Two projects were decommissioned by the Board:

- *“If required, we will implement the complaints system for Licensed Providers (ABS) under the Legal Services (Scotland) Act 2010.”*

The Law Society did not implement the new system, and this was required before the SLCC could act.

- *“If required, we will review the approved regulator complaints system under the Legal Services (Scotland) Act 2010 to ensure it remains fit for purpose after the eventual launch of the licensed provider scheme and with associated communications and the training of staff (all needing updated, due to delays in the scheme being launched by other bodies).”*

The Law Society did not implement the new system, and this was required before the SLCC could act.

Three projects were not fully completed:

- *“We will use our complaints data and professional insight to develop an approach to scanning for and tracking regulatory risk factors to help identify potential consumer detriment.”*

An initial model was developed, and we have increased reporting from front line complaints handlers up to management of trends being spotted. However, we have not fully completed this objective due to the departure of the Data Officer. It has been added to the 2025/26 operating plan to ensure completion.

- *“We will finalise our data action plan and begin implementation. This work will include ensuring we are aware of relevant developments in the legal, regulatory and complaints sectors.”*

We completed our participation in the Scottish data maturity programme and held workshops with staff to audit our own work. We have started development of a data strategy. However, we have not fully completed this objective due to the departure of the Data Officer. It has been added to the 2025/26 operating plan to ensure completion.

- *“We will start work to look at how our carbon footprint can be accurately calculated, and we will consider how our e-footprint for carbon can be reduced. We will encourage the use of volunteer days to support sustainability initiatives.”*

We began recording data to calculate our carbon footprint. However, due to staff resource we have been unable to finalise the draft reporting and calculations. It has been added to the 2025/26 operating plan to ensure completion.

Summary: We delivered over 88% of our Operating Plan for the year, with 85% being the target set by our Board (to take account of the fact that some projects will always be affected by external factors outwith our control, or priorities may change mid-year). Performance on quantitative performance measures is detailed in the Performance Report, on page 21.

Key performance data in complaints

Set out below are comparative volumes of work over the last four years. These figures are similar to the statistical information we share with the relevant professional organisations on a quarterly basis.

The SLCC is defined in statute as a reactive body, which must apply a legal process to complaints we receive. We cannot set a target for incoming complaints, nor can we set targets for disposal levels at each stage of the process, as this would infringe the adjudicative function of the body which requires each decision on a case is based solely on the case merits.

A more detailed breakdown of complaints and outcomes is provided each year in our Annual Reports: <https://www.scottishlegalcomplaints.org.uk/about-us/who-we-are/our-annual-report/> for those who wish to understand our adjudicative process. In these accounts we are providing a higher-level summary on volumes to provide context to resource and expenditure.

| COMPLAINTS RECEIVED AND CLOSED | 2024/25 | 2023/24 | 2022/23 | 2021/22 |
|--|--------------|---------|---------|---------|
| Complaints in hand at start of year | 659 | 554 | 459 | 388 |
| New complaints received | 1339 | 1385 | 1281 | 1159 |
| Adjustments – complaints reopened/voided | 19 | 38 | -4 | 72 |
| Complaints closed at all stages | -1363 | -1318 | -1183 | -1158 |
| Net change – reassessed as eligible/ineligible on appeal | 0 | 0 | 1 | -2 |
| Complaints in hand at end of year | 654 | 659 | 554 | 459 |

| STAGE IN PROCESS COMPLAINTS WERE CLOSED (Numbers) | 2024/25 | 2023/24 | 2022/23 | 2021/22 |
|---|-------------|---------|---------|---------|
| Prematurity | 101 | 118 | 99 | 196 |
| Eligibility | 737 | 734 | 701 | 545 |
| Mediation | 99 | 89 | 57 | 90 |
| Investigation | 232 | 245 | 203 | 224 |
| Determination | 194 | 132 | 123 | 131 |
| Total | 1363 | 1318 | 1183 | 1186 |

| STAGE IN PROCESS COMPLAINTS WERE CLOSED (Percentage) | 2024/25 | 2023/24 | 2022/23 | 2021/22 |
|---|-------------|-------------|-------------|-------------|
| Prematurity | 7% | 9% | 8% | 14% |
| Eligibility | 54% | 56% | 59% | 56% |
| Mediation | 7% | 7% | 5% | 7% |
| Investigation | 17% | 19% | 17% | 12% |
| Determination | 14% | 10% | 10% | 11% |
| Total | 100% | 100% | 100% | 100% |

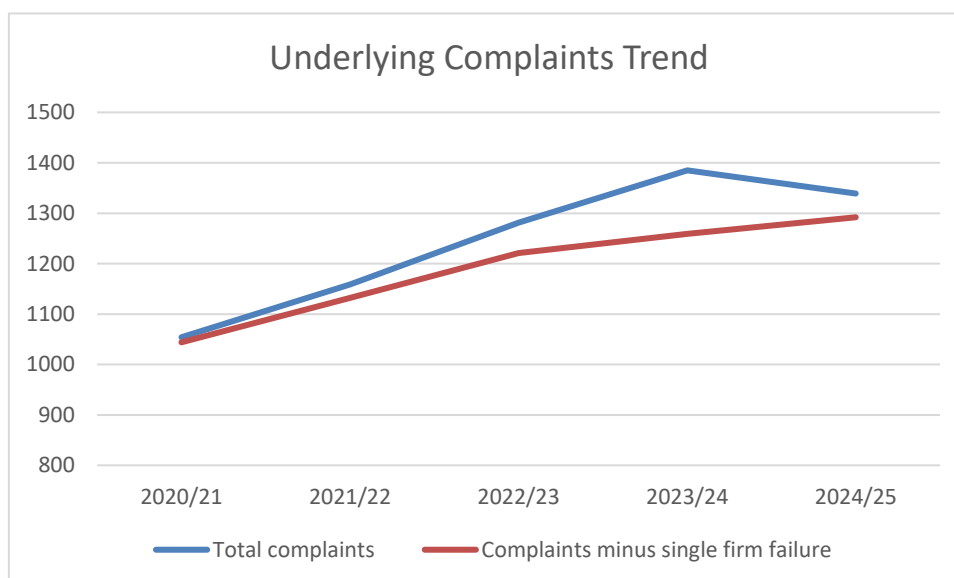
It is important to be clear that these figures relate only to when a case exited the SLCC system. To give an example, 737 cases closed at eligibility is not the same as suggesting 737 cases were not eligible. Outcomes at this stage, this year, include 164 of those being deemed eligible conduct cases which are then passed to the Relevant Professional Body (so the SLCC has no further involvement). Another 259 were resolved through conciliation, where SLCC staff work intensively with both parties to achieve a mutually agreeable settlement of the case. Only 169 were actually rejected by the SLCC through a formal decision as ineligible. This further data, for every stage, is provided in our separate Annual Reports.

Incoming complaints have remained high. In our budget consultation we predicated 1,345 incoming complaints and we received 1,339.

We had reported last year that incoming complaints had been dominated by the failure of a single firm, leading to a record high in 2023/24. So, it was expected that complaints would fall.

Whilst there was a drop, it was not as significant as some of the more optimistic projections, as the underlying trend of complaints, setting the single firm failure aside, continues to increase year on year.

| | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
|--------------------------------------|---------|---------|---------|---------|---------|
| Total complaints | 1054 | 1159 | 1281 | 1385 | 1339 |
| Complaints minus single firm failure | 1044 | 1132 | 1221 | 1259 | 1292 |



Our projection for 2025/26 was based on a similar level of incoming (1,345) as the year just completed. If the underlying trend of increases continues it may be just above that. However, this does mean that on current projections we are likely to increase our estimate incoming in the budget consultation for 2026/27 (due to be published January 2026).

Despite the high incoming number of complaints, 'complaints in hand' at the end of the year is slightly lower than last year (654 compared to 659) and complaints output (cases closed) was slightly higher than last year

(1,363 vs 1,318).

We continued a strong focus on early resolution, with only 14% of cases moving all the way through the system to a final determination. This saves time and effort for both practitioners and complainers and reduces the period of stress a complaint can often bring for both parties.

The SLCC Board also sets KPIs each year and assesses performance quarterly and at year end. It is important to understand this data comes from a variety of sources and is about a responsive and live set of internal management data, which helps the business respond quickly to performance levels. The data may vary marginally to published annual data. To give two examples:

On the last day of Quarter 1 we may receive a complaint in the post and online at the same time, without knowing these are the same complaint. In the Q1 management data this will show as two complaints. However, when we start processing the complaints we will void one case, as they are the same complaint. The Q1 management data will not be corrected – it is a disproportionate use of resource, a single case would not affect the resourcing decision at quarter end, and that decision had already been made. Over the four quarters a number of these issues will be present.

In a similar fashion, Journey Time is measured each month but is reported on here as an average over the year (meaning some individual months may have been above KPI).

The data also highly summarises complex qualitative issues. For example, the quality indicator for case work is based on a quality framework and specific criteria for dip samples which help make a qualitative assessment more structured and consistent. However, the high-level indicator also aggregates stages with slightly different criteria (Eligibility and Investigation) and misses stages (for example mediation, a lower-case volume and with very different quality factors). This gives the Board an effective overview, to trigger performance conversations, but is not a complete summary of our work.

| Other KPIs | 2024/25 | | 2023/24 | | 2022/23 | | 2021/22 | |
|--|--------------|--------|--------------|--------|---|--------|---|--------|
| | Target | Actual | Target | Actual | Target | Actual | Target | Actual |
| Expenditure vs budgeted expenditure | +/- 5% | Met | +/- 5% | Met | +/- 3% | Met | +/- 3% | Met |
| Op Plan Projects on time/to specification | 85% | 88% | 85% | 97% | 85% | 97% | 85% | 91% |
| Journey Time (average for year of monthly JT) | ≤ 7.9 Months | 8.1 | ≤ 7.9 Months | 7.4 | ≤ 8.5 Months | 7.1 | ≤ 8.5 Months | 7.7 |
| Waiting Time at Eligibility (average for year of monthly wait) | 2-6 weeks | 6.5 | 2-6 weeks | 6.6 | 4 weeks or less | 7.8 | 2 weeks or less | 1.4 |
| Waiting Time at Investigation (average for year of monthly wait) | 1-3 Weeks | 6.6 | 1-3 Weeks | 2.8 | ≤ 2 Weeks | 2.5 | Introduced in 22/23 (previously was no. of cases waiting) | |
| Actual production per month meets or exceeds planned production | ≥ | Met | ≥ | Met | ≥ | Met | ≥ | Met |
| Quality Sample for | ≤ 5% are | Met | ≤ 5% are | Met | Formally introduced to Board reporting in | | | |

| Eligibility and Investigation Reports | red in RAG rating | | red in RAG rating | | 2023/24 (process predates this) | | | |
|---|-------------------|-----|---|-----|---|-----|---|-----|
| Improvement Sprints (short 'pilots' of new ways of working/process improvement) | Min 2 per quarter | Met | Min 2 per quarter – 1 on quality / customer | Met | Min 2 per quarter – 1 on quality / customer | Met | Min 3 per quarter – 2 on quality / customer | Met |

Journey time – taking the average for the year we missed target by 0.2 months or 6.2 days. This was largely driven by the peak incoming in the previous year which was well beyond budgeted resource. However, more positively, in the last 3 months of the year we were back well within KPI (April 7 months, May 7.5 months, June 6.9 months).

Waiting time – this tracks the period between a complaint being submitted (and receiving an initial review and acknowledgement) and the allocation of the named investigator. At both key stages we missed target, again due to the unexpected high incoming the previous year. By the end of the year, we were back on track at investigation (the average for the quarter being 2.8 weeks, back within KPI). We are continuing work to reduce allocation time at the Eligibility stage.

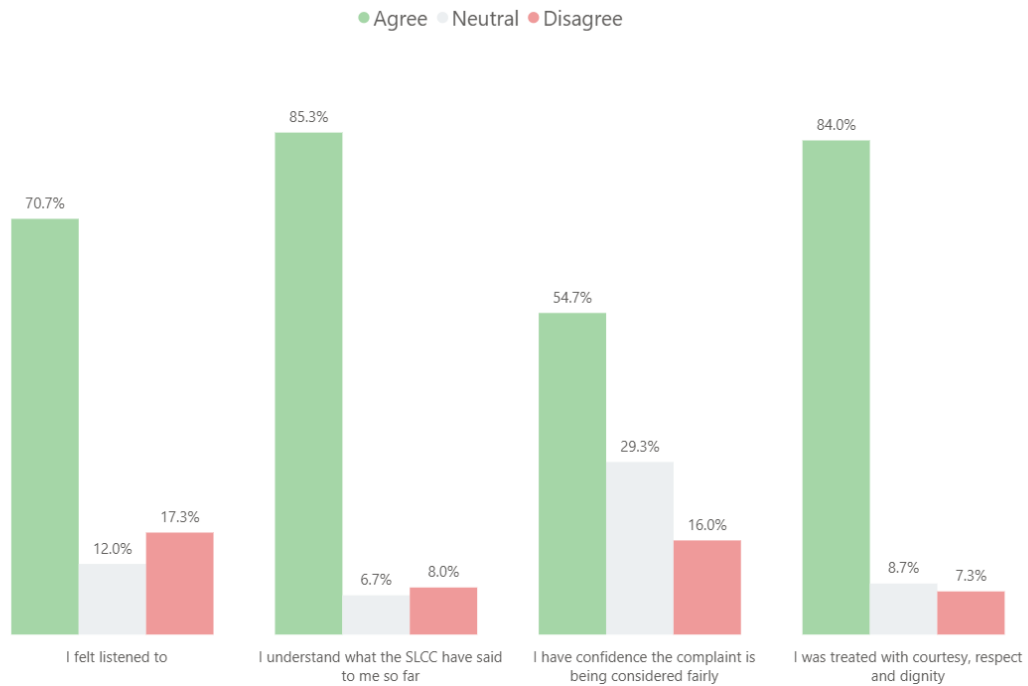
This year our Service Experience Team (SET) launched a new feedback process. This uses feedback from several sources ensuring options for service users to feed back as suits them.

- We write out with a survey at the beginning of the process.
- We write out with a survey when a complaint closes.
- We have an option on our website for ad hoc feedback.
- We have taken ownership of our Trustpilot and engage with that consistently.
- There are other sources including ad hoc feedback by email, or by phone, and service delivery complaints.

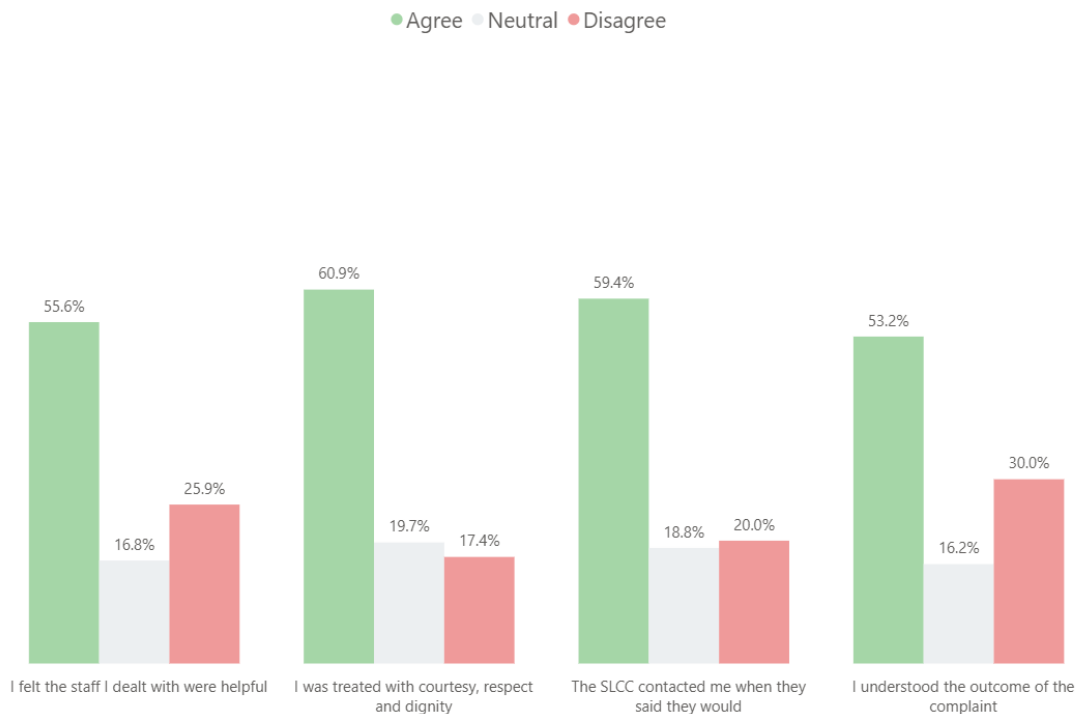
All these sources are brought together by SET quarterly, discussed and analysed. SET then produce quarterly reports for discussion with the consumer panel, the SLCC Board and SLCC staff.

Both surveys are 4 multiple choice questions with a free text comment box. As this is year one of the new process, we do not have comparative data from the previous year.

Complaints in Progress



Complaints Closed



In 2024/25 SET utilised AI in consideration of the feedback on one quarter.

They have also used the feedback to look at themes over the whole year and build work for SET in 2025/26 around that.

This year SET also introduced a pilot scheme called PAL, Process Assistance Line, to acknowledge many smaller firms will not be familiar with our process when they get a complaint and to specifically support them.

Best Value

Last year the Board, Audit Committee and SMT worked to review the Scottish Public Finance Manual Best Value framework. A formal Best Value policy was developed to guide our work, and a matrix created of how the SLCC reflects the delivery of Best Value in each of its core areas of operations.

It is essential that SLCC delivers efficient services, and that our stakeholders know this is an important consideration. Equally, as with many public services, we are supporting vulnerable users with complex needs. Speed and cost are important, but it is not our goal to deliver the cheapest or fastest complaints process if this negatively impacts fairness, for example, the time we give for a member of the public or solicitor to respond to new evidence or for us to tailor access to the process (such as providing translation support or reasonable adjustments to allow a complaint to be made).

Work for the 2024/25 year to ensure best value included:

- Process improvement work
- Continuing to make the case for changes to the draft legislation where this could improve efficiency
- Retendering our internal audit work
- Further work to tackle (the cost of) s17 issues
- Seeking to reduce the common causes of complaint (outreach and education)
- Reviewing equalities data to understand better the populations we serve

During last year the SLCC also reviewed best value priorities for the coming year, and ensured these were included on the operating plan for 2025/26:

- A review of IT, with a view to possible re-tendering
- A review of legal service provision, and preparation for a re-tender
- Further work to identify risk in the sector (potentially leading to increased complaints) in advance to reduce impact
- Implementing recommendations from an independent governance review
- Further work to tackle (cost of) s17 issues
- Working with Scottish Government on set-funding for reform

Budget performance

The SLCC outturn against budget is shown in the table below:

| | Year ended 30th June 2025 | | Year ended 30th June 2024 |
|--------------------------|------------------------------|------------------|------------------------------|
| | Budget | Actual | Actual |
| Income | (4,652,800) | (4,868,183) | (4,221,156) |
| Expenditure | 4,642,500 | 4,543,809 | 4,390,346 |
| (Surplus)/Deficit | (10,300) | (324,374) | 169,190 |

Income was £215,383 higher than expected, based on a higher number of practitioners for the levy, higher interest rates and legal costs recovered.

Expenditure was underspent by £90,911 or 1.96% under the anticipated budget and was primarily on reform spend, which will be returned to reserves and spent in year.

This has meant the SLCC is reporting a year end surplus of £324,374 for 2024/25, this is a variance on the original budgeted surplus of £10,301.

The SLCC Board made the decision to approve a deficit budget for 2025/26 as we will be returning unspent reform costs to reserves in 2024/25. We continue to hold reserves of more than three months average expenditure.

Payment of creditors and regularity of expenditure

The SLCC is committed to prompt payment of bills for goods and services received. Payments are made as specified in the agreed contract conditions. Where there is no contractual obligation or other understanding, we aim to pay for goods and services within 30 days. On average the SLCC took 16 days to pay for goods and services in 2024/25 (2023/24: 18 days) and the SLCC's payment performance was 95% in 2024/25 (2023/24: 90%).

Social matters

The SLCC is an equal opportunities employer, and all staff are expected to comply with a range of policies covering legal and behavioural matters and are encouraged to play an active part in our sustainability and dignity at work initiatives. Staff policies are regularly updated for any new legislation, and these changes are flagged to staff so they can review the relevant policy. Our staff code of conduct adopts the nine key principles for public bodies. Staff are reminded on an annual basis of the organisation's whistleblowing policy. The staff conflict of interest policy covers fraud and anti-bribery legislation and is reviewed regularly.

Sustainability Report

The SLCC recognises that the changing climate will have far reaching effects on Scotland's economy, people and environment. One of our strategic objectives is to deliver a sustainable operation and reduce our environmental impact through staff-led initiatives and delivery of our biodiversity duties.

As sustainability features in our current strategic plan, the SLCC Board has sight of the work done in this area through our Operational Plan reporting and within our Strategic Risk Register we highlight any key risk to the organisation.

The SLCC is also committed to supporting national aims and policies on Environmental and Sustainable Development. We published an updated three-year review (2021-2023) in December 2023, reporting on our work to meet the Scottish Bio-diversity Duty; this is available online:

<https://www.scottishlegalcomplaints.org.uk/about-us/rules-policies-and-publications/biodiversity-reporting/>.

Explanation of the development and performance of the entity

For the last two years the primary challenge has been reducing the workforce to match lower incoming numbers whilst retaining talent and expertise where possible (for example, we authorised several secondments to external bodies).

After several years of improving performance against key indicators (like Journey Time) the focus was on maintaining performance whilst reducing resource, and this was achieved.

The improvements of previous years, combined with lower incoming work, allowed levies to be reduced two years in a row, delivering savings to the sector. The challenge ahead is numbers rebounding, and the need to increase resource to address that.

Annual Audit

The financial statements are audited by external auditors appointed by the Auditor General for Scotland, and he has appointed Lisa Duthie, Audit Director, Audit Scotland to undertake the audit of SLCC for a three-year period from 2024/25 to 2026/27. As Accountable Officer, I am not aware of any relevant audit information of which our auditors are unaware. I have taken all necessary steps to ensure that I, myself, am aware of any relevant audit information and to establish that the auditor is also aware of this information.



Neil Stevenson
Chief Executive Officer
28 October 2025

2. Accountability report

Corporate Governance Report

Details of our governance arrangements are published online. This includes a governance statement, a scheme of delegation, the arrangements for the management of conflict of interest, a code of conduct and a risk management policy.

<https://www.scottishlegalcomplaints.org.uk/about-us/rules-policies-and-publications/the-slccs-governance-arrangements>.

Compliance with our governance framework is periodically reviewed, including the use of internal audit where appropriate. There were no reported breaches or concerns this year. Further details on governance are provided in the remainder of this section.

The Directors' Report

Date of Issue

The Accountable Officer authorises these financial statements for issue on 28 October 2025.

The Senior Management Team

The SMT is responsible for the day-to-day management of the SLCC's activities and operations. Key legal responsibility for the organisation rests with the Board, and with the Chief Executive and the Accountable Officer (a single role, and not a Board member), as outlined in this report.

The Board

The SLCC should comprise of a lay chair, and eight further members – five lay and three legal. The Board has responsibility for establishing and taking forward the strategic aims and objectives of the SLCC and demonstrating high standards of corporate governance by using the Audit Committee to address key financial and other risks.

| Board Appointments | Appointment | | |
|----------------------|-------------|------------|-------|
| | From | To | Years |
| Charing Member (Lay) | | | |
| Jane Malcolm | 10/07/2023 | 09/07/2028 | 5 |
| Lay Members | | | |
| Niki Maclean | 01/04/2021 | 31/03/2026 | 5 |
| John Stevenson | 01/01/2022 | 31/12/2026 | 5 |
| Jean Grier | 01/01/2022 | 31/12/2026 | 5 |
| Anne Gibson | 01/01/2023 | 31/12/2027 | 5 |
| Thane Lawrie | 01/02/2025 | 31/01/2030 | 5 |
| Legal Members | | | |
| Richard McMeeken | 01/01/2022 | 31/12/2026 | 5 |
| Lynne Collingham | 15/06/2022 | 14/06/2027 | 5 |
| Dale Hughes | 12/08/2022 | 11/08/2027 | 5 |

Board meetings deliver the governance function of the Board. Under our governing statute Board members have a separate role in determining individual cases at two stages in our process, either sitting individually or in groups of three, chaired by a legal member.

The Board reviewed their effectiveness through a confidential discussion at the start and end of each Board meeting, through dialogue on the planning of Board agendas and papers, and through discussion of topics

and learning needs for the five development sessions in this operational year.

Board Attendance

The Board met formally for eight meetings during the year, as well as taking part in a planning and strategy workshop and several development sessions. These have been held as hybrid meetings with members encouraged to attend in person, where possible. Minutes are published on our website:

<https://www.scottishlegalcomplaints.org.uk/about-us/who-we-are/our-board/board-meeting-minutes/>.

| | Board Meeting | Audit Committee | Remuneration Committee |
|--|---------------|-----------------|------------------------|
| Number of Meetings | 8 | 5 | 4 |
| Jane Malcolm | 8 | | |
| Niki Maclean | 7 | 5 | |
| Anne Gibson | 7 | | 4 |
| Dale Hughes | 5 | | |
| Jean Grier | 8 | | 4 |
| John Stevenson | 8 | 5 | |
| Lynne Collingham | 8 | | 4 |
| Richard McMeeken | 5 | | |
| Thane Lawrie (Started 01/02/25) | 3 | | |
| Morag Sheppard (independent member) | | 5 | |

Accountable Officer's responsibilities

The CEO is designated in statute the Accountable Officer for the SLCC. This is confirmed in the SLCC's governance arrangements.

The relevant responsibilities as Accountable Officer are set out in the Memorandum to Accountable Officers for other Public Bodies issued by the Scottish Government and published in the Scottish Public Finance Manual and reflected in the SLCC's rules. These responsibilities include responsibility for the propriety and regularity of finances and for the keeping of proper records. The Memorandum is available at:

<http://www.scotland.gov.uk/Topics/Government/Finance/spfm/Accountability/aomemoother>

Under paragraph 15 (1) of Schedule 1 of the Legal Profession and Legal Aid (Scotland) Act 2007, the SLCC is required to prepare a statement of accounts for each financial year in accordance with directions as required by the Scottish Ministers. The financial statements are prepared on an accruals basis and must give a true and fair view of the SLCC's affairs and financial activities at the year end.

In preparing the financial statements, the Accountable Officer is required to comply with the Government Financial Reporting Manual (FReM) and in particular to:

- (i) Observe the accounts direction issued by the Scottish Ministers, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis.
- (ii) Make judgements and estimates on a reasonable basis.
- (iii) State whether applicable accounting standards have been followed and disclose and explain any material departures in the financial statements; and
- (iv) Prepare the financial statements on a 'going concern' basis unless it is inappropriate to presume that the SLCC will continue in operation.

- (v) Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and take personal responsibility for the Annual Report and Accounts and the judgments required for determining that it is fair, balanced and understandable.

Neil Stevenson joined the organisation as the Chief Executive and the Accountable Officer on 20 July 2015.

As the Accountable Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that the auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

The Accountable Officer must be of the opinion that the Annual Report and Financial Statements as a whole are fair, balanced and understandable. I accept personal responsibility for the Annual Report and Financial Statements and for the judgements required for determining that they are fair, balanced and understandable.

Governance statement

Scope of responsibility

I took up the permanent post of Accountable Officer on 20 July 2015. As Accountable Officer, I have responsibility for maintaining a sound system of internal control that supports the achievement of organisational policies, aims and objectives, whilst safeguarding the organisation's assets, and the funds levied from the legal profession, for which I am responsible.

The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control will continue to evolve to identify the principal risks to the achievements of the SLCC's policies, aims and objectives, to evaluate the nature and extent of those risks, and to manage them efficiently, effectively and economically.

The processes within the organisation have regard to the guidance to Public Bodies in Scotland issued by the Scottish Ministers and set out in the Scottish Public Finance Manual, and the Scottish Government Audit and Assurance committee handbook.

Our Internal Auditor has also given an opinion, that the SLCC has a framework of governance, risk management and controls that provides reasonable assurance regarding the effective and efficient achievement of objectives.

More on the SLCC Board Responsibilities can be found in the Directors' report, which begins on page 25.

Governance framework

The SLCC has a governance framework which comprises of the systems and processes (including a formal scheme of delegation covering all aspects of work), culture and values by which the SLCC is directed and controlled.

The governance framework has been in place for the year ended 30 June 2025 and up to the date of approval of the annual report and financial statements.

The governance framework is overseen by the Senior Management Team comprising of the Chief Executive Officer, the Director of Business Performance, the Director of Public Policy, and the Director of Resolution.

Our Audit Committee meets five times per year. The Audit Committee consists of two members of the Board, who are Niki Maclean (Chair) and John Stevenson. Morag Sheppard is our independent audit committee member.

The meeting is attended by our internal and external auditors. The Committee provides support to the Board in respect of their responsibilities for issues of risk, control and governance. These have been hybrid meetings.

During the year 2024/25 the SLCC has worked continuously to review and refine its systems of internal control. These items also represent the 'Annual Report' of the Audit Committee. In particular, we have:

Internal Audit (Azets)

- Reviewed the close out report on the internal audit plan for the previous year (2023/24).
- Approved an internal audit plan for the current year (2024/25).
- Received reports from our outsourced internal auditors on our Anti-fraud arrangement, our FOI and SAR processes (July 2025 meeting), Staff Recruitment and Retention (July 2025 meeting). These are part of our internal audit plan for the current year (2024/25).
- Subsequent to year end (October 2025 meeting) reviewed the close out report on the internal audit plan for the year (2024/25).

External Audit (Audit Scotland)

- Reviewed the governance statement and financial statements from the previous financial year (2023/24).
- Approved the external audit plan for the year (2024/25).
- Held introductory sessions with new Audit Director, Senior SLCC Staff and the Audit Chair (2024/25).
- Carried out some pre audit work in preparation for the external audit (2024/25).

Ensuring compliance with best practice

- Received updates on fraud risks in the public sector and reviewed learning and key themes from the work of the Scottish Parliament Public Audit Committee.
- Attended external events to grow knowledge and help identify best practice. For the Accountable Officer this included NDPB Chief Executive Forums.

Other assurance activity

- Continued to ensure a lead Board member was in place to lead on cyber security issues.
- Discussed every risk on the strategic risk register on a quarterly basis, with a detailed discussion at the Audit Committee and approval at Board.
- Discussed risks on the Reform Work Risk Register.
- Noted our work in progress (WIP).
- Reviewed our Records Management Self-Assessment Review.
- Reviewed our Risk Appetite and updated to reflect the business need.
- Reviewed our appeal costs.
- Supported the drafting of an update to our Quality Management Framework.
- Supported the finalising of a framework agreement with Scottish Government.
- Supported the tender process for our Internal Audit Contract.

- Reviewed our Fraud Risk Assessment.
- Reviewed our member expenses policy.
- Reviewed our scheme of delegation.
- Delivered a finance training session for Board members.
- Commissioned an independent review of our governance and then finalised an action plan to be actioned in 2025/26.

The Remuneration Committee met four times during this business year. This year they have discussed absence, pay discussions, Internal Audit on both staff performance and development and recruitment and retention, the new staff handbook, sexual harassment and succession planning.

Declarations of Interest for the Senior Management Team, and for all staff, are managed under a policy approved by the Board and are updated regularly. For the Senior Management Team there were no significant company directorships or other interests held which may have conflicted with their management responsibilities.

The Board register of interests is available at: <https://www.scottishlegalcomplaints.org.uk/about-us/rules-policies-and-publications/board-member-register-of-interests/> and there are no significant interests that conflict with their responsibilities.

As part of the framework the SLCC has a risk policy which sets out our approach to risk management and appetite for risk. It is supported by a corporate risk register, monitored by the Audit Committee, which is part of an ongoing process designed to identify and manage the principal risks to the SLCC achieving its corporate objectives.

The SLCC's risk management system identifies the key risks facing the organisation, their potential impact and the control measures put in place to mitigate either the likelihood of a risk materialising, and/or its impact on achievement of corporate aims. This involves evaluating the nature and extent of risks and putting in place effective and affordable management and control systems.

A detailed Scheme of Delegation was in place throughout the year, and an updated version approved by the Board during the course of the year.

There were no data breaches within the course of the year requiring a report to the Information Commissioner's Office (ICO), compared with none in 2023/24.

Review of effectiveness and Annual Report of the Audit Committee

It is part of my responsibility as Accountable Officer to review the effectiveness of the system of internal control. My review is informed by:

- (i) The work of the Board, and in particular the strategic direction it gives to the SLCC.
- (ii) The work of the Audit Committee in its consideration of risk, financial management, risk and audit reports.
- (iii) Reports from the internal auditors on the adequacy and effectiveness of the system of internal control; and
- (iv) The work of the management team.

The SLCC complies with the principles of the Scottish Public Finance Manual and the Scottish Government Audit and Assurance Committee Handbook.

I am satisfied that the SLCC has robust, proportionate and appropriate systems of control in place.

Remuneration and staff report

Remuneration policy and report

The Board, having considered the requirements of the Government Financial Reporting Manual and the responsibilities of managers within the SLCC, discloses the remuneration of the CEO, SMT and Board Members.

Remuneration - CEO

The CEO's remuneration is approved by the Board. It is subject to and compliant with The Public Sector Pay Policy for Senior Appointments. Neil Stevenson joined the SLCC on 20 July 2015. The CEO's salary shown includes basic salary only. It does not include employer national insurance or pension contributions. During the year to 30 June 2024, £10,713.02 was paid into a money purchase pension scheme on behalf of the CEO in line with his contract. The table below has been audited by our external auditor.

| | Year Ended 30 June 2025 | | | | Year Ended 30 June 2024 | | | |
|----------------|-------------------------|----------------------------|--------------------|---------------|-------------------------|----------------------------|--------------------|---------------|
| | Salary £000 | Pension Benefit £000 | Benefit in Kind | Total £000 | Salary £000 | Pension Benefit £000 | Benefit in Kind | Total £000 |
| Neil Stevenson | 90-95 | 10-15 | Nil | 100-105 | 85-90 | 10-15 | Nil | 95-100 |

Remuneration - SMT

The SMT's remuneration is approved by the CEO. It is subject to and compliant with the Public Sector Pay Policy and their grades are included within the overall SLCC grading structure. The three Directors' salaries shown include basic salary only. They do not include employer national insurance or pension contributions. During the year to 30 June 2024, a total of £15,678 was paid into a money purchase pension scheme on behalf of the three Directors in line with their contracts. The table below has been audited by our external auditor.

| | Year Ended 30 June 2025 | | | | Year Ended 30 June 2024 | | | |
|--------------------|-------------------------|----------------------------|--------------------|---------------|-------------------------|----------------------------|--------------------|---------------|
| | Salary £000 | Pension Benefit £000 | Benefit in Kind | Total £000 | Salary £000 | Pension Benefit £000 | Benefit in Kind | Total £000 |
| Caroline Robertson | 70-75 | 5-10 | Nil | 75-80 | 70-75 | 5-10 | Nil | 75-80 |
| Louise Burnett | 65-70 | 5-10 | Nil | 70-75 | 60-65 | 0-5 | Nil | 60-65 |
| Vicky Crichton | 60-65 | 5-10 | Nil | 65-70 | 60-65 | 0-5 | Nil | 60-65 |

Chair and Board fees

SLCC Board members are eligible to claim out of pocket expenses relating to their work as SLCC Board members (both in relation to their governance role, and their role in determining individual cases). Board remuneration has been determined in line with Public Sector Pay Policy for Senior Appointments, Chief Executive, Chairs and Members. The SLCC does not pay pension contributions for the Board, and they do not receive any benefits in kind. The pay bands in the table below have been audited by our external auditor.

| | Year Ended 30 June 2025 | | Year Ended 30 June 2024 | |
|--|-------------------------|---------------|-------------------------|---------------|
| | Daily Fee £ | Total £000 | Daily Fee £ | Total £000 |
| Jane Malcolm, Chair | 331 | 15-20 | 327 | 10-15 |
| Niki Maclean | 227 | 5-10 | 223 | 0-5 |
| June Andrews <i>(left 30/04/24)</i> | - | - | 223 | 0-5 |
| John Stevenson | 227 | 5-10 | 223 | 5-10 |
| Richard McMeeken | 227 | 0-5 | 223 | 0-5 |
| Jean Grier | 227 | 0-5 | 223 | 0-5 |
| Lynne Collingham | 227 | 5-10 | 223 | 5-10 |
| Anne Gibson | 227 | 5-10 | 223 | 5-10 |
| Dale Hughes | 227 | 0-5 | 223 | 0-5 |
| Thane Lawrie <i>(Started 01/02/25)</i> | 227 | 0-5 | - | - |
| Morag Sheppard <i>(Independent Member)</i> | 227 | 0-5 | 223 | 0-5 |

Note: Overall payments vary between members due to several factors. Not all members were present for the whole year (either starting or finishing statutory terms during the course of the year). The Chair's role is affected by the number of external engagements. Each member will be involved in a differing number of Eligibility and Determination Committee decisions and have a caseload of varying complexity. Legal members have an additional role to play as 'Chairs' of Determination Committees. Some members also sit on other Committees (such as the Audit Committee).

Fair Pay Disclosure

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the median remuneration of the organisation's workforce.

The relationship between the remuneration of the highest paid member of staff and the median remuneration of the staff is as follows:

| | Year ended 30 June 2025 | Year ended 30 June 2024 |
|--|-------------------------------|-------------------------------|
| Remuneration Band for highest paid member of staff | £90-95,000 | £85-90,000 |
| Percentage change from previous year | 3% | 0% |
| Average percentage change for employees | +5.2% | +5.0% |
| Lower quartile remuneration | 41,006 | 41,467 |
| Lower quartile ratio | 2.2 | 2.1 |
| Median remuneration | 44,144 | 42,587 |
| Median ratio | 2.1 | 2.0 |
| Upper quartile remuneration | 44,144 | 42,858 |
| Upper quartile ratio | 2.1 | 2.0 |
| Remuneration Range | £25,000 – £90-95,000 | £27,000 – £85-90,000 |

The table above has been audited by our external auditor.

The FTE used to calculate the average in this pay scale was 55.81 in 2023/24 and increased to 60.27 in 2024/25. Staff at the SLCC receive salary only for remuneration. The median pay ratio currently reflect our pay and progression policy for the organisation. This year's trend has been a slight upward movement in median pay ratios year-on-year, across the lower quartile, median and the upper quartile. This shift suggests a gradual widening in pay ratios across the distribution, however this in part to due to introducing a new Graduate Apprenticeship role.

During 2024/25 the SLCC had two temporary members of staff and no agency members of staff.

In 2024/25, no employees received remuneration in excess of the highest-paid director. Total remuneration includes salary, non-consolidated performance-related pay, benefits in kind as well as severance payments. It does not include employer pension contributions and the cash equivalent transfer value of pensions.

Pay discussions for April 2024 concluded in December 2024 and a 3% pay increase for all SLCC staff, including the CEO, was agreed.

Pay discussions for April 2025 are currently ongoing.

Staff report

The average number of staff full time equivalent (FTE) employed by the SLCC during the year was 59 FTE, detailed as follows:

| | Year ended 30 June 2025 | Year ended 30 June 2024 |
|--------------------------|-------------------------------|-------------------------------|
| CEO | 1 | 1 |
| SMT | 3 | 3 |
| Staff | 55 | 52 |
| Total average FTE | 59 | 56 |
| Permanent FTE | 57 | 55 |
| Temporary FTE | 2 | 1 |
| Total average FTE | 59 | 56 |

The average number of Board members that sat on the SLCC Board during the year was 9 FTE, detailed as follows:

| | Year ended 30 June 2025 | Year ended 30 June 2024 |
|--------------------------|-------------------------------|-------------------------------|
| Chair | 1 | 1 |
| Members | 8 | 8 |
| Total average FTE | 9 | 9 |

The following table shows the salary and related costs for all staff for the year ended 30 June 2025, identifying staff and members separately.

| | Year ended 30 June 2025 | | | Year ended 30 June 2024 | | |
|---------------------------|----------------------------|-----------------|---------------|----------------------------|-----------------|---------------|
| | Staff £000 | Members £000 | Total £000 | Staff £000 | Members £000 | Total £000 |
| Salaries | 2,657 | 60 | 2,717 | 2,433 | 55 | 2,488 |
| Social security costs | 270 | 3 | 273 | 242 | 2 | 244 |
| Pension costs | 245 | - | 245 | 203 | - | 203 |
| Temporary Staff Costs | - | - | - | 6 | - | 6 |
| Total Salary Costs | 3,172 | 63 | 3,235 | 2,884 | 57 | 2,941 |

These tables have been audited by our external auditor.

During the year to 30 June 2025 no employees received an exit package (2023/2024 zero exit packages). No off-payroll payments were made.

The SLCC hold both the Living Wage Accreditation and Living Pension Accreditation.

| | Year ended 30 June 2025 | Year ended 30 June 2024 |
|------------------------|-------------------------------|-------------------------------|
| Average FTE | 59 | 56 |
| Gender | 67% Female 33% Male | 67% Female 33% Male |
| Board | 56% Female 44% Male | 67% Female 33% Male |
| Management Team | 75% Female 25% Male | 75% Female 25% Male |
| Absence | 3.9 days | 5.9 days |
| Turnover Rate | 8.22% | 5.06% |

Absence decreased from 5.9 days in 2023/24 to 3.9 days in 2024/24. We also had less long-term illnesses during 2023/24. These types of absences are managed carefully and referred to Occupational Health, where required.

2024/25 saw us make changes to our staff engagement survey, increasing the frequency to every 6 months, but having less questions. We felt this would give us more data and actionable feedback. It will also allow us to analyse trends better. How this has worked will be reviewed at the end of operational year 2025/26.

The response rate for the first new survey was down on the previous year to 53% (76% in 2023/24). The results of the latest survey are shown in the table below:

| Question | 2024/25 | 2023/24 | Variance |
|--|---------|---------|----------|
| I would tell people that the SLCC is a good place to work | 84% | 84% | 0% |
| I have received positive feedback on my contribution to the SLCC, in the last 6 months | 84% | 77% | 7% |
| My line manager communicates effectively with me | 84% | 89% | -5% |
| I have a good working relationship with my colleagues | 97% | 98% | -1% |
| I am kept well informed about what the organisation is doing | 77% | 91% | -14% |
| The SLCC Management lead a positive work culture | 77% | 80% | -3% |

We saw drops in 4 different areas this year, however the free text comments did not help clarify the reasons for the drops. On the one hand free text comments said there were clearly defined procedures for communication, that the management team had created an inclusive culture and some staff felt well supported.

On the other hand, some staff felt communication was less supportive, they weren't kept informed of changes and sometimes it felt like there were inconsistencies.

Overall, though there was a lot of positive comments about the SLCC's flexible work offering and how that allows staff to enjoy a good work life balance.

Equal pay

All staff, irrespective of gender, are paid according to our current pay and grading structure, are treated equally, and are progressing through our current pay and grading structure based on performance and length of service.

In our management grades we have one male and one female in a Grade D role (two post holders at that grade). At Grade E roles there are equal numbers of males and females (three each). At Grade F there are two females, while at Grade G there is one female. The current Chief Executive is male.

Grade C is our largest grade in terms of numbers of staff. Within this Grade there are 39 staff, 25 females (67%) and 14 males (33%). Within the lowest two spine points there are 4 females and 6 males, and within the top two spine points there are 21 females and 8 males. This relates solely to length of satisfactory service and suggests no structural issue.

In Grades A and B, we have 9 females (82%) and 2 males (18%). We will continue to consider in terms of recruitment, benefits and other aspects of employment how we can continue to be attractive to different genders.

Equal opportunities and diversity statement

The SLCC is committed to the principle of equal opportunities across our functions and in our employment practices. We are committed to pursuing positive action in our policies and practices to ensure that no individual is discriminated against directly or indirectly, unlawfully, unjustifiably or unfairly because of their personal status in relation to race, ethnic or national origin, religion, age, sex, gender identity, pregnancy or maternity, disability, sexual orientation or marital/civil partnership status.

To further support this the SLCC has developed and finalised a blind recruitment policy to allow us to recruit inclusively. We are also reviewing example job adverts for best practice on how to advertise flexible working.

Staff policies for disabled staff, and other employee matters

The SLCC follows the Civil Service Recruitment principles to ensure fair recruitment for all and encourages applications from those with disabilities who meet the essential selection criteria.

We continue to improve our policies and practices on disability and are aware of our equality duties under the Equality Act 2010. When developing a new policy, we always have due regard to equalities (and human rights) to ensure our policies do not discriminate or disadvantage any of our staff protected under the Equality Act.

Reasonable adjustment, unconscious bias, and equality training are provided annually for all staff and HR provide advice and support to line managers and individuals to make sure all staff are well supported. We also make reasonable adjustments and seek advice from our occupational health specialists to ensure all staff have the correct support for their disability.

In our 2025 survey 20.51% of our staff indicated they have a disability or long-term health condition. This compares higher than the reported UK averages for the Civil Service in the 2025 survey of 17.9%.

Our 'Your Job, Your Way' principles that allow staff more flexibility in the time and location of work. Staff must attend the office, each quarter, one third of their working time. The rest of the time they can choose whether they work from home or the office to suit their work life balance.

We have seen the benefits this has to support a disability, caring responsibilities or simply managing a work life balance, and were awarded our Carer Positive Engaged status.

We also continued with our focus on mental health and wellbeing and provided additional training for both individuals and our mental health first aiders on mental health topics. We have 20 staff trained to be a mental health first aider and 19 staff trained in first aid, including all managers.

Health and Safety is discussed as a standing item each quarter, in Audit Committee. Risk assessments are refreshed annually, as is our policy statement on Health and Safety and staff are consulted on the risk assessments. This year we also had an internal audit on our health and safety. Our internal auditor found that there were appropriate reporting arrangements in place to ensure senior management, and the Board are kept informed of health and safety matters.

Trade Union Facility Time

The SLCC recognises one trade union for the purpose of collective bargaining, Public and Commercial Services Union (PCS). The SLCC recognises the benefits of a positive and open relationship with our recognised trade union. As part of our commitment to working in partnership, and in accordance with the Trade Union (Facility Time Publication Requirements) Regulations 2017, we offer paid facility time to our workplace representatives to enable them to carry out union activities and duties.

Trade Union Representatives (TU)

| Number of employees who were relevant Union Officials during the relevant year | FTE employee numbers |
|--|----------------------|
| 0 | 0 |

The SLCC had no in-house trade union representatives this year and staff have been supported by paid PCS officials.

Parliamentary accountability

The SLCC is held to account by the Scottish Parliament under the terms of its founding Act. The Statement of Accounts of the SLCC is subject to audit by the Auditor General for Scotland and the audited statement is laid before Parliament in accordance with such directions as may be given by Scottish Ministers. The SLCC must also prepare an annual report on its functions and submit that report to the Scottish Ministers as soon as practicable after the end of each financial year.

The Scottish Legal Complaints Commission has complied with the cost allocation and charging requirements set out in the Scottish Government Public Finance Manual (SPFM). An analysis of income received is set out in the statement of comprehensive net expenditure on page 43 of these accounts. The majority of income received is from annual general levies raised from:

- Each advocate practising as such
- Each conveyancing practitioner or executry practitioner
- Each person exercising a right to conduct litigation, or a right of audience acquired by virtue of section 27 of the 1990 Act
- Each solicitor who has in force a practising certificate

The General Levy is collected by each relevant professional organisation and paid to the SLCC. Additional income is secured from the complaint's levies. Any practitioner against whom has a service complaint upheld against them must pay to the Commission, a contribution in relation to the complaint.

The amount of annual general levies and complaints levies, in respect of each financial year is determined by the SLCC, having had regard to any views expressed in its consultation in respect of each financial year.



Neil Stevenson
Chief Executive Officer
28 October 2025

3. Independent auditor's report to the members of Scottish Legal Complaints Commission, the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

I have audited the financial statements in the annual report and accounts of the Scottish Legal Complaints Commission for the year ended 30 June 2025 under the Legal Profession and Legal Aid (Scotland) Act 2007. The financial statements comprise the Statement of Comprehensive Net Expenditure, the Statement of Financial Position, the Statement of Cash Flows, the Statement of Changes in Taxpayers' Equity and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2024/25 Government Financial Reporting Manual (the 2024/25 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view of the state of the body's affairs as at 30 June 2025 and of its net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2024/25 FReM; and
- have been prepared in accordance with the requirements of the Legal Profession and Legal Aid (Scotland) Act 2007 and directions made thereunder by the Scottish Ministers.

Basis for opinion

I conducted my audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the [Code of Audit Practice](#) approved by the Auditor General for Scotland. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 27 May 2025. My period of appointment is three years, covering 2024/25 to 2026/27. I am independent of the body in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the body. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the body's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the body's current or future financial sustainability. However, I report on the body's arrangements for financial sustainability in a separate Annual Audit Report available from the [Audit Scotland website](#).

Risks of material misstatement

I report in my separate Annual Audit Report the most significant assessed risks of material misstatement that I identified and my judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of Accountable Officer's Responsibilities, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for using the going concern basis of accounting unless there is an intention to discontinue the body's operations.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using my understanding of the central government sector to identify that the Legal Profession and Legal Aid (Scotland) Act 2007 and directions made thereunder by the Scottish Ministers are significant in the context of the body;
- inquiring of the Accountable Officer as to other laws or regulations that may be expected to have a fundamental effect on the operations of the body;
- inquiring of the Accountable Officer concerning the body's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among my audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which my procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the body's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of my auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In my opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on audited parts of the Remuneration and Staff Report

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in accordance with the Legal Profession and Legal Aid (Scotland) Act 2007 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

My responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Legal Profession and Legal Aid (Scotland) Act 2007 and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Legal Profession and Legal Aid (Scotland) Act 2007 and directions made thereunder by the Scottish Ministers.

Matters on which I am required to report by exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- I have not received all the information and explanations I require for my audit.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

In addition to my responsibilities for the annual report and accounts, my conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in my Annual Audit Report.

Use of my report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Lisa Duthie

Lisa Duthie
Audit Director
Audit Scotland
8 Nelson Mandela Place
Glasgow
G2 1BT
28 October 2025

4. Statement of comprehensive net expenditure for year ended 30 June 2025

| | Notes | Year ended 30 June 2025 £000 | Year ended 30 June 2024 £000 |
|--|--------|---------------------------------------|---------------------------------------|
| Operating Income | 2 | (4,868) | (4,221) |
| Expenditure | | | |
| Staff Costs | 3,4 | 3,235 | 2,941 |
| Other Administration Costs | 5 | 1,100 | 1,247 |
| Depreciation and Amortisation | 7 & 13 | 166 | 143 |
| Loss on disposal of fixed assets | 7 | - | 23 |
| Net Operating Expenditure/(income) | | (367) | 133 |
| Finance Costs | 6 | 43 | 35 |
| Net Expenditure/(income) for the year | | (324) | 169 |

All amounts relate to continuing activities.

The accompanying notes on pages 45 to 53 form an integral part of these financial statements.

5. Statement of financial position as at 30 June 2025

| | Notes | Year ended 30 June 2025 £000 | Year ended 30 June 2024 £000 |
|--|-------|---------------------------------------|---------------------------------------|
| Non-Current Assets | | | |
| Property, Plant and Equipment | 7 | 74 | 101 |
| Right to Use Assets | 13 | 1,069 | 1,200 |
| Total Non-Current Assets | | 1,143 | 1,301 |
| Current Assets | | | |
| Trade and Other Receivables | 8 | 316 | 334 |
| Cash and Cash Equivalents | 9 | 1,698 | 1,303 |
| Total Current Assets | | 2,014 | 1,637 |
| Current Liabilities | | | |
| Trade and Other Payables | 10 | (450) | (372) |
| Total Current Liabilities | | (450) | (372) |
| Net Current Assets | | 1,564 | 1,265 |
| Non-Current Assets plus Net Current Assets | | 2,707 | 2,566 |
| Non-Current Liabilities | | | |
| Creditors - amounts falling due after more than one year | 11 | (980) | (1,098) |
| Provisions for liabilities and charges | 12 | (129) | (194) |
| Total Non-Current Liabilities | | (1,109) | (1,292) |
| Assets less liabilities | | 1,598 | 1,274 |
| Equity | | | |
| General Fund | | 1,598 | 1,274 |
| Total Equity | | 1,598 | 1,274 |

The General Fund represents net assets available to the SLCC at the balance sheet date. The accompanying notes on pages 45 to 53 form an integral part of these financial statements.



Neil Stevenson
Chief Executive Officer

28 October 2025

6. Statement of cash flow for year ended 30 June 2025

| | | Year ended 30 June 2025 | Year ended 30 June 2024 |
|---|-------|-------------------------------|-------------------------------|
| | Notes | £000 | £000 |
| Cash Flow from Operating Activities | | | |
| Net Operating Income/(Expenditure) | | 367 | (133) |
| Interest Payable and Other Finance Costs | 6 | (43) | (35) |
| Adjustment for Non-Cash Transactions | | | |
| Depreciation | 7 | 35 | 10 |
| Depreciation - right-to-use assets | 13 | 131 | 133 |
| Loss on disposal of fixed assets | 7 | - | 23 |
| (Increase)/Decrease in Trade and Other Receivables | 8 | 18 | (87) |
| Increase/(Decrease) in Trade and Other Payables | 10 | 78 | (90) |
| Increase/(Decrease) in Creditors - amounts falling due after more than 1 year | 11 | (118) | 1,094 |
| Increase/(Decrease) in Provisions for liabilities and charges | 12 | (65) | 60 |
| Increase/Decrease from Operating Activities | | 403 | 975 |
| Cash Flows from Investing Activities | | | |
| Purchase of Property, Plant and Equipment | 7 | (8) | (111) |
| Net Cash Outflow from Investing Activities | | (8) | (111) |
| Cash Flows from Financing Activities | | | |
| Addition of Right-to-use asset | 13 | - | (1,309) |
| Net Cash Outflow from Financing Activities | | - | (1,309) |
| Increase/(Decrease) in Cash | | 395 | (444) |
| Net Increase/(Decrease) in Cash and Cash Equivalents | | | |
| Cash and Cash Equivalents at the beginning of year | | 1,303 | 1,749 |
| Cash and Cash Equivalents at the end of year | | 1,698 | 1,303 |
| Increase/(Decrease) in Cash | | 395 | (444) |

7. Statement of changes in taxpayers' equity for year ended 30 June 2025

| | Notes | Year ended 30 June 2025 £000 | Year ended 30 June 2024 £000 |
|--|-------|---------------------------------------|---------------------------------------|
| Balance as at 1 July 2024 | | 1,274 | 1,442 |
| Surplus/(Deficit) on Provision of Services | | 324 | (169) |
| Balance as at 30 June 2025 | | 1,598 | 1,274 |

The accompanying notes on pages 45 to 53 form an integral part of these financial statements.

8. Notes to the Financial Statements

1. Accounting policies

In accordance with the accounts direction issued by Scottish Ministers under section 15(1) of The Legal Profession and Legal Aid (Scotland) Act 2007, these accounts have been prepared in compliance with the principles and disclosure requirements of the Government Financial Reporting Manual. This follows generally accepted accounting practice as defined in International Financial Reporting Standards (IFRS), International Financial Reporting Interpretation Committee (IFRIC) and Interpretations and the Companies Act 2006 to the extent that it is meaningful and appropriate in the public sector context. The particular accounting policies adopted by the Scottish Legal Complaints Commission are described below. They have been applied consistently in dealing with items considered material in relation to the accounts.

The accounts and financial statements have been prepared using the going concern basis.

The accounts are prepared using accounting policies and, where necessary, estimation techniques, which are selected as the most appropriate for the purpose of giving a true and fair view in accordance with the principles, set out in International Accounting Standard 8: Accounting Policies, Changes in Accounting Estimates and Errors. The increased complexity of cases in relation to interpretation of the Legal Profession and Legal Aid (Scotland) Act 2007 has been reflected in the estimation of legal provision and in the treatment of potentially bad debts arising from determination decisions made by the SLCC.

Critical accounting estimates and judgements

The SLCC makes estimates and assumptions about financial transactions or those involving uncertainty about future events. There are no specific judgements in relation to accounting policies which have a material impact upon these financial statements.

Provisions are based on estimates. A provision has been included to take into account appeals that we had conceded by the end of the financial year and are expecting to pay expenses in the new Financial Year. Legal provisions are calculated on 80% of the cost involved to defend or bring the action.

Accounting convention

These accounts have been prepared under the historical cost convention. The going concern basis has also been adopted in the preparation of these financial statements.

Newly adopted IFRS

No IFRS have been newly adopted in 2024-25.

IFRS issued not yet effective

The SLCC does not expect that the adoption of the new standards not yet effective will have a material impact on the financial statements in future periods.

Property, plant and equipment

Capitalisation

Purchases of qualifying assets with a value exceeding £2,000 inclusive of irrecoverable VAT are treated as capital.

Valuation

Assets are valued at depreciated historic cost as a proxy for fair value.

Depreciation

Depreciation is provided on all tangible non-current assets at rates calculated to write off the cost or valuation in equal instalments over the remaining estimated useful life of the asset. These are as follows:

- Furniture, fixtures and fittings - 5 years; and
- IT and telecoms equipment - 3 years.

Intangible assets comprise externally purchased software licenses, recognised at cost less amortisation.

- Amortisation is charged on cost in equal instalments over the estimated useful life of the software which is 3 years.

Leases

IFRS 16 Leases was applied by HM Treasury in the Government Financial Reporting Manual (FReM) from 1 April 2022. IFRS 16 introduced a single lessee accounting model that results in a more faithful representation of a lessee's assets and liabilities and provides enhanced disclosures to improve transparency of reporting on capital employed.

Under IFRS 16, SLCC are required to recognise assets and liabilities for leases with a term of more than 12 months, unless the underlying asset is of low value. While no standard definition of 'low value' has been mandated, the SLCC have elected to utilise the capitalisation threshold of £2,000 to determine the assets to be disclosed. The SLCC expects that its existing finance leases will continue to be classified as leases. All existing operating leases will fall within the scope of IFRS 16 under the 'grandfathering' rules mandated in the FReM for the initial transition to IFRS 16. In future years new contracts and contract renegotiations will be reviewed for consideration under IFRS 16 as implicitly identified right-of-use assets. Assets recognised under IFRS 16 will be held on the Statement of Financial Position as (i) right of-use assets which represent the SLCC's right to use the underlying leased assets; and (ii) lease liabilities which represent the obligation to make lease payments.

The bringing of leased assets onto the Statement of Financial Position requires depreciation and interest to be charged on the right-of-use asset and lease liability, respectively. Cash repayments will also be recognised in the Statement of Cash Flows, as required by IAS 7.

Pension Costs

The SLCC operates a money purchase scheme administered by Standard Life. A money purchase scheme means that the pension value at retirement is determined by the total contributions made and the performance of the investments held at the time and there is no actuarial gain or loss. All existing and new staff are enrolled in this scheme, unless the individual chooses to opt out.

Value Added Tax

The Commission is required to pay VAT on the provision of goods and services. All VAT is charged to the income and expenditure account as incurred.

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual agreement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the organisation after deducting all of its liabilities.

Recognition of Income

Levy income is recognised in the accounting year to which it relates. Interest income is credited to the Statement of Comprehensive Income and Expenditure in the year in which it is receivable. Grant income is recognised in the year to which it relates.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and short-term deposits.

2. Operating Income

| | Year ended 30 June 2025 | Year ended 30 June 2024 |
|---|-------------------------------|-------------------------------|
| | £000 | £000 |
| Levy from Law Society of Scotland | 4,349 | 3,771 |
| Levy from Faculty of Advocates | 92 | 82 |
| Approved Regulator Levy (Law Society of Scotland) | 10 | 10 |
| Complaints Levies | 245 | 189 |
| Total levies for the year | 4,696 | 4,052 |
| Bank interest | 133 | 116 |
| Recovery of legal expenses | 39 | 52 |
| Scottish Government SLSO Contribution | - | 1 |
| Total other income | 172 | 169 |
| Total income from all sources | 4,868 | 4,221 |

3. Staff Costs and Numbers

Staff employed

The average number of staff full time equivalent (FTE) employed by the SLCC during the year was 59 FTE, detailed as follows:

| | Year ended 30 June 2025 | Year ended 30 June 2024 |
|--------------------------|-------------------------------|-------------------------------|
| CEO | 1 | 1 |
| SMT | 3 | 3 |
| Staff | 55 | 52 |
| Total average FTE | 59 | 56 |
| Permanent FTE | 57 | 55 |
| Temporary FTE | 2 | 1 |
| Total average FTE | 59 | 56 |

Breakdown of Board members

| | Year ended 30 June 2025 | Year ended 30 June 2024 |
|--------------------------|-------------------------------|-------------------------------|
| Chair | 1 | 1 |
| Members | 8 | 8 |
| Total average FTE | 9 | 9 |

Breakdown of staff and member costs

| | Year ended 30 June 2025 | | | Year ended 30 June 2024 | | |
|---------------------------|----------------------------|-----------------|---------------|----------------------------|-----------------|---------------|
| | Staff £000 | Members £000 | Total £000 | Staff £000 | Members £000 | Total £000 |
| Salaries | 2,657 | 60 | 2,717 | 2,433 | 55 | 2,488 |
| Social security costs | 270 | 3 | 273 | 242 | 2 | 244 |
| Pension costs | 245 | - | 245 | 203 | - | 203 |
| Temporary Staff Costs | - | - | - | 6 | - | 6 |
| Total Salary Costs | 3,172 | 63 | 3,235 | 2,884 | 57 | 2,941 |

4. Pension Costs

For 2024/25, employer's contributions of £244,894 (2023/24: £202,640) were payable to Standard Life. Up until December 2024 the SLCC paid contributions of 8% for all staff and 12% for the CEO, as per staff contracts. After discussions with staff and our trade union about our pension contributions being lower than other public sector bodies, a business case was submitted to Scottish Government to increase pension contributions. This was approved in January 2025, and we now pay 10% for all staff and 14% for the CEO.

5. Other Administration Costs

The total below includes the external auditor's remuneration of £18,530 (2022/23: £18,180).

The external auditors received no fees in relation to non-audit work.

| | Year ended 30 June 2025 £000 | Year ended 30 June 2024 £000 |
|-----------------------------------|---------------------------------------|---------------------------------------|
| Property | 132 | 208 |
| Office | 45 | 46 |
| Staff Training & Recruitment | 43 | 42 |
| Travel & hospitality | 5 | 5 |
| IT | 282 | 269 |
| Outreach | 19 | 28 |
| Special Projects | 15 | 61 |
| Legal | 392 | 481 |
| Mediation | 59 | 48 |
| Financial | 70 | 66 |
| Other Professional Fees | 4 | 4 |
| Bad Debt Provision | 34 | (11) |
| Other Administration Costs | 1,100 | 1,247 |

6. Interest and Other Finance Costs

| | Year ended 30 June 2025 | Year ended 30 June 2024 |
|------------------------------|-------------------------------|-------------------------------|
| | £000 | £000 |
| Interest Payable from Leases | 43 | 35 |
| Total Interest Costs | 43 | 35 |

7. Property, Plant and Equipment

| | Year ended 30 June 2025 | | | Year ended 30 June 2024 | | |
|-----------------------|-------------------------------------|---------------------------------|-----------------------------|-------------------------------------|---------------------------------|-----------------------------|
| | Furniture fixtures & fittings | IT and telecoms equipment | Total tangible assets | Furniture fixtures & fittings | IT and telecoms equipment | Total tangible assets |
| | £000 | £000 | £000 | £000 | £000 | £000 |
| Cost | | | | | | |
| As at 1 July | 34 | 77 | 111 | 242 | 245 | 487 |
| Additions | - | 8 | 8 | 34 | 77 | 111 |
| Disposals | - | - | - | (242) | (245) | (487) |
| As at 30 June | 34 | 85 | 119 | 34 | 77 | 111 |
| Depreciation | | | | | | |
| As at 1 July | 5 | 5 | 10 | 218 | 245 | 463 |
| Charge for year | 7 | 28 | 35 | 5 | 5 | 10 |
| Disposals | - | - | - | (218) | (245) | (463) |
| As at 30 June | 12 | 33 | 45 | 5 | 5 | 10 |
| Net Book Value | 22 | 52 | 74 | 29 | 72 | 101 |
| Owned Assets | 22 | 52 | 74 | 29 | 72 | 101 |
| Net Book Value | 22 | 52 | 74 | 29 | 72 | 101 |

8. Trade and Other Receivables

| | Year ended 30 June 2025 | Year ended 30 June 2024 |
|------------------------|----------------------------------|----------------------------------|
| | £000 | £000 |
| Other Debtors | 147 | 144 |
| Expected credit losses | (94) | (61) |
| Prepayments | 263 | 251 |
| Total | 316 | 334 |

All of the debtors are held at amortised cost. The expected credit losses are in relation to the trade receivables as a whole which are similar in nature. These receivables relate to complaints levy invoices. An expected credit loss provision has been made where the Solicitor Firm, or Sole Trader or Partnership has gone out of business, or the invoice is more than 28 days overdue. This is based on historic default rates, and this is not expected to change looking forward and is therefore appropriate. The expected credit loss provision has increased year on year due to the total amount of complaints levy increasing and therefore the debtors increasing.

9. Cash and Cash Equivalents

| | Year ended 30 June 2025 | Year ended 30 June 2024 |
|---|----------------------------------|----------------------------------|
| | £000 | £000 |
| Opening Balance | 1,303 | 1,747 |
| Net change in cash and cash equivalent balances | 395 | (444) |
| Total | 1,698 | 1,303 |
| Analysed as: | | |
| Cash | 50 | 50 |
| Term Deposits | 1,648 | 1,253 |
| Total | 1,698 | 1,303 |

10. Trade and Other Payables

| | Year ended 30 June 2025 | Year ended 30 June 2024 |
|---------------------------------|----------------------------------|----------------------------------|
| | £000 | £000 |
| Trade Payables | 77 | 44 |
| Taxes and Social Security Costs | 109 | 90 |
| Accruals and Other Creditors | 146 | 120 |
| Lease Payments (Office & IT) | 118 | 118 |
| Total | 450 | 372 |

All of the creditors are held at amortised cost.

Note: The Accruals and Other Creditors figure for the year ended 30 June 2024 has been restated to £120k. This figure should have been changed in the previous year accounts and was not. It does not impact any other figures and the SoCNE was correctly stated.

11. Creditors – amounts falling due after more than one year

| | Year ended 30 June 2025 | Year ended 30 June 2024 |
|-------------------------|----------------------------------|----------------------------------|
| | £000 | £000 |
| Lease Payments (Office) | 980 | 1,098 |
| Total | 980 | 1,098 |

12. Provisions for liabilities and charges

| | Year ended 30 June 2025 | | | Year ended 30 June 2024 | | |
|--------------------------|----------------------------|--------------------|---------------------|----------------------------|--------------------|---------------------|
| | Dilapidation Provision | Legal Provision | Total Provisions | Dilapidation Provision | Legal Provision | Total Provisions |
| | £000 | £000 | £000 | £000 | £000 | £000 |
| As at 1 July | 60 | 133 | 193 | 93 | 40 | 133 |
| Provided in year | - | 12 | 12 | 15 | 111 | 126 |
| Released from provisions | - | (76) | (76) | (47) | (18) | (65) |
| | 60 | 69 | 129 | 61 | 133 | 194 |

The provision for dilapidation costs relates to the SLCC's contractual duty to repair leasehold property on termination of the lease. The provision is made on the basis of a dilapidations report that the SLCC commissioned to assess the likely liability. The provision has been made on the assumption that there would be the requirement for a strip out, repairs and redecoration to the current floor space. It also assumes we would have to replace floor coverings and remove all alterations to return the space back to an open plan office.

The provision in respect of legal expenses reflects an estimate of costs payable by the SLCC in respect of recent appeal decisions.

13. Leases

SLCC recognises a right-of-use asset upon lease commencement. The right-of-use asset is initially measured at cost, being the initial amount of the lease liability adjusted for any lease payment made before the commencement date, less incentive received.

At transition to IFRS 16 on 1 April 2022 the right-of-use assets have been measured at an equal amount to the lease liability adjusted by the amount of any prepaid or accrued lease payments.

The right-to-use asset is subsequently depreciated using the straight-line method from the commencement date over the term, which is equal to, or shorter than the assets useful life. The right-to-use asset will be periodically reviewed for impairment losses and adjustments on remeasurement of the lease liability.

| | Year ended 30 June 2025 | | | Year ended 30 June 2024 | | |
|----------------------|----------------------------|----------|--------------|----------------------------|----------|--------------|
| | Office | IT | Total | Office | IT | Total |
| Cost | £000 | £000 | £000 | £000 | £000 | £000 |
| As at 1 July | 1,309 | - | 1,309 | 168 | 19 | 187 |
| Additions | - | - | - | 1,309 | - | 1,309 |
| Disposals | - | - | - | (168) | (19) | (187) |
| As at 30 June | 1,309 | - | 1,309 | 1,309 | - | 1,309 |

| | Year ended 30 June 2025 | | | Year ended 30 June 2024 | | |
|-----------------------|----------------------------|----------|--------------|----------------------------|----------|--------------|
| | Office | IT | Total | Office | IT | Total |
| Depreciation | £000 | £000 | £000 | £000 | £000 | £000 |
| As at 1 July | 109 | - | 109 | 144 | 19 | 163 |
| Charge for year | 131 | - | 131 | 133 | - | 133 |
| Disposals | - | - | - | (168) | (19) | (187) |
| As at 30 June | 240 | - | 240 | 109 | - | 109 |
| Net Book Value | 1,069 | - | 1,069 | 1,200 | - | 1,200 |

Analysis of Lease Liabilities

| | Year ended 30 June 2025 | | | Year ended 30 June 2024 | | |
|------------------------------------|----------------------------|----------|--------------|----------------------------|----------|--------------|
| | Office | IT | Total | Office | IT | Total |
| Due in one year | 118 | - | 118 | 114 | 4 | 118 |
| Due within one year and five years | 980 | - | 499 | 499 | - | 499 |
| Due in more than five years | - | - | 599 | 599 | - | 599 |
| Total | 1,098 | - | 1,216 | 1,212 | 4 | 1,216 |

14. Capital commitments

There were no contracted capital commitments as at 30 June 2025 (2023/24: Nil).

15. Related party transactions

The SLCC is an Executive Non-Departmental Public Body (NDPB) and not part of the Scottish Government or Scottish Administration. As an NDPB the SLCC carries out regulatory functions on behalf of Government.

The SLCC had transactions during the year, with the following bodies in which members of the Senior Management Team or Board of Management hold, or held, official positions:

| Member | Organisation | Role |
|-----------|---------------------------------|--------------|
| L Burnett | Cyber and Fraud Centre Scotland | Board Member |

Cyber Advance Contract 1 March 2025 to 28 February 2026 £12k

16. Contingent liabilities

Third parties have sought to appeal the SLCC's decisions under the Legal Profession and Legal Aid (Scotland) Act 2007. The SLCC may defend these cases and is liable to pay legal expenses and costs if appeals are upheld. It's not practicable to quantify and there isn't an actual liability at the year end, given that the cases are ongoing.

Given the nature of our services provided, there are a number of appeals ongoing at any given time.

17. Post Balance Sheet Events

No event has occurred since the date of the balance sheet which materially affects the financial statements.

Appendix 1 – Direction by Scottish Ministers



SCOTTISH LEGAL COMPLAINTS COMMISSION

DIRECTION BY THE SCOTTISH MINISTERS

1. The Scottish Ministers, in pursuance of section 15(1) of The Legal Profession and Legal Aid (Scotland) Act 2007, hereby give the following direction.
2. The statement of accounts for the financial year ended 30 June 2009, and subsequent years, shall comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM) which is in force for the year for which the statement of accounts are prepared.
3. The accounts shall be prepared so as to give a true and fair view of the income and expenditure and cash flows for the financial year, and of the state of affairs as at the end of the financial year.
4. In accordance with section 15(1) (c) of the Act a copy of the statement of accounts should be sent to the Scottish Ministers. following the financial year ended 30 June. The accounts will be sent by Scottish Ministers to the Auditor General for Scotland and will be subject to audit by auditors appointed by the Auditor General for Scotland. The audited statement of accounts will be laid before the Scottish Parliament.
5. This direction shall be reproduced as an appendix to the statement of accounts.

Signed by the authority of the Scottish Ministers

Dated 19 October 2009