

Scottish Legal Complaints Commission
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SLCC: Budget and Associated Levies

As you are aware, in January each year the SLCC require to consult with the Law Society of Scotland concerning the budget the Commission intends to set for its forthcoming year. Also, in connection with this, consult about the proposed Annual General and Complaints Levies. Accordingly, I now attach the following draft proposals for your information and consideration; the draft Budget for 1 July 2009 to 30 June 2010; the proposed Annual General Levy and the proposed Complaints Levy, both for 2009/2010.

We anticipate that our total expenditure for the year, including contingency, will be in the region of £2,985,102.00. The accompanying notes to the budget are quite comprehensive and provide an explanation for the figures provided. You will see that the largest proportion of our anticipated budget comes from staff costs (which also include Member costs) and these are based on a staff headcount of 32. Where possible, costs have been based on actual experience since our opening date of 1 October 2008 but, where information is unavailable, the SLCC Board has provided an estimated figure based on the best possible forecast as at December 2008.

With regard to the Annual Levy, you will see that we have used the same categories of practitioner as for the current year, with the exception of the fact that we have made allowance for a small number of members of the Association of Commercial Attorneys who have been granted limited rights of audience in the Sheriff Court from April 2009.

We are, however, proposing to make changes to the Complaints Levy by reducing the fee for mediation to nil and by doubling the charge where a complaint is upheld. On the matter of mediation; this reflects feed-back received from members of the profession who are of the view that a fee in this regard could be a disincentive. As the SLCC is committed to the concept of mediation, for this year, we have therefore decided to remove the levy. Following on from this, we are keen to convey the message that the vast majority of the profession should not subsidise those of their membership who create the greatest work for the SLCC by failing to address complaints locally. We, of course, recognise that mistakes occur in the best run organisations and that practitioners' attempts to resolve complaints early in the process (for instance by making a reasonable offer) can be frustrated by complainants' non-acceptance. So, the SLCC will confirm their willingness to consider waiving the appropriate levy.

Taking the foregoing into account, I would welcome your specific comments on the following;

- on the categories of member used for the Annual Levy, do you consider that they are appropriate? If not, could you explain your reasons why and provide suggested alternatives;
- on the figure set for the proposed Annual Levy;
- whether you consider it appropriate to reduce the mediation fee to nil. If you do not, I would be pleased to receive your reasons and any suggested alternative; and
- the proposal to double the Complaints Levy in the event that a complaint is upheld (bearing in mind Members' undertaking to reserve discretion to waive this).

Any other comments or general observations on the proposed budget or the above would also be welcomed.

I look forward to your formal response by Friday, 27 February 2009 at the latest. This date has been set to allow the SLCC an opportunity to consider and publish responses received by 31 March 2009, prior to laying the budget before the Scottish Parliament before the end of April 2009, all in accordance with the terms of the Legal Profession and Legal Aid (Scotland) Act 2007.

In the meantime, it would be helpful to receive some initial thoughts from you before our meeting on 16 February 2009 at 10 am when the Board looks forward to discussing the matter. If you have any concerns or questions before then, please get in touch with Eileen Masterman as Accountable Officer.

Yours sincerely

Jane Irvine
Chairing Member

Encs.