We undernote the following concerns regarding the above bill and should be obliged if you would take them into consideration before passing the Act:-

1. **Cost** - The new proposals do not offer any proper cost benefit analysis. They will cost more than the existing Law Society's client relations office. The existing work is carried out largely on a voluntary basis by committee members. Reporters will be paid employees and the charge will be met by a levy on the legal profession as well as fees charged to solicitors for every case considered whether upheld or not.

2. **Compensation** - The increase in compensation for inadequate professional service to £20,000 is unjustified. This appears to be a straight copy from the English white paper. No logic has been put into this proposal.

3. **No Fault Liability** - It is patently unfair that the solicitor pays for these fees whether or not a complaint is upheld. This means that a solicitor would incur significant costs when a spurious complaint was lodged against him. The innocent would be punished. This is against all principles of natural justice.

4. **Conduct Issues** - The Commission will have power to force the Society to act in certain conduct issues. This means the Society will lose control of conduct and strike at the heart of what it means to be a profession.

5. **Guarantee Fund/Master Policy** - The new proposals give the Commission power to oversee the running of both the Master Policy and the Guarantee Fund. There is no logical or reasonable justification for this proposal. The existing framework for the Guarantee Fund and Master Policy works satisfactorily and has not received any reasonable complaints from the public. The new proposals will add another cost to the legal professional. This is in addition to the proposed regulation cost and potential compensation payouts.

6. **Access to Justice** - The proposals affect the types of legal work which are the bread and butter of high street firms around Scotland. If there is an increase in costs as the new proposals suggest there will be then the legal profession will stop carrying out these types of work because it will simply not be profitable to do so. A combination of general cross, excessive compensation levels, the high risk/low pay of legal aid work and general unfairness of the proposed new system will lead to a number of firms ceasing to trade or deciding not to carry out particular types of work. This could mean that particularly in rural areas with small firms that the number of solicitors decline and that in some areas it will be difficult for clients to get advice about particular types of business. In addition Law Centres may well be hit harder as most of their work load is based on this type of work. This is clearly not in the public interest.

7. **Economic Impacts** - A downturn in the solicitors profession could have potentially serious economic impacts particularly in rural areas. The legal profession generates £1 billion per annum and solicitors businesses employ around 20,000 people. In contrast the profession is more than 99% complaint free.

8. **Independence** - The proposed Commission will not be considered independent if, as proposed, appointments to its Board are made by the Scottish Ministers.

9. **Human Rights** - The new system does not look as if it will comply with the European Convention on Human Rights. The Board will be appointed by Ministers and will not guarantee solicitor representation. Case fees will be paid even if a solicitor is exonerated. There will only be an internal right of appeal for the public or the profession about the decision by the Commission on a service complaint.
10. **Negligence** - The Commission take on the functions of courts in negligence matters where a claim is less than £20,000 even although there is no consultation mandate to do so. This is likely to raise issues in relation to ECHR compliance. Clearly negligence should remain a matter for the courts.

Please acknowledge receipt of this letter and confirm that you will take the above complaints into consideration when considering the bill.