



From: The Chief Executive

3 February 2014

Mr Shane McAteer
Committee Clerk
NI Assembly - Dept. Finance & Personnel
Room 428
Parliament Buildings
Stormont
Belfast
BT4 3XX

Dear Shane

RE: PRESIDENT'S STATEMENT FOR HANSARD

Please find attached a copy of the President's Statement which was going to be read at the Committee last week. However, due to a shortage of time this was not presented.

I would be grateful if you could pass this Statement to Hansard to be read into the record.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Alan Hunter'.

ALAN HUNTER
Chief Executive

Encl:

DEPARTMENT OF FINANCE & PERSONNEL

LAW SOCIETY EVIDENCE

OPENING STATEMENT (READ BY THE PRESIDENT: MR PALMER)

1. Thank you for the opportunity to present to you today, I am Richard Palmer the President of the Law Society and also with me today are James Cooper, Chairman of our Committee charged with responding to these proposals, Alan Hunter, Chief Executive and Secretary to the Law Society Council and Moira Neeson, Head of Client Complaints in the Law Society.
2. The Law Society welcomes the opportunity to present before you today and answer questions in relation to our response to the draft Legal Complaints and Regulation Bill consultation statement.
3. The Society has provided a written response which is our initial view on what we are likely to say to the Department. Work continues to refine that response and other matters may yet emerge but it presents for you the broad thrust of what we shall be saying to the Department in terms of our response to this consultation exercise.

4. As you know the Law Society Council is an elected body of 30 members and within that structure there is a Client Complaints Committee, which addresses complaints made by clients which have not been resolved satisfactorily at first level- that is, under the solicitors' own client complaints mechanism. There is lay representation on the Client Complaints Committee which is a function of the current legislation but there is a majority of solicitors. The powers available to the Committee are limited and do not for example extend to the power to award compensation to the client where there has been poor service.

5. A small number of complaints reach the Society. The Society has worked hard to publicise and make accessible the complaints machinery. We have, for example revised our forms and our guidance to make them more user-friendly. We have published the procedure and the required forms and guidance on our website and where we are telephoned about an enquiry, we are happy to despatch hard copy forms and guidance to individual complainants. In 2013 there were 280 enquiries to the Client Complaints Department. Of those enquiries 103 resulted in complaints being taken forward by the Society. Many of the other enquiries may have been resolved by referring the client to the first stage, which is their own solicitor's complaints machinery.

6. Some will not have been client complaints at all, because they are not a client of the solicitor and in some areas they will have been referred to better forms of redress which is in the best interests of the client.
7. The current system is working efficiently in terms of disposal times also. Over 80% are resolved within 6 months and over 50% are resolved within 12 weeks.
8. The Law Society broadly welcomes the proposals set out in the legislation, although we also have some points which we will wish to make in detail and which are covered in our written submission.
9. The Society welcomes the recognition by the Department that the size of the jurisdiction here and the need for proportionality between transparency, accountability and practicality is important. We have 2195 solicitors in private practice in a population of 1.7 million people. The model which is presented will require additional resources to implement which of course will be borne by the profession and will inevitably be reflected in client costs ultimately.
10. Nevertheless we understand and appreciate the Northern Ireland Executive's desire to increase transparency and accountability to the Client Complaint process. We welcome the proposal being based on a proportionate response to those objectives as well as welcoming specifically and importantly the increased powers of this new

Committee to provide adequate redress to clients through the introduction of the power to award compensation. We accept the desire of the Executive to create a functionally separate client complaints structure and we accept the recommendation set out in the Bain report that there should be a lay majority with lay oversight of the machinery.

11. At this point we wish to summarise the issues we will seek to focus on perhaps at a later stage during committee debate. These issues are as follows.
12. Firstly, the need to ensure an overall regulatory model with proportionate costs. Secondly, there is a need to design a framework to ensure that running costs remain accountable on an ongoing basis as the reforms are implemented. Thirdly, there is a requirement for a mechanism to adjudicate upon matters where there is a dispute between for example the Oversight Commissioner and the profession in terms of increased costs and proportionality. We also seek a greater consultative role for the profession in terms of the operation of the new machinery, particularly where it will result in increased costs. Additionally, we seek a greater role in terms of the Oversight Commissioner's powers and the exercise of those powers. These matters are covered in our written response.

13. I have now spoken quite long enough Mr Chairman and we are available and happy to discuss these matters further with you if there are questions which you have for us.

Thank you.