

MINUTE OF A MEETING OF THE MEMBERS OF THE SCOTTISH LEGAL COMPLAINTS COMMISSION: 1pm on MONDAY 22 January 2024 held by Hybrid/Teams and in the SLCC Boardroom

PRESENT:

LAY:

Jane Malcolm, Chair (*online*)
June Andrews (*online*)
Jean Grier (*online*)
Niki Maclean, Vice Chair (*online*)
John Stevenson (*online*)

LAWYER:

Lynne Collingham (*online*)
Dale Hughes
Richard McMeeken (*online*)

Apologies:

Anne Gibson

In attendance:

Neil Stevenson (CEO) Louise Burnett (DoBP) (*online*)
Vicky Crichton (DoPP) Caroline Robertson (DoR)
[REDACTED] (Secretariat - minutes) (*online*)

Abbreviations used:

WIP – Work in Progress	DC – Determination Committee
FMR – Financial Management Report	LSS – Law Society of Scotland
AC – Audit Committee	FoA – Faculty of Advocates
CI – Case Investigator	CIM – Case Investigations Manager
RPO – Relevant Professional Organisation	SGvt – Scottish Government
IMT – Investigations Management Team	CoS – Court of Session
JT – Journey Time	WT – Working Time
DoR– Director of Resolution	DoPP – Director of Public Policy
DoBP – Director of Business Performance	SP – Scottish Parliament

Private Member only session, after which the Meeting Chair invited SMT and Secretariat to join the meeting at 1.13pm

1. Welcome and Apologies

- 1.1 The Chair welcomed everyone to the meeting and thanked everyone for accommodating the last-minute change of moving it to a 'hybrid' meeting. Members understood this was due to the current stormy weather everyone is experiencing.
- 1.2 Apologies were noted from the Member, Anne Gibson.

2. Declaration of Interests

- 2.1 The Chair noted the standard declarations of interest declared by Members, Lynne Collingham, Dale Hughes, and Richard McMeeken in relation to any pecuniary interest with regards to budgetary discussions and the Reform Bill process/responses by the SLCC.

3. Minutes and Matters Arising from Board Meeting on 30 October 2023 and Conference Call on 18 December 2023

- 3.1 The Minute of the Board Meeting was noted and approved as read, along with the Conference call notes.
- 3.2 The Chair requested a date to be set for Members to receive similar training to that of staff under Action 515. The CEO confirmed one session had taken place, and further work on this was included within the Op Plan for the coming year.

4. Board Actions Register

- 4.1 Members noted the ongoing Actions and agreed all other completed actions be removed from the register. Updates were provided on the following:
- 4.1.1 Action 538 – the Chair noted this information has still not been received as Stage 1 of the parliamentary process was not complete, but it will be circulated to Board as soon as it is available.

5. Strategy, Op Plan and Budget 2024-25

- 5.1 The CEO spoke to the paper presented and thanked Board for their valuable discussions at their previous meetings in October, November, and December, these have formulated the revised draft Budget presented today, along with the Strategy and Operating Plan. Members were reminded they need to make this business-critical decision today in order to meet the statutory timescales for the consultation period.
- 5.2 The CEO and DoBP provided, as requested following Board’s previous discussions, an updated set of figures. This included two variances to costs of the General and Discounted Levies, and explained the impact these percentages would have on the reserves position.
- 5.3 Members noted the figures presented and had a free and frank discussion. Following which, Board confirmed a 13% increase in Levy for 2024-35 would be proposed. This would see the General Levy being set at £547.
- 5.4 Board formally agreed to consult on:
- | | |
|--|---------|
| General Levy would be set at | £547 |
| Complaint Levy would be set at | £7,000 |
| Approved Regulator (AR) Fee set at | £10,000 |
| AR Complaint Levy would be set at | £8,000 |
| Licensed Provider (LP) Fee set at | £1,000 |
| Licensed Provider Complaint Levy would be set at | £7,000 |
- 5.5 The Board formally approved the draft Budget contained within Appendix 1 and reiterated their approval of the listed suggested discounts from the General Levy for different practitioner groups.
- 5.6 The Chair confirmed Board agreed to delegate authority to SMT to update and finalise the draft Budget for it to be published by the statutory timescales set.
- 5.7 The CEO confirmed SMT would ensure all timescales were met, with the documents being circulated to all stakeholders for consultation.
- 5.8 The Chair thanked SMT for their explanation to the figures presented.
- 5.9 Members had a free and frank discussion on Appendices 2, 3 and 4, which related to the Interim Strategy, draft Op Plan, and draft Communications. Appendices 2 and 3 were approved. Following which, it was agreed the Chair would liaise with the DoPP and CEO on the draft wording for the communications (Appendix 4). Members also suggested the draft communications be reviewed to ensure it meets the Plain English test. The CEO agreed and thanked Members for this suggestion. Board also agreed to delegate authority to SMT to update and finalise the Interim Strategy, draft Op Plan, and communications.
- 5.10 Members noted the consultation period concluded at 12noon on 14 March 2024, and that a full update would be provided at the March Conference Call meeting. With responses received being published by end of March 2024 (as required by the Act), and the final Budget must be laid before Scottish Parliament in April 2024.
- 5.11 Members thanked SMT for their explanation to the papers presented.

Action	Owner	Due Date
CEO/SMT to review the draft Budget document, taking into consideration today’s discussions, prior to issuing for consultation by 31 January 2024.	CEO/SMT	By 31 January 2024
Chair to liaise with DoPP and CEO to review the draft Communications prior to the draft Budget documents being issued.	Chair/CEO and DoPP	By 26 January 2024

6. Key Issues

- 6.1 The CEO spoke to the paper presented and Members agreed all items would be taken as read, with additional updates provided on specific matters.
- 6.2 **Reform** – The DoPP reminded Members the completion of Stage 1 (general principles) submission has been extended to 23 February 2024. The DoPP also confirmed they are still expecting the Bill to complete its parliamentary passage before the end of June 2024.
- 6.3 The DoPP reported they currently have four simultaneous workstreams underway, which relate to:
 - engaging with the parliamentary progress of the Bill;
 - engaging with officials on issues where we believe amendments are needed;
 - delivering our communications and stakeholder engagement plans; and
 - planning for implementation of the Bill.
- 6.4 The DoPP advised that Consumer Scotland have just published their findings on the work they commissioned relating to consumer insights, and it was agreed the DoPP would share the link to these findings with Board.

Action	Owner	Due Date
DoPP to share the link to the Consumer Scotland’s published findings with Board.	DoPP/CEO	ASAP

- 6.5 The CEO confirmed the draft Budget and Operating Plan considered earlier in the meeting by Board, made provision for implementation within them. However, as they were still awaiting the outcome of the anticipated Report, Members agreed it was still too early to finalise any implementation plans or to consider the impacts the Bill will have on these provisions.
- 6.6 **ABS** – The CEO advised Members SMT were continuing to work to the LSS planned timetable for going live in the spring.
- 6.7 **Communication and Stakeholder engagement** – Members noted the update provided by the DoPP.
- 6.8 **Oversight** – Members noted the update provided by the DoPP.
- 6.9 **Cyber update** – The DoBP advised Members that new antivirus software was being launched by our IT providers. This was a more proactive tool, which allows the system to be ‘locked down’ if an individuals’ laptop is subject to a virus attack.
- 6.10 **Digital and AI update** – The DoPP advised that the data maturity audit had been shared with all staff earlier today, and confirmed the output would be reported to Board in due course. This process would inform our own thinking and allowed us to benchmark off other organisations.
- 6.11 **S17 Work Update** – Members noted the current situation on S17 complaints. The DoR reported there would be two Contempt of Court Hearings taking place on the same day at the CoS next month. One related to an ongoing S17 case, and the other was against a solicitor who had already been subject to a Contempt of Court Hearing, so this would be their 2nd one being considered by the CoS. Members noted an update would be provided by the DoR at the next meeting.
- 6.12 **McClure Solicitors, former firm** – Members were aware of this high-profile former firm failure. This has left a very large number of clients with potential issues in relation to how their trusts were set up, and how they were and are in the future managed, along with any additional associated costs they might incur. The CEO provided an update to Board, where support has been given to individual complainers, noting there has been an increase in MSP and media interest. This situation is being managed carefully by SMT and staff, who are stressing that individual complaints will be dealt with as swiftly as possible.
- 6.13 The CEO advised that as a result of MSP interest and raising questions at First Ministers Question time, he attended an MSP event in Greenock. This was attended by 150 of the MSP’s constituents. The CEO reiterated they did not comment on any specific individual cases but explained fully the SLCC process to all present and handed out blank complaint forms to assist individuals.

- 6.14 Members had a discussion on this situation and noted the MSP will continue to raise questions on behalf of his constituents in SP. The DoPP advised that there was currently a Bill going through SP relating to the appointment of Judicial Factors and Liquidators etc which may be relevant to cases of this nature. Members also suggested that SMT consider including information on the role of the SLCC in such circumstances on our website. The CEO agreed SMT could consider this.

Action	Owner	Due Date
SMT to review information on website in relation to SLCC's role of when a JF/Liquidator is appointed to a former firm.	DoR	By 18 March 2024

- 6.15 The Chair enquired if there would be more MSP events like that recently attended by the CEO, and if so, how would this be resourced. The CEO confirmed senior staff currently supported such events, which if there were substantial increases, then this would be reviewed. The CEO acknowledged that unfortunately they could be still receiving complaints about this former firm for years to come.
- 6.16 [REDACTED] – The CEO provided an update on points raised by this firm about the application of the complaint levy. The CEO confirmed that in response to the points raised, the CEO and DoPP met with the firm's Senior Executive and Partners and gave a brief overview of this meeting. Members thanked the CEO for this update.
- 6.17 The Chair thanked SMT for their updates to the paper presented.

7. Management Information for Q2

- 7.1 The DoR spoke to the paper presented and advised Q2 showed an improvement across the board. Incoming numbers have been slightly lower than predicted at the moment, and extra resource has been added at eligibility stage. Members noted the allocation time at eligibility stage has reduced from Q1 to 8wks in Q2, and the DoR anticipates this will continue to reduce during Q3 closer to the KPI target of 6wks.
- 7.2 The Chair, on behalf of Board, noted their thanks on the efforts made by SMT and all staff, particularly on the eligibility improvements of KPI targets.
- 7.3 Members noted the other figures presented.

8. Op Plan Update for Q2

- 8.1 The DoPP spoke to the paper presented and advised Members they have now included the suggested 'blue' colouring for those projects that have not yet started.
- 8.2 The DoPP reported there were 2 projects within this category, with all others on track for yearend completion.
- 8.3 Members sought clarification on the Q2 KPI target. The CEO explained this was based on yearend target, with all KPIs seeking to inform Board members on how we would end the year (and in turn how our performance would be written up in annual accounts and reports). Members found this helpful.
- 8.4 Members noted the paper presented.

9. Appeals Update for Q2

- 9.1 The DoR spoke to the paper presented and advised there had been six new appeals in Q2, five on eligibility decisions and one on a determination decision.
- 9.2 Members discussed the learning points on a case. The DoR and CEO appraised Members of the reasons for a case being returned by way of a Joint Minute. Members found this helpful.
- 9.3 The Chair noted the internal appeal process might require to be reviewed in light of future/forthcoming Reform work. Members agreed.

10. Strategic Risk Register Summary

- 10.1 The DoBP spoke to the paper presented and advised Members this was a summary paper, as there were no changes to the current risks and the RR would be discussed fully at the AC meeting next week.

10.2 Members were content with the information provided and noted the paper as read.

11. Finance Management Report for Q2

- 11.1 The DoBP spoke to the papers presented and reported on the FMR spend to end December 2023.
- 11.2 The DoBP reported income was up £92,390, with expenditure showing a saving of £20,204. Bank interest rates have risen again, since the budget was set, meaning we are £44,790 ahead of budget.
- 11.3 The DoBP advised we have recovered £37,458 of legal costs to date, and this amount fully relates to S17 cases.
- 11.4 The Levy income was down £15,000, and this is offset by a £22,000 underspend in bad debt provision.
- 11.5 The DoBP advised the IFRS 16 still requires an adjustment in relation to property/lease costs.
- 11.6 Members sought clarification on the overspending of insurance costs which related to the previous tenancy. The DoBP advised this cost relates to being billed for a full year, and we are now seeking a credit note for the difference, as we vacated the Stamp Office part way through the year.
- 11.7 Members thanked the DoBP for the update to the paper presented.

12. Customer Feedback for Q2

- 12.1 The DoBP spoke to the paper presented and gave an update on Q2 response rates.
- 12.2 The DoBP reported there had been 676 surveys issued in Q2 and they received 73 responses. This equated to a 11% response rate.
- 12.3 The DoBP advised that SMT would also be reviewing the feedback process later this week.
- 12.4 Members sought clarification on whether all staff see this information. The DoBP advised they did not, it was only those staff members who were part of the SET team who viewed the results of this information. However, if the survey feedbacks provide a relevant case number, then this is followed up by CIM/IMT.
- 12.5 Members sought clarification that positive feedback and compliments were shared with staff. The DoBP confirmed they were also shared with CIM/IMT to pass on to the relevant staff member if they were named.
- 12.6 The DoR advised that feedback is also obtained on any outreach work that is carried out.
- 12.7 The Chair thanked the team for pulling this information together for Board.

13. Chairs Report

- 13.1 The Chair gave a brief overview of their recent, positive, and constructive meeting with the LSS executive, with future meeting dates being proposed and planned for later in the year.

14. AOB

- 14.1 None noted for discussion.

15. Minute from Consumer Panel of 5 September 2023

- 15.1 Members noted the paper presented.

16. Chief Executive's Report

- 16.1 Members noted the paper presented, and the CEO explained a number of his appointments overlapped with that of the Chair's, in relation to stakeholder engagement.
- 16.2 Members sought an overview of a meeting with one of our legal panel firms. The CEO gave an overview and explained the reasons for this review meeting.

17. Date of Next Meetings

17.1 Members noted the date of the next meeting would be a Board Conference Call on **Monday 18 March 2024 at 10am** to discuss the budget consultation responses.

18. Review of the Meeting

18.1 With no other business the meeting concluded.

3.05pm the SMT and Secretariat left the meeting

Private Member only session, after which the Chair confirmed with the Secretariat the Board Discussion on item 19.

19. Chief Executive's Six-Month Performance Review

19.1 The Chair confirmed that Members noted the recommendation in relation to the mid-year appraisal for the CEO and that the relevant documentation would go out to Board by circulation.

3.23pm Board Meeting ends