



# ANNUAL REPORT

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## SCOTTISH LEGAL COMPLAINTS COMMISSION

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2023 - 2024

## **SLCC Annual Report 2023-24**

SG/2024/181– Scottish Legal Complaints Commission Annual Report 1 July 2023 - 30 June 2024. Laid before the Scottish Parliament by the Scottish Ministers under section 16(4) of Schedule 1 to the Legal Profession and Legal Aid (Scotland) Act 2007, November 2024.

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Scottish Legal Complaints Commission, Capital Building, 12-13 St Andrew Square, Edinburgh, EH2 2AF.

## Table of Contents

Chair foreword .....	4
Chief Executive introduction.....	6
The SLCC at a glance.....	8
Our 2020-24 strategy .....	11
Our Board .....	13
SLCC Consumer Panel.....	15
Our performance and improvement .....	17
Customer service and accessibility .....	21
You said, we did .....	23
Our oversight and outreach .....	27
Our work on policy and reform .....	29
Our organisation .....	32
Our people .....	34
Our contribution to national performance .....	36
Our statistics .....	38
Chief Executive closing remarks .....	47

### Chair foreword

Looking back on my first year as Chair, it's clear to me that the SLCC is genuinely focused on our service users. That drives our appetite for continuous improvement, our commitment to collaborative working and our openness to change and innovation.

Our approach helps us to focus on what's important in times of uncertainty, as we work together with others to make the progress we all want to see. I've seen that firsthand this year in my engagement with stakeholders and in our Board discussions. My thanks go to the Board and to our dedicated staff team for their support, drive and delivery, and to everyone who has worked with us this year.

I am proud to present this report covering our work and outlining some of the improvements and impact the SLCC has delivered in 2023/24 – not least because they have been achieved against a backdrop of continued work on legislative reform and significant external demands on the organisation.

This year we saw complaint numbers rise significantly, driven particularly by the closure of one firm. Alongside the implications for our complaint handling capacity, we also devoted significant additional resources to helping those affected and engaging with wider stakeholder interest in this difficult issue. I'd like to record my thanks to everyone who worked with us to achieve the best possible outcomes for consumers in what was for so many a troubling set of circumstances. Throughout the year the Board has considered the strategic implications of this situation for both the organisation and the sector in general.

More broadly the Board and Executive have taken a rigorous approach to expenditure in the context of a budget based on what we knew at the time of laying it in Parliament in April 2023, and with demand-led costs for appeals and court action in relation to securing law firm files, both of which are largely out of our control.

This year has also seen further activity on the Regulation of Legal Services (Scotland) Bill which provides an opportunity to make real improvements to the complaints system, but which has been significantly delayed. We've continued to work with stakeholders to make sure our expertise and experience informs the legislation and its implementation.

In the context of what has been a busy and demanding year, I'm also pleased to report that we delivered good performance against our key performance indicators, alongside improvements in our accessibility, customer service, and the influence we've brought to bear on complaint handling across the sector. That work continues as we look forward to the year ahead with projects underway focused on equality, insight and efficiency.

This report also marks the end of our 2020-24 strategy. The strategy began as we emerged from the first Covid lockdown and has seen us update our ways of working, deliver a cost-saving office move and become a fully digital organisation, all while delivering significant improvements in our service.

That ability to plan and deliver in uncertain circumstances will serve us well as we look ahead to the conclusion of the reform debate and the implementation of the changes it delivers. It's a challenging task, but on the evidence of the past year, it's a challenge I'm confident we will rise to.

### Chief Executive introduction

One of the privileges of being the CEO of a small organisation is that when reporting our performance each year I can see the hand of every single member of staff in delivering our work.

This year has felt like a team effort more than ever before as we looked to support hundreds of members of the public affected by the collapse of a single firm. This led to our highest ever level of incoming complaints, well in excess of the volumes predicted in our budget.

I watched managers create bespoke processes and think creatively about our legal powers. Without this we'd have struggled to deliver the extra work within the resource planned for the year. I heard our staff comfort distressed former clients, confused about what had happened and where they stood. We visited public meetings to meet those affected in person, and staff worked to meet specific accessibility needs and helped those needing support to make a complaint. Our complaints investigators shared experience or covered other work to free up dedicated resource. We worked with stakeholders across the UK, and we challenged the providers of indemnity insurance when they sought to resist paying out compensation clients were legally entitled to.

Although new complaints relating to this have now slowed, high ongoing cases will continue to impact our work for many months to come.

Colleagues did this as we were also completing all the work in our four-year strategy which ended this year. This included finishing major projects to relocate our office (delivering a £500,000 saving over five years) and deliver a new IT platform to improve how we deliver our services. Our normal business continued to be delivered, and we have maintained performance against almost all our key measures. Every team and every person rose to these challenges, and they have my sincere thanks.

Alongside this the debate on reform has continued. We are pleased that legislation is under consideration by the Scottish Parliament. It is not the fundamental reform of the regulation and complaints model proposed by the SLCC, recommended by the Independent Review commissioned by

government, and supported by consumer groups. However, it still has the potential to deliver meaningful improvements to the process, and we have been working to provide our input and experience, based on handling over 17,000 complaints, to inform the drafting.

The prospect of reform has created a year of uncertainty, but we are excited about the opportunities.

I hope the report provides something of interest for everyone, from our core performance, data on our caseload, our work to make our service accessible and to drive improvement in complaint handling across the sector.

In my closing comments I'll look to the future, and what more we have planned to make sure we are playing a role in supporting the public and the sector.

### The SLCC at a glance

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

Our vision is that 'every client receives a professional service, and every lawyer adheres to professional standards' Every year we receive over a thousand complaints about legal practitioners in Scotland.

This could be a complaint about:

- A solicitor
- A firms of solicitors
- An advocate
- A commercial attorney

Normally we will only look at a complaint where the complaint has already been made to the lawyer, and they've had a chance to respond (there are some exceptions).

Our process is a mix of dispute resolution such as conciliation/mediation with formal, legally binding arbitration.



SLCC complaint journey diagram



## So what happens to complaints made to the SLCC?

Let's see what happened to the complaints made to us in our previous annual report year: 1 July 2022 – 30 June 2023.

(Due to complaint timescales, not all of the complaints received in this annual report year have been concluded yet, so last year's numbers give a more detailed picture).

Outcome	% of cases
Prematurity	6%
Conduct	11%
Resolved at eligibility	25%
Closed before accept/reject decision	9%
Rejected at eligibility	14%
Service/hybrid - closed at Mediation	6%
Service/hybrid - closed at Investigation	17%
Service/hybrid - closed at Determination	9%
Ongoing	4%

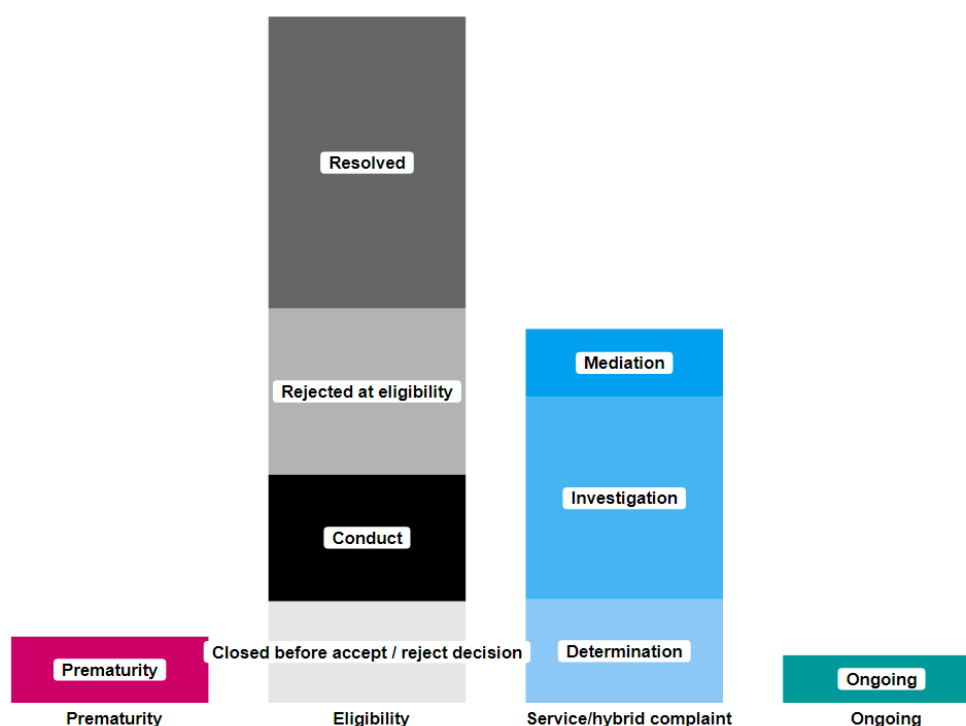


Chart visualising data in the table. The columns are prematurity, eligibility, service/hybrid complaints and ongoing.

### What types of things do people make complaints to the SLCC about?

Here are the top five areas of law we received complaints about in our 2023-24 year:

Area of law	% of complaints
Executries, wills and trusts	29%
Residential conveyancing	16%
Family law	14%
Litigation	11%
Personal conduct	7%

Here are the top five subject areas we received complaints about in our 2023-24 year:

Complaint about	% of complaints
Failure to act in the best interests of the client	22%
Communication	22%
Failure to advise adequately	8%
Trust & Personal Integrity	7%
Delay	5%

### What settlements have we agreed/ decided?

We resolve complaints throughout our process and make final binding decisions on service complaints at the end of our process.

- £ 307,448.92 compensation for inconvenience and distress
- £ 246,569.34 compensation for financial loss
- £122,563.47 in fee reductions and fee or outlay refunds.

## Our 2020-24 strategy

Our strategy for 2020-2024 set out our strategic aims as well as internal priorities to support their delivery.

This was to be the last year of our strategy, although we have extended the strategic aims for a further year to cover a period of uncertainty coming from reform. Despite the extension, we have evaluated the four years of work as this was the original timeframe we committed to when publishing the plan to stakeholders.

In the four years since 1 July 2020, we have accomplished a great deal. Here are a few highlights.

Our organisation has changed significantly over the strategy period. We kept our staff safe and supported during Covid-19 and managed to maintain our normal services throughout. We changed our organisational ways of working, became a fully digital organisation, moved property in a half million-pound savings package and received external recognition of various aspects of our HR practice.

We kept a strong focus on our core complaints service, continuing to deliver improvements for our customers. We reduced our complaint journey time and won an award for our process improvement work. We continued to apply agile approaches to rapidly develop and test new approaches in a number of areas. We established a cross-organisational Service Experience Team to help drive improvements in our customer service. A multi-year project focused on making our communications clearer and more accessible included staff training, a review of all our templates, and new quality assurance systems. Our internal auditors provided assurance that the learning was being applied in practice.

We delivered a new approach to discharging our oversight powers and have seen commitments from the relevant professional organisations to improve their complaint processes, based on our recommendations. We've updated our guidance for the profession on good complaint handling and disseminated it to practitioners across the country through our website, training sessions, 1:1 support for firms and our social media channels.

## **SLCC Annual Report 2023-24**

Over the last four years we've used our experience and expertise to help inform the debate on regulatory reform and the development and passage of the Regulation of Legal Services (Scotland) Bill. We've supported our Consumer Panel to bring the voice of consumers to the debate and welcomed their input to our wider improvement work.

We've worked with stakeholders across the legal sector, consumer groups and the third sector, government, parliament and beyond. We've focused on constructive, purposeful engagement to help share insight and drive improvement, and we've seen the impact of that across many different areas of our work.

In some areas we've seen less progress due to external factors we have no control over. That includes the implementation of the Legal Services (Scotland) Act 2010. Despite our best efforts over the strategy period, we have not seen improved compliance by solicitors with their duty to provide files for investigation.

It has been a busy four years. Despite significant uncertainty in the external environment, we've delivered much of what we set out in our strategy and we're very proud of what our team has achieved.

## Our Board

The [Board](#) of the SLCC sets strategy, ensures good governance is in place and that the performance of the business is being managed, and engages on major issues of policy.

### The Board's work this year

There is an annual cycle, set in statute, of planning, consulting on, finalising and then laying our budgets and operating plan in the Scottish Parliament. We then report at year end through externally audited annual accounts, which are also laid in parliament.

On a quarterly basis the Board reviews key performance indicators and performance data, risk registers, financial reports, progress against our operating plan, customer service feedback and reports from the audit and remuneration committees.

The Board also debates key issues of relevance to the SLCC, including tracking progress with reform which may change our legal powers, and discussing how reform may be implemented (depending on its final form). This year the Board also considered updates to our complaints levy policy, updates to our performance reporting framework, the new consumer duty, lessons learned reports on major projects and investment (office move, IT deployment, post-covid working arrangements), a review of our approach to best value, and our appeals policy.

This year the Board also closely monitored the ongoing impact and work coming from the failure of a particular law firm. This had potential strategic issues for the SLCC in terms of the volume of work, required multi-agency liaison, and was of deep concern due to the impact on large numbers of members of the public.

Looking ahead, the Board has commissioned a review of its own governance which will take place in 2024-25.

As well as their governance role, our Board members also make important decisions on complaints as non-staff commissioners. This year our members took part in refreshed adjudication training which incorporated the

## **SLCC Annual Report 2023-24**

discussion of real-life case studies, allowing the Board to consider these together and share their approaches.

### **Board member changes**

In July 2023 we welcomed new chair, Jane Malcolm, to the organisation. Our thanks go to lay member June Andrews, who stepped down this year.

## SLCC Consumer Panel

The SLCC Consumer Panel is an independent advisory panel, with its remit set out in statute. The Panel brings a wealth of experience and insight on consumer interests. It uses that to advise, challenge and assist the SLCC in delivering a complaints system which is accessible, provides clear and understandable information and decisions, and delivers a good customer experience.

### Advising the SLCC on consumer interests

This year saw the Consumer Panel advising the SLCC on a number of areas of improvement work. Throughout the year, the Panel provides reflections on the customer feedback the SLCC receives, which informs the development of forthcoming service experience improvements. It also fed into the Service Experience Team's work on 'chill factors' that might put people off making a complaint and provided feedback on [updated content on the SLCC website for consumers on using a lawyer](#).

### A strong voice for consumers

The Panel continued to provide a strong voice for consumers in the debate on the Regulation of Legal Services (Scotland) Bill, including giving oral evidence to the committee and providing a briefing for MSPs in advance of the stage one debate in parliament.

The Panel has continued to highlight the need for the consumer voice to be heard in these discussions to deliver reforms that truly meet consumer needs and inspire public confidence.

### The need for greater consumer insight to inform regulation

The Panel remains concerned about the lack of consumer research and insight to inform consumer-focused regulation. The Panel has also welcomed the broader remit being proposed for its work as part of the Bill but continued to express concerns about the lack of resource to support this.

## **SLCC Annual Report 2023-24**

The discussion about the Panel's role and its resources will continue to be a key feature of the reform debate in the coming year and the Panel and the SLCC will work together to consider how they can use their respective statutory duties and functions to deliver the consumer insight needed to inform consumer-focused regulation.



## **Our performance and improvement**

Maintenance of core performance in complaints handling and improvements to the effectiveness and efficiency of our work have remained a key focus for us this year against a backdrop of rising complaint numbers and significant external demands.

### **Complaint timescales**

We continued to closely monitor timescales in the complaint process. With the number of complaints made to us rising this year, we worked hard to progress cases timeously, using our resource flexibly and bringing in additional staffing as necessary. We're pleased to report that this year saw an increase in the cases we closed, showing our hard work to keep pace with incoming demand.

### **An unusual caseload, driven by one ceased firm**

This year we saw a rise in incoming complaints, primarily, although not entirely, driven by the closure of Greenock law firm WW & J McClure Limited which went into administration and ceased trading in early 2021. Since then we have seen increasing numbers of enquiries and complaints as clients learned about its demise and were advised that their files had been passed to another firm.

Complaints relating to this firm and the transfer of its files have been unusual within our caseload. Due to the nature of the firm's work, the issues raised, and the firm having ceased, a much higher than usual percentage of these complaints have been deemed eligible and proceeded to full investigation and determination. We've also needed significant ongoing engagement with insurers, the broker and the Law Society of Scotland to ensure that, as far as possible, those who had been awarded redress received it through the indemnity arrangements required for regulated firms. While we welcome their engagement on this and the work to ensure this has happened, many people waited too long to receive their awards and we spent unnecessary time chasing payments and keeping complainers updated on progress.

## SLCC Annual Report 2023-24

We've also dealt with a high number of enquiries from concerned clients, many of whom needed additional support to be able to make a complaint. All of this has had an impact on our workload this year.

As well as dealing with individual clients and complaints, we've also been engaging with informal support groups, MSPs and MPs supporting their constituents, as well as a range of other stakeholders including the Law Society of Scotland, Legal Ombudsman (England and Wales), the Solicitors Regulation Authority (England and Wales), advice and consumer agencies, and Police Scotland.

This year we took two unusual steps in response to this issue. The first is that we attended two public meetings in Greenock, organised by the local MSP for those affected by the firm's closure. The SLCC has a duty to provide advice regarding making complaints. Although we were restricted in what we could say about the circumstances of the firm or about individual complaints, we felt it was in line with our public duties and could help support access to justice to attend and provide information and advice for those wanting to take forward a complaint. In all, 300 people attended these meetings.

The second is that we have commented publicly on this issue, including in this report and providing a briefing to MSPs in advance of a [parliamentary debate](#) in February 2024. Our legislation restricts us from discussing individual complaints. However, with significant information already in the public domain, and questions being asked about how the situation was being addressed and how similar circumstances could be avoided in future, we felt that providing appropriate information to inform those discussions would be helpful and the right thing to do.

### **A focus on mediation**

We identified uptake of our mediation offer as a key area for action as we see high success rates in resolving complaints where mediation takes place. We contacted complainers proactively to outline the benefits of mediation, to explain how it works and to answer any questions they might have. We filmed and published a new [mediation video](#) featuring one of our

mediators and are now using it with complainers to encourage them to consider taking part. We are also using clips from the video as part of a wider social media campaign to highlight this key part of our approach to resolution.

### Failures to respond

We continue to see significant issues with solicitors not co-operating with our investigations. This includes not providing information or a file when we make a statutory request for it because we need it to consider a complaint. Throughout this year, we have taken further steps to address this systemic issue.

We are testing a new approach to standardising our responses to extension requests from parties to ensure we are being fair but firm in our approach.

We have continued to raise legal actions in the Court of Session to obtain files, which is our only recourse where practitioners do not engage with us. We have seen a number of those cases proceed as far as contempt of court hearings this year, although no further findings of contempt have been made. While the court continues to make clear its concern about this issue, it remains the case that we can only address each individual instance of non-compliance in isolation.

Now, having seen a pattern of these cases, we are concerned that the defence to having 'wilfully' ignored or defied the court has often been that the management of the legal practice is so poor that failure to comply was not wilful, or the health of the practitioner is such that they cannot respond. These statements to the court raise serious public protection concerns about the management of legal practices and solicitors' abilities to meet their professional duties, even where their actions are not judged to meet the test of wilful defiance of or disrespect towards the court. It also highlights the need for the regulatory system to take action to protect the public, even if a contempt finding is not supported. We intend to explore this further in the coming year and have set out [our view that a better, less costly and more productive solution is needed](#).

## **SLCC Annual Report 2023-24**

The significant and increasing costs of non-compliance by solicitors is also pushing us to consider alternative approaches. We are currently testing an approach on a small number of cases where we move to take decisions without access to any files or response from the solicitor, if these have not been provided on request, based on the evidence we do have available. We will assess the eventual outcome of these cases, and whether in some or all situations of non-compliance this may be an appropriate approach for us to take.

## Customer service and accessibility

Alongside our continued focus on efficiency, we want to drive improvements in our customer service to make sure we are as accessible and helpful as possible for all of our service users.

### Our Service Experience Team

Our cross-organisational Service Experience Team continues to drive innovation in customer service. Drawing on the team's own experience and input from the Consumer Panel and others, they develop and test improvements in our processes and provide a source of support and challenge to the wider organisation in improving our customer service.

### Improvements for our users

This year the Service Experience Team embedded our new approach to complaints about our own service, developed a new approach to collecting customer feedback, and started testing our use of Trustpilot.

The team also worked with our Consumer Panel to consider potential 'chill factors' which may discourage a consumer from raising a complaint. We are taking forward a small number of recommendations to tackle issues within our control identified by the project.

We refreshed and updated the '[for consumers](#)' section of our website. This includes guidance aimed at empowering consumers in using a lawyer and addressing issues where expectations may be different, and which could lead to a complaint. We also updated our dedicated guides for key areas of legal services, including buying and selling a property, wills, estates, family law and criminal law.

### Accessibility

The accessibility of our website was checked by the Government Digital Service for compliance with public sector website accessibility regulations. We made a number of updates based on their feedback and they confirmed our accessibility statement is compliant. We commissioned a follow-up audit, including manual testing by reviewers with disabilities, to

## **SLCC Annual Report 2023-24**

identify outstanding issues and we continue to address those.

Improvements made this year included improving the accessibility of our online complaints forms and replacing a large number of pdf files with html pages.

### **Customer feedback**

We ask everyone who makes or is the subject of a complaint what they thought of our service. We ask about the quality of the information we provided to them, how well we explained things, the time we took to deal with the complaint, if we dealt with it fairly and impartially and how helpful we were. We also provide an opportunity for free text comments.

This year we've updated the questions we'll be asking in the coming year to make the survey shorter and more focused, while still providing the opportunity for people to provide more detailed comments if they wish. We'll also be asking for feedback while the complaint is in process as well as once it has closed so we can make improvements along the way.

## You said, we did

A report on our customer feedback, including all of the free text comments, is considered quarterly by our Board, Service Experience Team and independent Consumer Panel.

Those discussions help us to identify improvements we could make to our service or actions we could take based on the feedback received. Some of the key actions from the past year are outlined below. Our thanks go to everyone who took the time to provide us with helpful feedback this year.

We were pleased to receive a lot of positive comments in our feedback from members of the public and lawyers. These are a real morale boost to staff who work hard dealing daily with challenging issues. Some examples from this year include:

- “The investigator explained in plain language what they would do and when they would do it by.” (consumer)
- “I really cannot think of anything, the process was utterly painless, everything was explained in clear terms and with time lines. The advice and support was incredible, very knowledgeable but understanding and impartial throughout. In this day and age it is rare that a complaint process is a clear and simple process, the SLCC made the whole thing virtually stress free. I felt I was in safe and confident hands throughout. Thank you.” (consumer)
- “The service was efficient which is very important to the complainer and the practitioner. The complaint was handled swiftly and diligently. From my dealings with the SLCC I do not have anything to submit regarding improvement of their service.” (practitioner)
- “Highly impressed with the service despite the stressful circumstances. I think the SLCC were fair and impartial with good attention to detail and a good grasp and identifying and considering the issues with a well reasoned and fair response.” (practitioner)

## SLCC Annual Report 2023-24

We also receive a lot of comments on what we could do better. Some of these are repeated each year, but are often issues where we agree it's important we strive every year to make improvements. For example:

- You said: **“Improve the speed with which complaints are handled”**. Both consumers and practitioners raised the issue of timescales. This year we increased headcount to deal with a greater volumes of complaints, we delivered a project to review how we manage time extensions offered to parties where they ask for additional time to respond, we piloted a fast-track approach for certain complaints relating to the failure of a particular firm, and we worked with Scottish Government on reform to our legislation to address structural barriers to more efficient complaint handling.
- You said: **“Explain the process from start to finish at the beginning of the discussions.”** This year we concluded a four-year project looking at the clarity of our communications and when and how we share information with parties. We reviewed the information on our website and in the emails and letters we send and all our staff attended training. Our Service Experience Team also focuses on where we could improve our customer service, including providing information on the complaints process at appropriate points to aid understanding.
- You said: **“SLCC appears to be strongly biased in favour of legal firms”** (from a consumer) and **“There is still an impression given that there is strong bias in favour of the complainer”** (from a solicitor). We receive comments from both consumer and lawyers who perceive the system as biased against them. We take bias seriously. We provide mandatory unconscious bias training for our complaints staff. We also have a robust quality assurance process in place where cases can be reviewed by peers or managers to identify any potential bias or issues needing addressed.



Some new issues came up which we tackled within the year.

- You said: **“The time for the insurers to respond had to be extended and payment was delayed. Whilst this isn’t in the control of SLCC it added further anxiety for us and extra work for SLCC.”** Concerns were raised at delays in payment of awards by the Master Policy professional indemnity insurers. We were also deeply concerned at these delays, and we worked with the Law Society, the brokers and the insurers to tackle this issue, committing significant time and resource to try to ensure complainers received the compensation they were entitled to as swiftly as possible.
- You said: **“My complaint was regarding a firm of solicitors based in Scotland. The SLCC explained that they were unable to investigate further because the trust was set up under English law”**. A number of consumers raised concerns relating to jurisdiction issues this year. We worked with the Legal Ombudsman and Solicitors’ Regulation Authority in England and Wales to ensure we were all able to advise and support people to make their complaint and have it considered in the correct jurisdiction.
- You said: **“I was told that whilst the LSS was investigating their matters a concurrent investigation would be done by SLCC over their matters. This did not seem to take place as SLCC awaited a response from LSS before they investigated. This meant the process was longer than it should have been.”** We have been working with the Law Society to transition to simultaneous investigations to reduce the time it takes to investigate complaints with both service and conduct issues. This is now fully rolled out for all cases.

In addition, we have identified a number of issues we will consider taking forward in the coming year.

Finally, there are some issues which are simply a matter of the current law. For example, how people can appeal our decisions, how we are funded

## **SLCC Annual Report 2023-24**

and the proportionality of the current eligibility process. However, we have been proactive in suggesting alternatives as part of the reform debate.

## Our oversight and outreach

Alongside its complaint handling functions, the SLCC has a range of powers and duties to oversee and bring an independent view to the entire complaints and redress system.

We have a published [statement](#) on our approach to discharging these powers which sets out our intention to work collaboratively and constructively with others in the sector to drive improvement and ensure public confidence.

### Improving conduct complaint handling

This year we saw a significant rise in the number of handling complaints we received, far above the numbers predicted in our operating plan and budget. These included complaints made by the original complainer and by the practitioner complained about. This was in part driven by four sets of linked complaints. We also saw a high increase in the number of midway complaints, where someone contacts us with a concern about the handling of a complaint while it is still in progress.

As well as investigating individual complaints about relevant professional bodies' complaint handling, we look at trends in conduct complaint handling and make recommendations for improvements.

We conducted a [review of the Faculty of Advocates' complaint handling processes](#) which concluded that the Faculty's current complaints process is overly complex and extremely challenging to navigate, especially for lay complainers. We made five statutory recommendations for improvement. We welcomed Faculty's engagement with us on this work and their commitment to comply with our recommendations. We will continue to work with them to deliver these important improvements for everyone involved in the complaints process.

We also [welcomed](#) improvements to Law Society of Scotland conduct complaint investigation timescales following recommendations in our 2023 [report](#).

### Arrangements for redress

We have powers to consider provisions for ensuing consumer redress, including the effectiveness of the Client Protection Fund and indemnity arrangements. [In 2021 we made a number of recommendations to the Law Society of Scotland regarding the Master Policy indemnity arrangements](#), and we have continued to monitor this.

Throughout this year we have engaged extensively with the Law Society, Lockton, the lead insurers and their legal representatives to ensure that, as far as possible, consumers receive the redress they have been awarded. This includes specific engagement in relation to the payment of awards to former clients of ceased firm WW & J McClure Limited.

### Improving complaint handling across the sector

We published a [report on the benefits of price transparency and clear costs](#) to reduce the risk of misunderstandings which often lead to complaints. The report outlines what we see in complaints relating to pricing and fees and offers best practice tips to help firms think about how they could better manage their risk of complaints about fees. The report was [welcomed](#) by the Law Society of Scotland's Regulatory Committee.

We took part in a number of conferences and events across the sector on the common causes of complaints and how to deal effectively with them, drawing on case study examples from our caseload. We also spoke directly to firms on issues relating to risk management and complaint handling.

We continued to provide our guidance on good complaint handling in different formats and through different channels, including our [website](#), [practitioner newsletter](#) and social media channels, to reach out across the profession.

## Our work on policy and reform

We use our experience, insight and learning to influence, inform and implement policy change on matters relating to our complaints and regulatory functions.

### Regulation of Legal Services (Scotland) Bill

The [Regulation of Legal Services \(Scotland\) Bill](#) was introduced in Parliament in April 2023. Original proposals, stemming from an independent review, suggested more radical reform of regulatory structures and new legislation. We supported this approach. However, we have welcomed the opportunity for more limited modernisation of structures and processes within this Bill.

We submitted [written evidence](#) to the Equalities, Human Rights and Civil Justice Committee and [attended the committee on 14 November to provide oral evidence](#). We also provided further information in writing to the committee in response to their questions and to evidence from other organisations.

The committee's [Stage 1 Report](#), published in February 2024, recommended, by a majority, that Parliament agree to the general principles of the Bill, and supported many of the proposals we have advocated. The Minister [responded](#) to the report with further details on the issues raised by the Committee. Later that month the Scottish Parliament [debated](#) the proposed reforms and voted in favour of the general principles of the Bill at stage 1. We provided a [briefing](#) to MSPs in advance of the debate.

Since then, we've been working with officials to consider amendments to the Bill to address some of the issues identified in the drafting. However, stage 2 consideration of the Bill has not yet commenced and is now significantly delayed until early 2025, meaning the overall timescale for the Bill's passage has slipped considerably.

## **SLCC Annual Report 2023-24**

In parallel we have started initial planning for implementation of the proposed changes to ensure we are in a strong position to bring key provisions into operation as swiftly as possible once the Bill is passed.

Given the potential for significant changes to our legislative framework, and the impact of this across our business, this work continues to be a key focus for our Board and executive team.

### **Alternative Business Structures**

The Law Society of Scotland was fully approved and authorised as an Approved Regulator in December 2021, but the regulatory scheme is not yet operational. The SLCC has been preparing for the introduction of ABS since the Act was passed in 2010. This preparation needs to be updated each year and comes at significant cost to the organisation each time.

At the time of writing, we are again being told the scheme may go live in 2024/25 but have no control over this. We remain as ready as possible to implement our responsibilities when this is required. The action will again be carried forward into next year's operating plan.

### **Consumer Duty**

The SLCC is considered a relevant public authority in the Consumer Scotland Act 2020 (relevant public authorities) regulations 2024. This means that we must meet the four requirements of the Consumer Scotland Act 2020:

- When making decisions of a strategic nature, have regard to the impact those decisions have on consumers
- When making decisions of a strategic nature, have regard to the desirability of reducing harm to consumers
- Publication of information about the steps taken to meet the duty
- Having regard to the Consumer Scotland guidance on how to meet the consumer duty.

This requirement came into force on 1 April 2024. We have met all of the requirements of the 2020 Act during this year. Our Board discussed our

approach to meeting the duty, including considering and feeding back on the draft guidance for senior decision makers. We will apply this approach to relevant decisions taken by the Board in the coming year on a test and learn basis.

### Other policy work

We have undertaken other policy work where it relates directly to our statutory functions. That includes engaging with stakeholders across the legal services sector, other regulated sectors, consumer group and advice agencies.

We take part in the Consumer Scotland Consumer Network alongside other ombudsmen, advice bodies and regulators. This has proved a helpful forum for sharing expertise and identifying key stakeholders to help inform different areas of our work.

We provided input and feedback to the CMA's [investigation into unregulated legal services](#), including commenting on draft guidance for the sector and guides for consumers.

### Sharing information on our work and achievements

We use our website, articles and social media channels to share more information about our work and to help shape the debate on complaints and regulation. This includes regular articles on issues relevant to the public in the Scotsman newspaper as well as articles targeting the profession in the legal press. This year we started sharing a quarterly video blog with our Chief Executive to highlight key aspects of our work and to bring a human face to the organisation.

### Our organisation

2023-24 saw us work to support collaboration, digital methods of work, and other new working practices.

#### A new office

September 2023 saw us move to our new office. This project was delivered on time and on budget. The feedback from both staff and visitors on the new office has been very positive. The office is now smaller in size to support our hybrid working model. All meeting rooms have easy to use digital accessories to support hybrid meetings.

#### Sustainable operations

In December we published a [report on how we meet our biodiversity duties](#). The report highlighted the work we had done to keep the office move sustainable. We also were able to show how moving to working with digital files from legal firms was reducing our use of couriers, saving both on cost and carbon footprint.

#### IT and cyber security

This year we finalised our move to being a cloud-based organisation, this reduces the need for a server room in the new office. We also did a full lesson learned review that was presented to our Audit Committee and the Board, to help with any future projects.

We also reviewed the security around our new infrastructure. We had vulnerability assessments carried out and also gained our Cyber Essentials Plus accreditation.

#### Best value

This year we undertook a review of 'Best Value'. The Board, Audit Committee and executive 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.



## **Data and insight**

We continued to seek ways to get the best possible insight from the rich data we collect on complaints and legal services. We took part in the Scottish Government's Data Maturity Programme and concluded the first part of a data maturity audit to inform a data action plan for the organisation. We have continued to evolve our use of PowerBI including creating new dashboards to aid the reporting of management data and to consider risk factors in the sector we may be able to identify from complaints.

We marked our 15th anniversary by publishing data on the long-term trends we have seen in complaints, alongside information on the organisation's work and development in that time, and our culture and values.

### **Our people**

Our people are at the heart of the service that we deliver.

#### **Recruitment**

This year we started giving candidates interview questions in advance of their interview. This was to help relax the candidate and allow them to be prepared. We have found this has been well received and has helped candidates give great answers, giving our recruitment panels greater insight to help select the best people to join our team.

We ran one round of recruitment for Case Investigators and appointed three in year.

#### **Staff training and development**

We identified training needs based on staff consultation and key and emerging issues in our work. We delivered a training and development programme to staff including legal updates, training on reasonable adjustments, unconscious bias, equality, agile change management, trauma informed practice, coaching and career development. We welcomed speakers from a range of partner organisations including the Scottish Solicitors' Discipline Tribunal, Scottish Legal Aid Board, Scottish Women's Aid, Abused Men in Scotland, Clan Childlaw and Lockton as well as individual practitioners, staff and board members.

#### **Staff wellbeing and inclusion**

It was another busy year for our staff-led wellbeing and inclusion group, who ran a number of events for staff including Ageing, International Women's Day, Pass it on Week, World Environment Day, World Autism Awareness Day and World Accessibility Day.

For Mental Health Awareness Week we focused on how movement can impact mental health. This included holding a yoga session in the office and a training session on mental health and movement.

### Staff charity

Charity is always close to our team's hearts and this year the chosen charity was Scottish Society for Prevention of Cruelty to Animals. As well as raising an amazing £2,946 plus £586 in Gift Aid, some staff also made use of the volunteering days we give the team and went to the SSPCA centre in Balerno and helped clean parts of the centre and got to visit some of the animals.

For 2024-25 the staff charity will be the Children's Hospices Across Scotland (CHAS).

### Industrial relations

We continue to value our relationship with PCS as our recognised trade union. This year discussions have focused on pay and terms and conditions.

### Our contribution to national performance

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:

- (i) We live in communities that are inclusive, empowered, resilient and safe
- (ii) We are creative and our vibrant and diverse cultures are expressed and enjoyed widely
- (iii) We respect, protect and fulfil human rights and live free from discrimination

We strive to ensure our service is inclusive and as accessible as possible for all members of the community. Making a complaint is free for those raising issues. Information and guidance on making a complaint, and our statutory duty to provide advice, ensures we empower citizens. By resolving disputes we ensure parties do not resort to other means, and that fair redress is awarded where appropriate, assisting resilience and safety. We make sure an approachable and professional service is provided, which is especially important for vulnerable users. Resilience for communities includes ensuring their access to justice, and we continue to ensure we deliver all our services as accessibly as possible to support this.

We actively support diversity and inclusivity, and this work is acknowledged in our staff equality survey results. We have an active staff wellbeing and inclusion group and annual staff-initiated charity fundraising, which are vital tools in supporting individual staff, teams and an inclusive organisational culture.

- (iv) We have a globally competitive, entrepreneurial, inclusive and sustainable economy
- (v) We have thriving and innovative businesses, with quality jobs and fair work for everyone

The legal sector is a large employer and net contributor to the Scottish economy. Effective redress mechanisms, as provided by the SLCC, encourage consumer confidence and consumer spending. We ensure our rules and statutory guidance do not artificially limit growth or innovation. Our outreach work aims to improve law firms' risk management, customer service and complaint handling, which can all help to create thriving businesses. We continue to call for reform to legal services regulation in line with better regulation principles to support innovation.

### Our statistics

We analyse statistics on our caseload to monitor and report on our performance and to identify and share trends in complaints.

#### Complaints about lawyers and law firms

How many complaints did we receive and how many complaints did we close?

Group:	2023/24	2022/23	2021/22
Complaints still open from previous year	554	486	388
New complaints received	1385	1281	1159
Complaints reopened	38	70	72
Complaints closed at all stages	1318	1183	1158
Complaints open at end of year	659	587	459

\*There are some complaints that may be opened or closed for other reasons, this is why the numbers here do not reconcile completely.

What process stage were complaints closed at?

Stage:	2023/24	2022/23	2021/22
Prematurity	118	133	162
Eligibility (including accepted conduct)	734	701	646
Mediation	89	57	80
Investigation	245	203	137
Determination	132	123	133

Who were the complaints about?

#### *Solicitors or firms of solicitors*

- 1359 complaints we received were about solicitors or firms of solicitors (1263 in 2022/23)
- 567 complaints we accepted for investigation were about solicitors or firms of solicitors (490 in 2022/23)
- 563 complaints we did not accept for investigation (including at prematurity stage) were about solicitors or firms of solicitors (563 in 2022/23)

### *Advocates*

- 12 complaints we received were about advocates (14 in 2022/23)
- 9 complaints we accepted for investigation were about advocates (4 in 2022/23)
- 8 complaints we did not accept for investigation (including at prematurity stage) were about advocates (10 in 2022/23)

There were no complaints against commercial attorneys (members of the Association of Commercial Attorneys).

### *Outcomes at eligibility stage*

Once a complaint has been made to us, we will then assess whether or not it is a complaint that we can accept for further investigation. We may also be able to negotiate a settlement between the complainer and the lawyer or firm before a formal decision to accept or reject – if the complaint doesn't raise serious conduct issues.

### *How many complaints did we accept, reject or resolve at the eligibility stage?*

Eligibility outcome	2023/24	2022/23	2021/22
Complaints accepted for investigation	664	491	496
Complaints rejected for investigation	147	182	222
Complaints resolved before a decision to accept/reject	301	284	252
Complaints withdrawn or discontinued before a decision to accept/reject	99	107	54

## SLCC Annual Report 2023-24

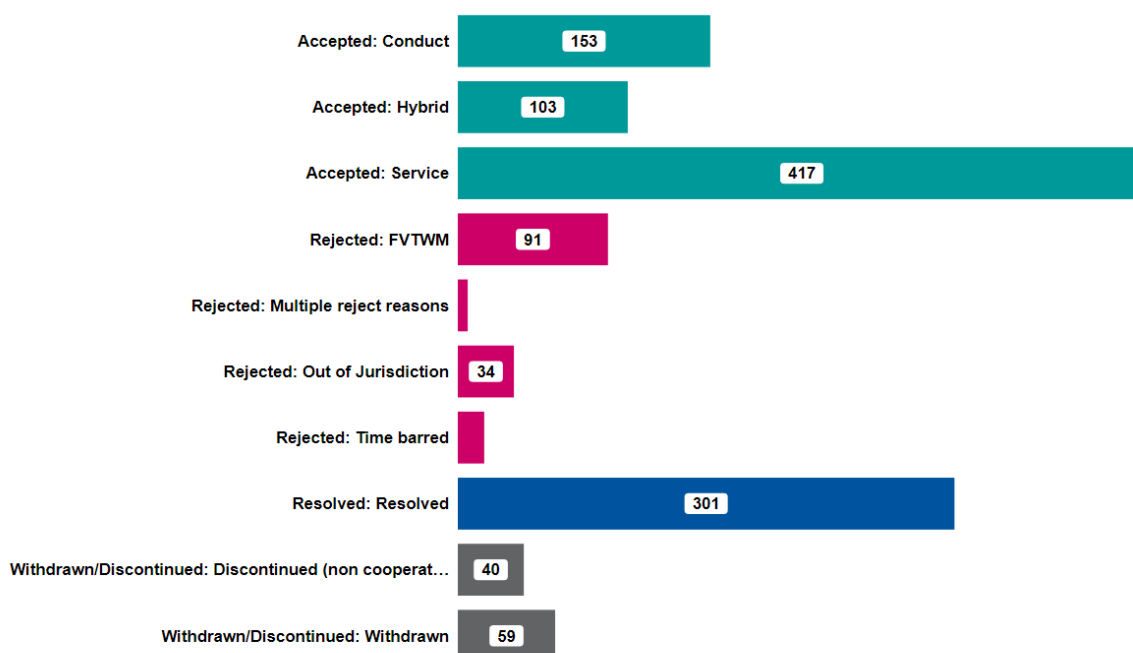


Chart summarising the table grouped by eligibility outcome with bars for each sub-type (FVTWM stands for ‘frivolous, vexatious or totally without merit’).

### *What kind of complaints did we accept for investigation?*

Accepted type	2023/24	2022/23	2021/22
Service complaints accepted for an investigation by the SLCC	417	291	324
Conduct complaints accepted for an investigation by the Law Society of Scotland or the Faculty of Advocates	153	127	113
Hybrid complaints where the service parts are investigated by the SLCC. The conduct parts are investigated by the Law Society of Scotland or the Faculty of Advocates	103	73	59

### *What formal, appealable decisions to reject complaints for investigation did we make?*

Reject type	2023/24	2022/23	2021/22
The whole complaint was made after the time limit	16	16	21



Reject type	2023/24	2022/23	2021/22
The whole complaint was 'frivolous, vexatious or totally without merit'	91	112	146
Some parts were after the time limit. The rest were 'frivolous, vexatious or totally without merit'	6	13	8
The complaint wasn't about a regulated legal practitioner in Scotland	34	41	45

*What complaints were closed before a decision to accept or reject?*

Closure type	2023/24	2022/23	2021/22
Resolved (see below for details)	301	284	252
Withdrawn (see below for details)	59	79	33
Discontinued (see below for details)	40	28	21

**What these terms mean:**

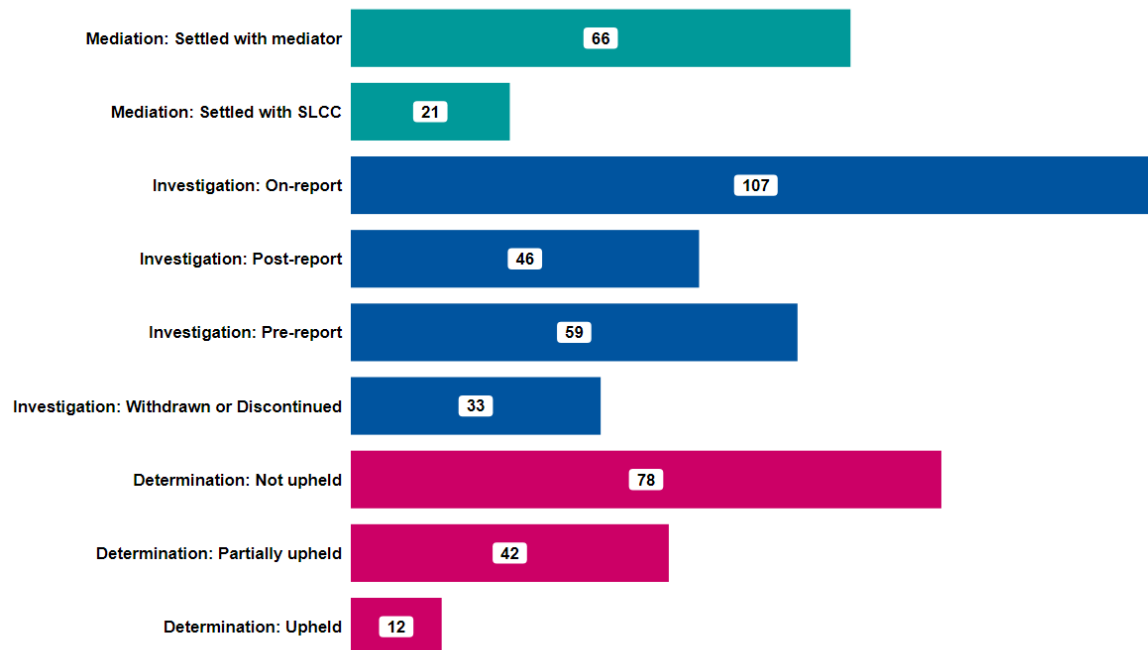
**Resolved:** The complainer requested or agreed to the closure of complaint as a result of action taken by lawyer/firm **OR** the complainer accepted our initial view is that complaint is time-barred or incapable of being upheld (based on merits), or failed to respond to the initial view.

**Withdrawn:** The complainer requested closure of their complaint for unknown reasons, or reasons not related to action taken by lawyer/firm.

**Discontinued:** The complainer has not responded to request for further information about their complaint, despite a reminder and a warning their complaint will be closed.

## SLCC Annual Report 2023-24

### Outcomes of accepted service complaints



### *How many complaints were settled at the mediation stage?*

Before we start investigating a service complaint, we give the complainer and the lawyer or firm an opportunity to attend a mediation meeting, led by an independent external mediator.

Outcome	2023/24	2022/23	2021/22
Both sides agreed a settlement at a meeting with the help of an independent mediator	66	40	67
Both sides agreed a settlement with the help of the SLCC's mediation co-ordinator	21	17	11

A further 2 complaints were closed at mediation stage.

### *How successful were mediations?*

Outcome	2023/24	2022/23	2021/22
Both sides agreed to a mediation meeting	26%	27%	40%
The mediation meeting was successful	66%	67%	76%

### *How were complaints settled at the investigation stage?*

At investigation stage, an SLCC investigator will work with both parties to agree a settlement to the complaint.

This can be the settlement recommended by the investigator in a detailed investigation report, for example, to uphold the complaint, to pay compensation or refund fees, or a recommendation to not uphold the complaint and take no action.

The investigator can also help agree a settlement before they've written the report.

Other times, a settlement is agreed after the investigation, but on different terms to the investigation report.

Outcome	2023/24	2022/23	2021/2
Settlement agreed before the investigation report	59	63	44
Settled as recommended by investigation report	107	85	48
Settlement agreed after the investigation report on different terms	46	36	16
Withdrawn by complainer or discontinued by the SLCC due to lack of contact from the complainer	33	19	29

### *How were complaints decided on at the determination stage?*

If one or both of the parties don't agree to the investigation report, the complaint will be passed to a determination committee. This is a committee of three of our [Commissioners](#), which looks at the complaint and makes a binding decision on whether it should be upheld as inadequate professional service.

Outcome	2023/24	2022/23	2021/22
Whole complaint was upheld by the determination committee	12	28	17
Parts of the complaint were upheld by the determination committee	42	40	49

## SLCC Annual Report 2023-24

Outcome	2023/24	2022/23	2021/22
None of the complaint was upheld by the determination committee	78	55	67

### What were the outcomes of appeals against the SLCC's decisions at the eligibility and determination stages?

Decisions to accept or reject complaints at eligibility and determination committee decisions are appealable to the Court of Session.

Outcome	Eligibility	Determination	Total
In progress at the start of the year	3	1	4
Received	11*	6*	17
Won	8*	4*	12
Lost	1	1	2
Conceded	2	0	2
In progress at end	3	2	5

\*We received two appeals that were about both the eligibility decision and the determination decisions. These have been counted as separate appeals for recording reasons.

### Other types of complaints

#### What happened with handling complaints about the professional bodies?

We also receive complaints about the way the professional bodies carry out conduct investigations.

Outcome	Law Society of Scotland	Faculty of Advocates	Total
In progress at the start of the year	2	1	3
New	19*		19
Rejected - with reason	4		4
Closed on report	3	1	4
Directed by determination committee	5*		5

Outcome	Law Society of Scotland	Faculty of Advocates	Total
In progress at the end of the year	9*		9

\*There were two groups of 5 complaints from the same two complainers affecting these numbers.

### What were the outcomes of complaints about our service?

We received 21 complaints about the way we'd handled a complaint made to us. These 'service delivery complaints' are dealt with by a manager who has not been involved with the case. If these aren't resolved, or the person complaining isn't happy with the response at 'stage 1', they are escalated to a senior manager for 'stage 2'.

#### Service delivery complaint outcomes

Outcomes	Stage 1	Stage 2
Upheld	3	
Partly Upheld	2	1
Not upheld	11	4
Total SDCs	16	5

## Freedom of Information and data protection

### How did the SLCC deal with Freedom of Information enquiries made?

We are a public authority under the *Freedom of Information (Scotland) Act*. We received 16 requests for information during our year.

#### Requests and responses

Outcome	Number
Requests received in year	16
Requests responded to on time in year	16

#### Requests dealt with in year

Outcome	Number
Information not held	1
Information not held, Information not supplied	1
Information not supplied	3

## SLCC Annual Report 2023-24

Outcome	Number
Information part supplied	1
Information supplied	8
Refusal to confirm/deny info exists/held	1
Third party personal data request, Information part supplied, Information not held	1

### *Exemptions used in year*

Exemption	Number of times used
s26(a) Disclosure prohibited: enactment	2
s25(1) Otherwise accessible	2
s30(c) Substantial prejudice to effective conduct of public affairs	2
s38(1)(b) Third party personal data	1

### *Reviews of our responses to Freedom of Information requests*

There were 2 FOISA reviews.

### *Data protection*

We received 14 Subject Access Requests.

## Chief Executive closing remarks

We hope the coming year will be dominated by completion of the reform legislation currently in parliament, and work to scope the transition arrangements and implementation which Scottish Government has committed to fund.

We are concerned that the amendments stages may repeat what we saw with the Legal Profession and Legal Aid (Scotland) Act 2007, where a significant volume of late amendments added complexity, confusion and cost to how the system works in practice. We are working hard with officials, the committee and other stakeholders to avoid this.

Likewise, we are keen to implement the changes swiftly to deliver benefits for the public and profession, avoiding a repeat of the Legal Services (Scotland) Act 2010 which remains unimplemented after 14 years.

There are big opportunities, and a chance to rethink all our approaches, work collaboratively with stakeholders, and engage the public and profession in designing new systems. That includes renewed work to ensure equality, consumer focus, and accessibility for the often vulnerable users we serve.

We hope the Bill will allow progress and new ways to tackle the longstanding and systemic issue of large numbers of solicitors failing to respond to the SLCC, in breach of the law and their regulatory responsibilities. It remains of deep concern that regulated professionals – holders of the public office of Officer of the Court – fail to respect the rule of law. If reform is delayed, we will need to invest in other ways to further our work in this area.

This also illustrates the challenge for the SLCC, which is operating under a temporary one-year continuation of its strategy. In managing our work prudently and efficiently, do we trust reform implementation will be swift and allow us to tackle current challenges through new powers? Or could a delay in the Bill or its implementation mean we should pursue and invest in stop-gap measures based on the current set-up?

## **SLCC Annual Report 2023-24**

We will have to carefully track implementation planning by government to assess this on an ongoing basis. When we consult on our budget in December the Bill will not yet have concluded its passage and it is likely we must, for the second year running, plan for both scenarios and react as the year evolves.

The high current caseload from the failure of a single firm will continue to be a feature this year, despite the incoming numbers now reducing, and our operational focus will be on maintaining core performance and low complaint journey times.

We've also exciting projects ahead – an independent governance review to make sure we have the highest standards of organisational oversight, work to review equalities issues for the profession and public and how that must be reflected in our services, work on data maturity and adding value to our work through data and insight, and starting the process to re-tender some elements of our work as part of our ongoing commitment to best value. There is a lot planned, and we look forward to reporting on outcomes next year.