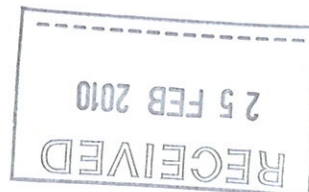




Mrs Jane Irvine  
Chair  
Scottish Legal Complaints Commission  
LP 86  
EDINBURGH 2



Our Ref: CC/SLCC/PJY/QQ  
Your Ref:  
Date: 23 February 2010

Dear Jane

**Scottish Legal Complaints Commission  
Budget and Levy Consultation 2010/2011**

The Society has now had an opportunity of considering the Commission's proposed budget for the year 2010/2011 together with the proposals for the annual general levy for practitioners and the case fee levy.

The Society is grateful for the opportunity afforded to it by the Board on Monday 15 February to discuss the issues arising from the budget and levy proposals.

The Society's position in relation to these is as follows:-

**1. Proposed Budget**

The Society's main concern in relation to the proposed budget is the level of reserves which the Commission proposes to hold.

The Society accepts that it is appropriate for the Commission to have a reserves policy but believes that it is not appropriate at this time for the Commission to hold in reserve up to six months running costs. The Society believes, even though the Commission is a relatively young organisation, that an appropriate level of reserves to carry would be two to three months running costs. The concerns of the Commission about a number of uncertainties at the present time are understood but the Society is not convinced that this should translate into a reserve of up to six months' running costs at the present time and it has not seen appropriate information to justify such a level of reserves.

Whilst the Society acknowledges that the initial budgeting for Year One of the Commission was an extremely difficult exercise given the number of unknowns



at the time although the Society is satisfied that it would not be appropriate to retain the majority of the surplus reported on Year One of £1.565 million as reserves.

## **2. Annual Levy**

It is noted that the proposed annual levy for solicitors in private practice for three years or more for the financial year 2010/2011 is retained at the 2009/10 level of £275.

In the current climate, and given the surplus which the Commission has accrued on its operation in Year One the Society believes that it would be appropriate for the levy for solicitors in this category to be reduced by £50 and for appropriate proportionate reductions to be given to solicitors in the other categories.

## **3. Case Fee Levy**

The Society agrees at this stage that there is no evidence to back any change in the proposed case levy for the next financial year.

Yours sincerely



**Ian S Smart**  
President  
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