

SLCC seeks insight on the impact of COVID to shape forward planning

The SLCC is seeking intelligence on the impact of Covid-19 on the legal sector. We want to understand the likely changes to the shape and health of the legal sector, and the impact that might have on incoming complaint numbers — the core driver of cost in our demand-led service. We aim to use this insight to inform our planning and budgeting processes. This will help to ensure we can deliver the service complainers and the profession rightly expect, while avoiding unnecessary regulatory costs for the profession.

Delivering our service under Covid-19. We are proud that we have been able to continue to deliver our statutory role throughout this challenging period. We know from our daily interactions with lawyers and legal service users that when issues do arise, they all want an efficient and effective resolution of the complaint. We also know the sector wish to avoid complaints backlogs, which cause anxiety for all parties and additional costs in the long run.

The impact of Covid-19 on the legal services sector. We know that in some areas, the impact of the pandemic and the associated restrictions on business have been damaging, as is the case across many sectors of the economy. Even for those businesses able to continue with transactions, the challenge of remote working has meant significant changes to ways of working. However we have also seen some business find new opportunities and thrive, or adjust swiftly to minimise any negative impact. Our monitoring showed many businesses continued to advertise for new clients and work throughout this period. The impact on the sector will be varied, and will change over time as restrictions and support alter.

Demand-led planning. As an organisation we need to respond to the demand for our service. Over the last four years we have seen complaint numbers rise, and we have had to adapt to deal with that increased workload. In our planning, we try to build as accurate a picture as possible of the likely trends in incoming complaint numbers. This helps to inform our staffing requirements, costs, and ultimately our budget and the levy on the profession.

The challenge of forecasting. This year, those projections are significantly more uncertain. We have seen helpful data and insight emerge (including surveys by the <u>Law Society of Scotland</u> and <u>MHA</u>) on the impact of Covid-19 on the sector. This helps us to track the likely shifts in the shape and health of the sector and predict any consequent impact on complaint numbers. We're looking for further insight to help us add to that developing picture.

Is the any intelligence you can share? As we begin our projections for next year, we want to hear from the sector about the trends you see that may impact on our work, so that we can take those into account as we monitor and forecast likely workload and costs over the next 18 months and beyond. We would welcome insight in two areas: market changes likely to impact practitioner/ firm numbers, and factors likely to impact our complaint numbers. Of course, there will always be fluctuations in both of these areas – we want to know where the sector sees Covid-19 having, or likely to have, a disproportionate effect that would significantly affect the number of complaints reaching the SLCC.

Our questions

We're looking to answer the following questions. We would welcome any data or insight that you can share with us, or to hear your own thoughts.

The shape and health of the legal services sector

- 1. Are we seeing or likely to see an overall drop in the number of legal firms due to Covid-19 and associated restrictions?
- 2. Are we seeing or likely to see an overall drop in the number of lawyers (and trainees) working in the profession due to Covid-19 and associated restrictions?
- 3. What is the current and expected trajectory of legal transaction numbers in different areas of practice? Should we expect a return to normal levels, and if so when?
- 4. What is happening and likely to happen to fee income in different areas of practice? Should we expect a return to normal levels, and if so when?
- 5. Do you believe you and/or your firm will be able to meet your practising certificate and indemnity costs in the coming year?
- 6. Do you believe you and/or your firm, will be able to meet your SLCC levy costs in the coming year?

Complaints reaching the SLCC

- 7. To what extent have lawyers/ firms been able to maintain levels of service for clients?
- 8. Have significant issues in managing business arisen likely to lead to increased complaints?
- 9. Have lawyers/ firms seen changes in levels of client dissatisfaction being expressed to them?
- 10. To what extent have lawyers/ firms been able to resolve issues with clients, meaning complaints are less likely to reach the SLCC?
- 11. Do you think, with all factors combined, complaints coming to the SLCC will be higher, the same or lower in the June 21 to July 22 period than in previous years?

You can feed back to us in three ways:

- Email us at: <u>Consult@scottishlegalcomplaints.org.uk</u>
- Complete this short survey: https://www.surveymonkey.co.uk/r/2F8VZHS
- If you are responding as or on behalf of a group/ association/ faculty we would be happy to convene a virtual meeting by video call for your members – let us know by email at Consult@scottishlegalcomplaints.org.uk

We would value as much insight as possible, but you are welcome to only respond on one, or a few, of the topics above. For any further information, please contact Consult@scottishlegalcomplaints.org.uk

Our statutory budget consultation: We will, of course, carry out a full consultation on our draft budget, levy and operating plan for 2021-22 in January, and we look forward to responses to that then.