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**PROFESSIONAL STANDARDS  
DEPARTMENT ANNUAL REPORT  
2017/2018**

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**PROFESSIONAL  
STANDARDS**  
THE LAW SOCIETY  
OF NEW SOUTH WALES

**President:** D. Humphreys  
**Senior Vice President:** E. Espinosa  
**Junior Vice President:** R. Harvey  
**Treasurer:** J. Warner  
**Immediate Past President:** P. Wright

**Councillors:** C. Banks, A. Boog, D. Bricknell, D. Browne, A. Care,  
A. Cerny, R. Flitcroft, J. Glowrey, Z. Kekeff, C. Kenny, H. Macken, E. Ryan,  
A. Sanderson, T. Stern, J. van der Plaat, M. Warton, J. Wong

**Professional Conduct Committee (at 30 June 2018):**

J. Glowrey (Chairperson)  
J. van der Plaat (Councillor and Deputy Chairperson)  
A. Biliias, D. Bricknell, G. Briot, J. Camden, A. Care, A. Cerny, J. Dawson,  
M. Devitt, E. Espinosa, J. Fisher, D. Garnsey, J. Howard, K. Jones, J. King,  
J. Lowbeer, J. Mann, D. Miller, K. Osborne, J. Pope, J. Prowse, A. Sanderson,  
A. Sarmed, R. Thomson, P. Warn, M. Warton, J. Wong

**Ethics Committee (at 30 June 2018):**

H. Macken (Chairperson)  
S. Alden, R. Anderson, S. Banfield, G. Bates, R. Hoyles, T. Iuliano, C. Kenny,  
H. Macken, D. Miller, J. Moller, G. Morahan, S. Mortimer, B. Moss, J. Neo,  
S. Pallavicini, J. Robb, T. Spohr, J. Styles

**Costs Committee (at 30 June 2018):**

H. Macken (Chairperson)  
B. Bellach, J. Dobson, P. Ferguson, A. Halstead, V. Higinbotham, R. Nicholas,  
K. Rosati, P. Rosier, T. Russell, T. Stern, J. Tyrell, R. Walker, M. Whelan

**Disclosure Committee (at 30 June 2018):**

Z. Kekeff (Chairperson)  
K. Henderson, D. Humphreys, P. Lewis, R. Mooy, K. Osborne, J. Sutton,  
R. Thomson, P. Warn

**Chief Executive Officer**

Michael Tidball

**Professional Standards Department**

Director: Anne-Marie Foord

**Annual Report Production:**

Professional Standards Administration

**Annual Report Design:**

The Law Society of New South Wales

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# INTRODUCTION

The Annual Report of the Professional Standards Department (**Professional Standards**) of the Law Society of New South Wales (**Society**) encapsulates the work of the Society in performing its statutory functions, including the education and improvement of the standards of the legal profession in New South Wales. Through its co-regulatory role with the NSW Legal Services Commissioner (**Commissioner**), the Society not only endeavours to uphold high professional standards but is also committed to protecting members of the public.

Utilising its powers under the legal profession legislation, Professional Standards investigates complaints against legal practitioners and associates of law practices. Professional Standards also investigates allegations about persons who engage in legal practice when they are not entitled to do so.

Many of the complaints dealt with by Professional Standards involve serious and complex conduct issues which are investigated thoroughly and, upon completion, reported to and considered by the Society's Professional Conduct Committee (**PCC**). In undertaking its statutory functions, Professional Standards acts fairly and impartially and aims to ensure that all complaints are dealt with as efficiently and expeditiously as possible.

Professional Standards also conducts litigation on behalf of the Council of the Society (**Council**) including disciplinary proceedings in the NSW Civil and Administrative Tribunal (**NCAT**).

The work of Professional Standards encompasses more than investigation and litigation of complaints. It also provides guidance, assistance and education to the legal profession through its Professional Support Unit.

Professional Standards also deals with show-cause events, external intervention and the recovery of regulatory costs, and has a role in monitoring compliance. Under the co-regulatory regime, Professional Standards works closely with the Commissioner and his Office (**OLSC**) in relation to the complaints process and policy development.

## OUR MISSION

The mission of Professional Standards is to:

- Promote and improve Professional Standards
- Regulate legal practitioners
- Implement the law relating to professional standards and educate lawyers
- Protect members of the public
- Provide timely and practical guidance to the profession
- Conduct timely and impartial investigations

## OUR VALUES

The values embodied in the work Professional Standards do:

- Integrity
- Personal and professional effectiveness
- Teamwork
- Motivation to achieve

This Annual Report is an overview of the work undertaken by Professional Standards from 1 July 2017 to 30 June 2018 (**2017/2018**). Where relevant, comparative data for the period from 1 July 2016 to 30 June 2017 (**the previous reporting period**) is provided. The statistical information set out in this report, in conjunction with the Society's Annual Report, complies with the reporting requirements of the legal profession legislation.

# PRESIDENT'S MESSAGE

## The Law Society and Professional Standards

As President of the Law Society of New South Wales, I take pride in presenting the 2017/2018 Annual Report of the Professional Standards Department.

This Report details how Professional Standards has been actively participating and providing leadership to the legal profession in New South Wales. It does so through its roles as a co-regulator with the NSW Legal Services Commissioner and as a provider of professional support services.

This Report also illustrates how, through Professional Standards, the role of the Law Society as a professional body promotes a transparent and ongoing commitment to maintaining high professional standards. This ensures public confidence in the integrity of the legal profession.

## Dealing with complaints

Complaints received by the NSW Legal Services Commissioner may be referred by him to Professional Standards for action in accordance with the provisions of the legal profession legislation. Finalising complaints is undertaken by inquiry, investigation and, if circumstances justify it, disciplinary action. With over 33,000 solicitors in New South Wales, the number of matters which result in the institution of disciplinary proceedings is relatively small and is indicative of the high standard maintained by members of the profession.

The complaints process and the importance of finalising every complaint referred to Professional Standards is described in this Report. This Report also details information on the outcomes and, where required, the disciplinary action taken against legal practitioners.



## Our future role

The Law Society provides leadership, assistance and guidance to the legal profession in key areas regarding costs, ethics and regulatory compliance: This is achieved through a comprehensive suite of resources that includes online guides, advisory services and Continuing Professional Development programmes. These specialist services and resources are provided to the profession by the Professional Support Unit of Professional Standards.

This Report highlights the important work which continues to be undertaken by the Society and, in particular, Professional Standards, in its service to the public and in its leadership of the legal profession of New South Wales.

**D. Humphreys**  
President

# THE PROFESSIONAL STANDARDS DEPARTMENT

The Society has a statutory obligation to uphold and improve the professional standards of the legal profession in New South Wales. Professional Standards fulfils this obligation through a number of key activities detailed below.

## Key Activities

### Management

- Discharge responsibilities and accountabilities in accordance with statutory requirements
- Develop and meet budget targets
- Consult with relevant stakeholders in relation to legal profession legislation, including changes and national uniformity
- Supervise staff to ensure timely and quality outcomes
- Take appropriate action in relation to aged files
- Consistently review and update processes and policies to improve the function and operation of Professional Standards
- Manage complainant and solicitor expectations through education and communication

### Investigations

- Conduct timely and impartial investigations in relation to solicitors, unqualified practitioners and associates of legal practices
- Prepare reports and make recommendations on conduct to the PCC and/or the Council
- Attempt to resolve matters
- Conduct timely and efficient investigations of disclosure matters including the making of recommendations

### Litigation

- Institute and conduct, on behalf of the Council, proceedings before NCAT and the Courts
- Respond, on behalf of the Council, to various applications made before NCAT and the Courts
- Provide regular and informative reports to the PCC and the Council concerning litigation matters
- Comply with subpoenas issued to the Society

## WORK UNDERTAKEN BY PROFESSIONAL STANDARDS

### Regulatory Compliance Enquiries

4,507	2017/2018
5,073	2016/2017

### Ethics Enquiries

3,354	2017/2018
3,293	2016/2017

### Costs Enquiries

1,004	2017/2018
1,342	2016/2017

### Complaint Files

481	2017/2018
600	2016/2017

### Disclosure Files

209	2017/2018
153	2016/2017

### Litigation/Intervention

67	2017/2018
60	2016/2017

### Unqualified Practitioner Enquiries

51	2017/2018
70	2016/2017

## Costs

- Provide assistance and guidance to solicitors in relation to costs issues and ensure solicitors understand their obligations and rights pursuant to the legal profession legislation
- Provide assistance in settlement of costs disputes
- Address policy issues associated with the legal profession legislation, including the effectiveness of the Costs Assessment Scheme and issues associated with the legal costs
- Consult in relation to cost provisions of the legal profession legislation
- Educate the legal profession
- Recover costs from any successful disciplinary action taken against solicitors

## Ethics

- Provide prompt guidance to solicitors consistent with established ethical and legal principles
- Research and keep abreast of relevant ethical and legal developments
- Submit timely and informative reports to the Society's Ethics Committee
- Maintain accurate records of enquiries
- Provide legal ethics education through various means, including the publication of articles in the *Law Society Journal* and addresses to the profession and interested groups

## Regulatory Compliance

- Assist solicitors in dealing with issues of a regulatory nature required for compliance with the legal profession legislation
- Educate solicitors in relation to changes introduced by new regulatory initiatives, including preparation of online material, factsheets and toolkits
- Undertake research into appropriate compliance standards
- Review and advise on practice structures permitted under the legal profession legislation

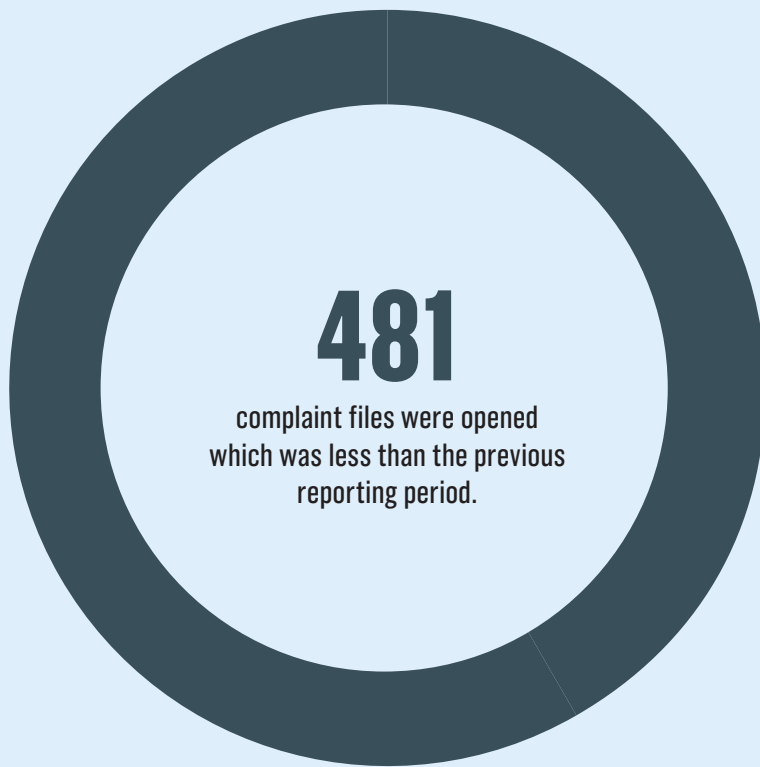
## Administration

- Maintain accurate and timely information stored on the Society's databases
- Provide administrative management and support to ensure the efficient running of Professional Standards, including paralegal support, agenda preparation for the PCC and Society's Disclosure Committee (**Disclosure Committee**), high level document and file management and financial records administration
- Provide administrative support to the Director, Professional Standards, as well as the solicitors within Professional Standards

## Disclosure

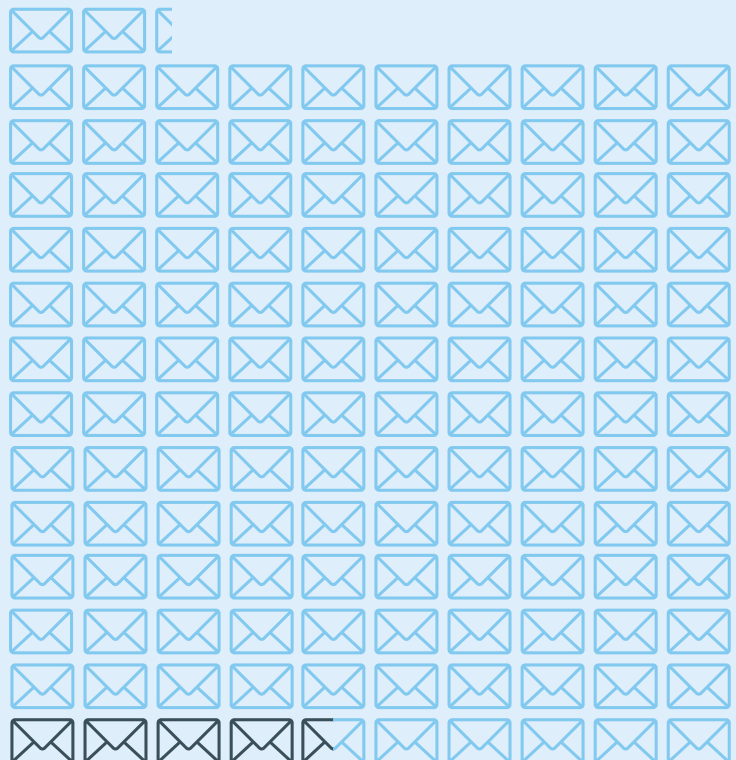
- Investigate show cause events and other disclosures
- Prepare matters for the Disclosure Committee
- Refer appropriate matters to the Council

# KEY STATISTICS 2017/2018



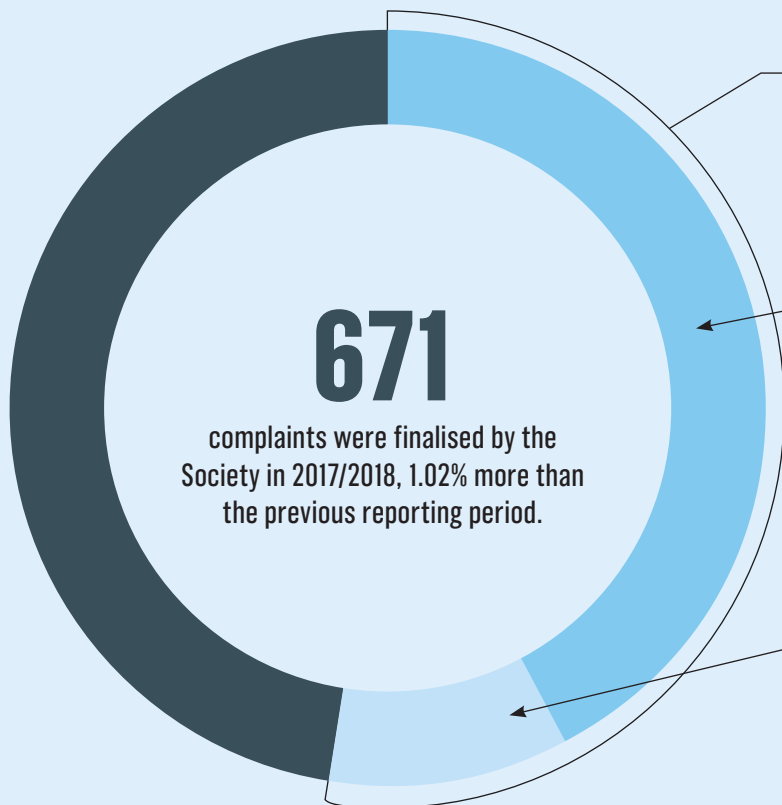
**2,645**  
written complaints about solicitors  
received by the Commissioner.

 = 20 written complaints



**90**  
complaints were made by  
the Society.





**354**

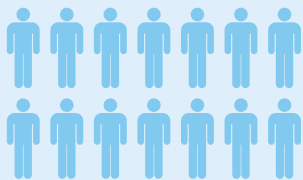
complaints were dealt with by the PCC.

**284**

were closed or dismissed by the PCC on various grounds including on the basis that the conduct did not amount to professional misconduct (PM) or unsatisfactory professional conduct (UPC).

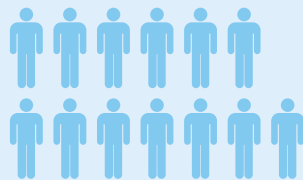
**70**

complaints, the PCC decided or determined that the conduct amounted to PM or UPC.



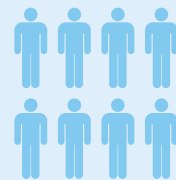
**14**

solicitors had their practising certificate suspended by Council or Council refused to grant or renew their practising certificates.



**13**

solicitors were reprimanded by NCAT.



**8**

solicitors had their names removed from the Roll.



**3,354**

solicitor enquiries received by the Ethics Unit.



**4,507**

solicitor enquiries received by the Regulatory Compliance Unit.



**1,004**

solicitor enquiries received by the Legal Costs Unit.

# COMPLAINTS

## The complaints process

A complaint may be made by any person or body, including by either the Commissioner or by the Society itself (**Society initiated complaints**). Further details about Society initiated complaints are set out below.

All complaints must be sent to the Commissioner who may, among other things, refer the complaint to Professional Standards.

Professional Standards currently deals with complaints made both before and after the commencement of the *Legal Profession Uniform Law (NSW) (Uniform Law)* on 1 July 2015. Complaints made on or after 1 July 2015 are dealt with in accordance with Chapter 5 of the Uniform Law. Complaints made prior to 1 July 2015 continue to be dealt with in accordance with Chapter 3 of the *Legal Profession Act 2004* (now repealed).

Professional Standards has certain statutory obligations in relation to its handling of complaints, including ensuring that procedural fairness is afforded and that complaints are dealt with as efficiently and expeditiously as possible. Professional Standards also aims to ensure that all complaints are dealt with in an impartial and fair manner.

Professional Standards deals predominantly with those complaints which are provisionally identified, upon referral by the Commissioner, as ‘disciplinary matters’. A disciplinary matter relates to conduct of a solicitor or law practice that would, if the conduct concerned was established, amount to professional misconduct or unsatisfactory professional conduct.

In dealing with disciplinary matters, Professional Standards will undertake a preliminary assessment of the complaint. Following that preliminary assessment, a determination may be made to close part or all of the complaint or to proceed to an investigation of it pursuant to the Uniform Law.

Professional Standards has prepared a brochure titled “*Complaints Process Information*” which outlines the complaints process, including the Society’s role in dealing with complaints. A copy of this brochure is routinely sent to complainants and solicitors for their assistance and information and is also readily available on the Society’s website.

## Referrals from the Legal Services Commissioner

In 2017/2018:

- the Commissioner received a total of 2,645 written complaints about solicitors, an increase of 1.02% from the previous reporting period.
- Professional Standards opened a total of 481 matters, 90 of which were Society initiated complaints.

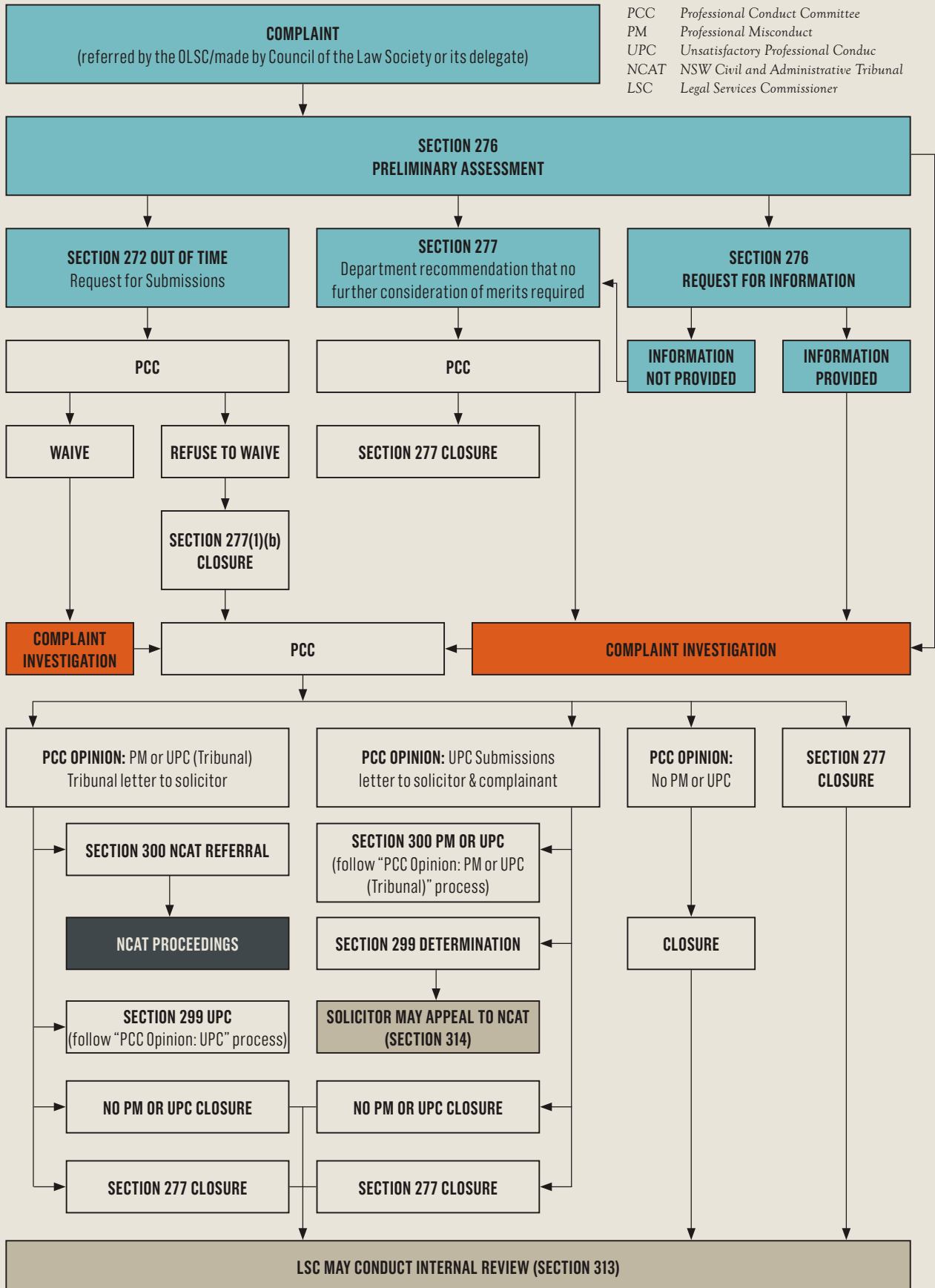
## Society initiated complaints

As noted above, the Society may, pursuant to section 266 of the Uniform Law, make its own complaints about the conduct of solicitors.

Generally speaking, Society initiated complaints arise from the following matters:

- Matters referred to Professional Standards by the Society’s Trust Account Department, usually involving a solicitor’s mishandling of trust money or involving a solicitor’s failure to comply with trust accounting requirements.
- Matters referred to Professional Standards by the Society’s Registry, usually involving practising certificate issues.
- Matters referred to Professional Standards by the Disclosure Committee, usually involving misconduct arising outside the practise of law.
- Matters referred to Professional Standards by judicial officers or court registrars usually involving conduct of a solicitor arising in the course of proceedings before the Court.

# COMPLAINTS INVESTIGATION PROCESS



## CATEGORIES OF COMPLAINTS

*The following section provides a snapshot summary of the type and nature of complaints opened by Professional Standards in 2017/2018.*

### Conduct most complained about

In 2017/2018:



- “Personal Conduct” (including, for example, unethical conduct, misleading behaviour, borrowing from client and negligence) continued to be the major issue complained about, making up 202 of the total complaints.
- “Communication/Services” issues (including, for example, acting contrary to instructions, failing to carry out instructions and no communication) accounted for 65 of the total complaints.
- “Non-compliance” issues (including, for example, the failure to comply with an undertaking and failing to comply with the legal profession legislation) accounted for 63 of the total complaints.
- “Trust Account Matters” (including, for example, a breach of the legal profession legislation in relation to trust money, failure to account and misappropriation) accounted for 33 of the total complaints.
- “Costs/Payment Issues” (including, for example, a failure to pay a third party, overcharging, a failure to provide a detailed account or costs disclosure) accounted for 49 of the total complaints.

## MAJOR COMPLAINT CATEGORIES



### Personal Conduct

 202	2017/2018
 284	2016/2017



### Communication/Services

 65	2017/2018
 75	2016/2017



### Non-Compliance

 63	2017/2018
 102	2016/2017



### Cost/Payment Issues

 49	2017/2018
 68	2016/2017

### Trust Account Matters

 33	2017/2018
 57	2016/2017

### Other

 69	2017/2018
 14	2016/2017

## Areas of Law with the most complaints

In 2017/2018:

- Complaints about conduct issues arising in the area of “Family Law” has continued to increase from previous reporting periods.
- A higher number of complaints were made about issues arising in the areas of “Wills & Estates”, “Criminal Law” and “Commercial Law”.

### AREAS OF LAW WITH THE MOST COMPLAINTS

42	Family Law
30	Wills & Estates
27	Criminal Law
26	Commercial Law
18	Conveyancing/Real Property

## Complaints concerning solicitor type

In 2017/2018:

- 318 complaints were made against principals of a law practice (comprising 66.1% of the complaints made).
- 70 complaints were made against employees of a law practice (comprising 14.5% of the complaints made).
- From a geographical perspective, 21.4% of complaints made related to solicitors practising in suburban Sydney. These solicitors constitute 28.8% of the legal profession in New South Wales. Solicitors practising in Sydney’s CBD, who comprise 44.1% of the legal profession in New South Wales attracted 18.7% of the complaints made. Solicitors practising in rural areas, who comprise 10.9% of the legal profession in New South Wales, generated 6% of the complaints made.
- The legal profession in New South Wales comprised of 51.3% female solicitors and 48.7% male solicitors. 72.3% of complaints were made against male solicitors. By comparison, 27.6% of complaints were made against female solicitors.

*Note: Percentages quoted are based on all complaints received but one solicitor may generate several complaints, either separately or in the same matter.*

### COMPLAINT BY SOLICITOR TYPE

#### Principal of a law practice

318	2017/2018
393	2016/2017

#### Employee of a law practice

70	2017/2018
114	2016/2017

#### Complaints against Firms

25	2017/2018
41	2016/2017

#### Government Legal Practitioner

6	2017/2018
7	2016/2017



#### Corporate Legal Practitioner

2	2017/2018
10	2016/2017



## COMPLAINTS

### TYPE OF COMPLAINANT



#### Client/Former Client

 134	2017/2018
 179	2016/2017

#### Law Society

 90	2017/2018
 111	2016/2017



#### Third Party

 80	2017/2018
 69	2016/2017



#### Third Party (Other Side)

 77	2017/2018
 121	2016/2017


#### Solicitor

 56	2017/2018
 72	2016/2017



#### Barrister

 16	2017/2018
 22	2016/2017



#### Solicitor for Client

 13	2017/2018
 6	2016/2017



#### Executor

 3	2017/2018
 2	2016/2017



#### Legal Services Commissioner

 3	2017/2018
 11	2016/2017

#### Attorney General

 0	2017/2018
 2	2016/2017

#### Other

 9	2017/2018
 5	2016/2017

### Categories of Complainants

In 2017/2018:

- The highest group of complainants were the client(s) or former client(s) of a solicitor or law practice and accounted for 27.8% of the total complaints.
- Society initiated complaints accounted for 18.7% of the total complaints.
- Complaints made by barristers accounted for 3.3% of the total complaints. These complaints were often related to the non-payment of their outstanding fees.

## Investigation and finalisation of Complaints

In 2017/2018:

- Professional Standards closed 671 matters.
- 56% of matters were closed following a decision or determination of the PCC.
- 15% of matters were closed as “resolved” or “withdrawn”.

### COMPLAINTS CLOSED UNDER THE UNIFORM LAW

200 COMPLAINT WITHDRAWN - s273(1)	95
201 MISCONCEIVED/LACKING IN SUBSTANCE - s277(1)(a)	120
202 TIME LIMIT NOT WAIVED UNDER s272(1) - s277(1)(b)	10
216 CM CAUTION - S290(2)(a)	3
204 FAILURE/INADEQUATE RESPONSE TO REQUEST FOR INFO - s277(1)(c)	27
205 COMPLAINT ALREADY/HAS BEEN INVESTIGATED - s277(1)(d)	4
206 COMPLAINT BETTER DEALT WITH BY LAW ENFORCEMENT/INVESTIGATORY BODY - s277(1)(e)	4
209 NO FURTHER INVESTIGATION REQUIRED EXCEPT CM - s277(1)(h)	7
210 NO POWER TO INVESTIGATE COMPLAINT - s277(1)(i)	1
211 PUBLIC INTEREST CLOSURE - s277(1)(j)	8
223 D CAUTION - s299(1)(a)	5
224 D REPRIMAND - S299(1)(b)	5
230 D INITIATE TRIBUNAL PROCEEDINGS - s300(1)	44
231 TRIBUNAL DECISION HANDED DOWN	4
232 SUPREME COURT JUDGMENT HANDED DOWN	1
233 COURT OF APPEAL JUDGMENT HANDED DOWN	2
235 REFERRED BACK TO LSC	9
237 CLOSED AWAITING ADVICE	10
238 CLOSED ENQUIRY	91
239 CLOSURE - NO UPC/PM	83

### COMPLAINTS CLOSED UNDER LEGAL PROFESSION ACT 2004

1 REPRIMAND (TRIBUNAL)	4
10 COMPLAINT WITHDRAWN	8
130 LOCAL COURT PROCEEDING	1
135 CAUTION	1
105 APPLICATION APPROVED	3
106 APPOINTMENT TERMINATED	57
107 SOL REF TO ADT	16
111 APPEAL DISMISSED	1
112 REF BACK TO LSC	1
121 APPLIC NOT OPPOSED	1
127 DISMISSED 155A	1
132 UNDERTAKING GIVEN	1
138 S.511 SUMM DISMISS	7
145 CD NFA s515(3)(b)	2
146 APPLIC DISMISSED	3
16 REVIEW - DEC UPHELD	1
2 STRUCK OFF	1
28 NO FURTHER ACTION	2
38 DISS/NO P.MC./U.P.C.	12
46 RESOLVED	2
405 WITHDRAWN (LSC)	1
64 FINALISED LST	1
67 DISMISSED (TRIBUNAL)	1
93 CLOSED AWAIT ADVICE	1
94 CLOSED ENQUIRY	10

## Decisions of the Professional Conduct Committee

The Council delegates certain functions under Chapter 5 of the Uniform Law to the PCC.

The PCC is one of the Society's larger committees and plays an essential role in relation to the regulatory functions of the Society. In 2017/2018, there were 28 members of the PCC, comprising 8 councillors of the Society, 14 solicitors and 6 lay members.

Members of the PCC contribute many hours on a voluntary basis. The PCC is reflective of a broad range of legal expertise, insights and experience. The PCC generally meets fortnightly to consider the reports and recommendations of Professional Standards in relation to complaints.

Following its consideration of a complaint, the PCC may:

- close the complaint.
- find that the solicitor has engaged in unsatisfactory professional conduct and order that the solicitor:
  - be cautioned;
  - be reprimanded;
  - apologise to the complainant;
  - re-do the work the subject of the complaint at no cost or waive or reduce the fees for the work;
  - undertake education, training, counselling or be supervised;
  - pay a fine of a specified amount not exceeding \$25,000 to the Public Purpose Fund; or
  - recommend a specified condition be imposed on the solicitor's practising certificate.
- initiate proceedings in NCAT against the solicitor.

In 2017/2018:

- Of the 671 matters finalised by Professional Standards, 376 comprised of complaints which had been referred to the PCC.
- Of the complaints considered by the PCC:
  - 95 were closed on the basis that the alleged conduct did not amount to professional misconduct or unsatisfactory professional conduct.
  - 181 were closed for one or more of the grounds provided under section 277 of the Uniform Law including that the complaint was misconceived or lacking in substance (277(1)(a)); the complainant had not responded, or responded inadequately to a request for further information (277(1)(c)); the subject matter of the complaint had already been investigated (277(1)(d)); or that it was otherwise in the public interest to close the complaint (for example, in circumstances where the solicitor's name may already have been removed from the roll) (277(1)(j)).

## DECISIONS OF THE PROFESSIONAL CONDUCT COMMITTEE

### Closed pursuant to s.277

2017/2018	181
2016/2017	179

### Closure no UPC/PM

2017/2018	95
2016/2017	115

### Solicitor referred to NCAT

2017/2018	60
2016/2017	28

### Dismissed pursuant to s.511 (Legal Profession Act 2004)

2017/2018	7
2016/2017	7

### Caution

2017/2018	5
2016/2017	10

### Reprimand

2017/2018	5
2016/2017	10

### Dismissed pursuant to s.155A (Legal Profession Act 1987)

2017/2018	1
2016/2017	2

- 10 determinations of unsatisfactory professional misconduct were made, the consequences of which resulted in 5 solicitors being cautioned and 5 solicitors being reprimanded by the PCC.
- 60 were referred to NCAT for the commencement of disciplinary proceedings.



## Complaints Management

The staff practices and procedures of Professional Standards are regularly reviewed and updated to ensure complaints are handled as efficiently and expeditiously as possible. Professional Standards also liaises with the Commissioner and his Office concerning the status and progress of all complaints referred to the Society.

A factor which may often impact the progress of a complaint investigation is where the subject matter of the complaint is also the subject of a court proceeding, an application (such as, costs assessment) or investigation by another body. In those circumstances, the Society will generally defer its consideration of the complaint until the court proceeding, application or investigation is finalised.

## Reviews by the Legal Services Commissioner

The decisions and determinations of the PCC are subject to review. The avenue of review that may be available under the legal profession legislation will depend upon the type of decision or determination made. For example, in relation to a complaint which has been closed by the PCC under section 277 of the Uniform Law, an application for review must be made to the Commissioner within 30 days of the date of notice of the decision. The Commissioner has the absolute discretion to conduct an internal review of that decision if he considers it appropriate to do so.

Reviews conducted by the Commissioner are one of the criteria used by Professional Standards to measure its key complaint handling objectives.

In 2017/2018, the Commissioner completed 42 reviews, comprising of 2 reviews under the *Legal Profession Act 2004* and 40 reviews under the Uniform Law. Professional Standards is pleased to report that all reviews resulted in the original decisions of the PCC being upheld.

### 2017/2018: Turn-around Times

Indicator: 30% of complaints closed within 6 months of opening

2018 41% closed within six months

Assessment:

Indicator: 70% of complaints closed within 12 months of opening

2018 66% closed within 12 months

Assessment:

Indicator: 95% of complaints closed within 2 years of opening

2018 86% closed within two years

Assessment:

### Reviews check

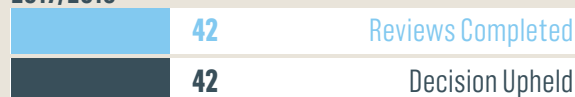
Indicator: 90% of reviewed decisions upheld

2018 100% of those completed were upheld

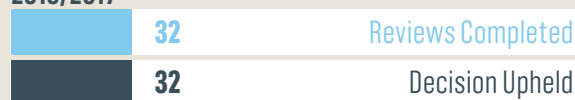
Assessment:

### REVIEWS COMPLETED v DECISIONS UPHELD

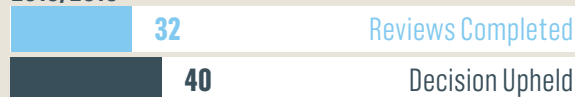
#### 2017/2018



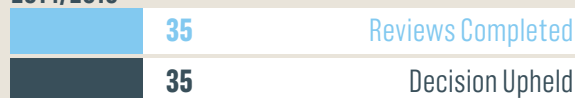
#### 2016/2017



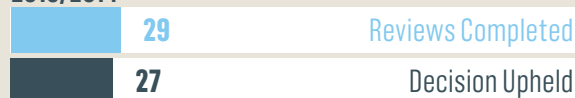
#### 2015/2016



#### 2014/2015



#### 2013/2014



# LITIGATION AND INTERVENTION

## NSW Civil and Administrative Tribunal

If the PCC is of the opinion that the alleged conduct of a legal practitioner may amount to professional misconduct, it will decide to initiate and prosecute proceedings in NCAT in relation to that conduct. Proceedings are commenced in NCAT on behalf of the Council by the filing of an Application for Disciplinary Findings and Orders. Applications must be made within 6 months of the date of the PCC's decision.

Many of the matters referred to NCAT are complex and quite often involve multiple issues of conduct. The table on the next page sets out the types of conduct considered by NCAT and orders it made in relation to that conduct.

In 2017/2018:

- 33 legal practitioners were referred to NCAT.
- 20 Applications for Disciplinary Findings and Orders were filed in NCAT.
- NCAT handed down decisions in respect of 20 disciplinary matters commenced by the Council (see table).

## NCAT ORDERS FOR REPRIMANDS, FINES OR REMOVALS FROM THE ROLL

### 2017/2018

13	Reprimand
7	Fine
8	Removed from the Roll

### 2016/2017

8	Reprimand
5	Fine
11	Removed from the Roll

### 2015/2016

15	Reprimand
3	Fine
9	Removed from the Roll

### 2014/2015

4	Reprimand
3	Fine
6	Removed from the Roll

### 2013/2014

8	Reprimand
4	Fine
4	Removed from the Roll

### 2012/2013

15	Reprimand
9	Fine
12	Removed from the Roll

## NCAT Orders

Name of Solicitor	Conduct	Orders made	Date of Orders
AUTORE, Anthony	<ul style="list-style-type: none"> <li>• Guilty of professional misconduct</li> <li>• Failing to honour an undertaking</li> <li>• Failing to pay counsel's fees</li> <li>• Failing to communicate</li> </ul>	<ul style="list-style-type: none"> <li>• Reprimand</li> <li>• Fine</li> <li>• Course</li> <li>• Costs</li> </ul>	17 May 2018
BERGER, Victor	<ul style="list-style-type: none"> <li>• Guilty of professional misconduct</li> <li>• Failing to make costs disclosures to clients</li> <li>• Breaching undertakings to the Legal Services Commissioner</li> <li>• Failing to comply with a court order</li> <li>• Breaches of sections 254, 255 &amp; 259 of LPA 2004</li> <li>• Causing deficiencies in trust account, overcharging and misappropriation</li> </ul>	<ul style="list-style-type: none"> <li>• Removal from Roll</li> <li>• Costs</li> </ul>	5 January 2018 <i>Decision on Appeal</i>
CDZ	<ul style="list-style-type: none"> <li>• False certification</li> </ul>	<ul style="list-style-type: none"> <li>• Reprimand</li> <li>• Partial costs order</li> <li>• Publication restrictions</li> </ul>	27 October 2017
CONNOLLY, Steven John	<ul style="list-style-type: none"> <li>• Various breaches of Legal Profession Act, 2004</li> <li>• Unethical conduct and inappropriate behaviour</li> </ul>	<ul style="list-style-type: none"> <li>• Removal from Roll</li> <li>• Costs</li> </ul>	23 March 2018
DDQ	<ul style="list-style-type: none"> <li>• Omission to give timely notice of show cause event</li> </ul>	<ul style="list-style-type: none"> <li>• Reprimand</li> <li>• Costs</li> <li>• Publication restrictions</li> </ul>	14 August 2017
DUBLER, Martin	<ul style="list-style-type: none"> <li>• Professional misconduct</li> <li>• False attestation to Will and Power of Attorney</li> <li>• False certificate under s19 of Powers of Attorney Act 2003</li> </ul>	<ul style="list-style-type: none"> <li>• Reprimand</li> <li>• Fine</li> <li>• Costs</li> </ul>	25 May 2018
FERRY, Robert Leslie	<ul style="list-style-type: none"> <li>• Unsatisfactory professional conduct</li> <li>• Breach of section 479 of LPA 2004</li> <li>• Practising in a situation involving a conflict of interest</li> </ul>	<ul style="list-style-type: none"> <li>• Reprimand</li> <li>• Fine</li> <li>• Costs</li> </ul>	21 May 2018
HASELDINE, Christopher John	<ul style="list-style-type: none"> <li>• Professional misconduct</li> <li>• Breach of a fiduciary duty</li> </ul>	<ul style="list-style-type: none"> <li>• Reprimand</li> <li>• Fine</li> <li>• Costs</li> </ul>	20 March 2018
HUANG, Minkai	<ul style="list-style-type: none"> <li>• Professional misconduct</li> <li>• Lack of candour in application for registration and renewal of Practising Certificate</li> </ul>	<ul style="list-style-type: none"> <li>• Removal from Roll</li> <li>• Costs</li> </ul>	30 November 2017

## NCAT Orders

Name of Solicitor	Conduct	Orders made	Date of Orders
KONSTANTINIDIS, Simon	<ul style="list-style-type: none"> <li>Question of jurisdiction</li> </ul>	<ul style="list-style-type: none"> <li>Application by Solicitor dismissed costs</li> </ul>	4 July 2017
MANOLAKOS, Christine	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Lodgement of caveat on title of client's property – no caveatable interest</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Fine</li> <li>Costs</li> </ul>	14 March 2018
MATILLA, Jennifer	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Misappropriation</li> <li>Breach of Legal Profession Act 2004</li> <li>Failure to comply with fiscal obligations</li> </ul>	<ul style="list-style-type: none"> <li>Removal from Roll</li> <li>Costs</li> </ul>	13 June 2018
McCARTNEY, Duncan Grant	<ul style="list-style-type: none"> <li>Executing withdrawal of caveat without instructions</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Fine</li> <li>Costs</li> </ul>	25 August 2017
OSMAN, Zenah	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Attempting to mislead Federal Court of Australia</li> <li>Making of false and misleading representations</li> <li>Purporting to act for organisations or persons when no instructions to do so</li> <li>Swearing an affidavit knowing or ought to have known to be false</li> </ul>	<ul style="list-style-type: none"> <li>Removal from Roll</li> <li>Costs</li> </ul>	23 May 2018
ROGERS, Michael Edward	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Failure to comply with notice – s660 Legal Profession Act 2004</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Costs</li> </ul>	7 March 2018
SIMMS, Sonia Elizabeth	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Practising outside terms of practising certificate</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Costs</li> </ul>	18 July 2017
THOMPSON, John Paul	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Failure to honour undertaking to the Law Society</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Costs</li> </ul>	21 March 2018
WEBB, Peter James	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Breach of undertakings</li> <li>False and misleading representation</li> <li>Breach of Practice Rule</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Fine</li> <li>Costs</li> </ul>	23 April 2018
WEHBE, Robert Joseph	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Failure to ensure incorporated legal practice paid GST, PAYG and employees' superannuation contributions</li> </ul>	<ul style="list-style-type: none"> <li>Removal from Roll</li> <li>Costs</li> </ul>	13 February 2018
YANG, Seung Phil	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Failure to have professional indemnity insurance (<b>PII</b>)</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Costs</li> </ul>	4 July 2017

## Court Matters

### Supreme Court Matters

The following matters were heard in the 2017/2018 year by the Supreme Court of New South Wales (including the Court of Appeal):

1. *Sullivan v Council of the Law Society of New South Wales* [2017] NSWSC 427 – Solicitor’s sought that matter be dealt with by single judge – dismissed and remitted to Court of Appeal
2. *Taylor v Law Society of New South Wales* [2017] NSWSC 948 – Appeal from refusal to grant Practising Certificate – appeal dismissed
3. *Balzola v Council of the Law Society of New South Wales* [2018] NSWSC 849 – Expiration of suspension of Practising Certificate
4. *Balzola v Council of the Law Society of New South Wales (No. 2)* [2018] NSWSC 993 – Review of costs order
5. *Burrows v Law Society of New South Wales* [2018] NSWSC 235 – Access to documents produced to court refused
6. *Burrows v Law Society of New South Wales (No 2)* [2018] NSWSC 376 - Costs
7. *Burrows v Law Society of New South Wales (No 3)* [2018] NSWSC 737 - Costs
8. *Burrows v Law Society of New South Wales (No 4)* [2018] NSWSC 943 - Costs
9. *Council of the Law Society of New South Wales v Bouzanis* [2017] NSWCA 330 – Appeal against orders of NCAT. Proceedings remitted to NCAT for re-hearing – judgment handed down 10 July 2018
10. *Sullivan v Council of the Law Society of New South Wales* [2017] NSWCA 244 – Solicitor’s Appeal against a decision of NCAT was dismissed
11. *Konstantinidis v Council of the Law Society of New South Wales* [2018] NSWCA 59 – Solicitor’s Appeal on interim order dismissed
12. *Hilton v Legal Profession Admission Board* [2017] NSWCA 232 – Application for admission – Appeal against primary judge’s orders - Society was the active Second Respondent – Appeal dismissed with costs

### Direct Applications to the Court of Appeal

14. *Council of the Law Society of New South Wales v Kim* [2017] NSWCA 292 – Solicitor’s name removed from Roll
15. *Council of the Law Society of New South Wales v Kinchington* [2017] NSWCA 278 – Solicitor’s name removed from Roll

### High Court

*Hilton v Legal Profession Admission Board & Anor* [2018] HCASL (15 February 2018) – Special leave application dismissed

### Local Court

*Council of the Law Society of New South Wales v John Charles Mulally* – Failure to hold appropriate insurance – Respondent ordered to pay a pecuniary penalty and costs

### Unqualified Practice

The Society’s role, in addition to protecting the public against the inappropriate conduct of solicitors, also includes protecting both the public and the profession against “unqualified persons”. Unqualified persons are those who engage in legal practice, or hold themselves out as entitled to do so, in circumstances where they do not hold a current practising certificate.

Part 2.1 of the Uniform Law, in particular, section 10, prohibits unqualified persons from engaging in legal practice or holding out that they are qualified to do so. A breach of these provisions may result in Council commencing proceedings in the Local Court or Supreme Court of New South Wales.

In dealing with unqualified practice matters, Professional Standards will in the first instance, communicate with or attempt to communicate with, the relevant individuals involved. In many matters, Professional Standards has been satisfied with the responses given by the relevant individuals to its enquiries and requests and in such circumstances, no further action is taken.

In 2017/2018:

- 51 enquiries about unqualified practitioners were dealt with, an increase on the 47 enquiries in the previous reporting period.
- No court proceedings were instituted.

### External Intervention

In certain circumstances, the Council may determine to initiate external intervention in relation to a law practice. The circumstances, where external intervention may be warranted are outlined in section 326 of the Uniform Law and include:

- when a solicitor ceases to hold a practising certificate;
- where a law firm or an unincorporated legal practice has been wound up or dissolved;
- where the Society believes on reasonable grounds that a law practice is not dealing with trust money adequately or where there has been a serious irregularity in relation to trust money;
- where a solicitor is in prison;
- where a solicitor has failed to comply with any requirement of an investigator or external examiner appointed under the legal profession legislation; or
- where a solicitor ceases to be engaged in legal practice without making provision for properly dealing with trust money or for properly winding up the affairs of the law practice.

The particular facts and circumstances of each matter will determine the form of any external intervention. In addition, the facts and circumstances may warrant the appointment, by the Council, of an external investigator.

### Managers

The Council may resolve to appoint a manager to a law practice under section 334 of the Uniform Law. Managers are generally appointed to ensure the orderly conduct of the matters of a law practice, for example, upon the death or ill health of a sole practitioner or where a receiver's powers of collecting or tracing trust property are not required. A manager must hold an unrestricted principal practising certificate and will take over all of the duties and responsibilities of a solicitor's law practice and dispose of the law practice.

In 2017/2018, the Council appointed a total of 29 managers.

### Supervisors

The Council may resolve to appoint a supervisor to a law practice pursuant to section 329 of the Uniform Law. A supervisor of trust money of a law practice has the powers and duties of a law practice in relation to all trust money, that is, to receive trust money into a law practice, to open and close trust accounts and to make payments to those parties entitled.

In 2017/2018, the Council appointed a total of 3 supervisors.

### Receivers

The Council may resolve to apply to the Supreme Court of New South Wales for the appointment of a receiver to a law practice pursuant to the grounds set out in the Uniform Law, including where a solicitor has ceased to hold a practising certificate, is mentally or physically infirm, has abandoned his or her practice, or has died, or when a client cannot obtain trust property. A receiver's powers, as outlined in the Uniform Law, are extensive and include taking possession of all trust property of the law practice.

In 2017/2018, the Council resolved to appoint 1 receiver.

### Investigators

The Council may also resolve to appoint an external investigator if there is a suspicion of improper conduct or irregularity in relation to a solicitor's law practice or general affairs. The external investigator may be either a solicitor or an accountant and is tasked to examine the affairs of the solicitor or law practice generally or in relation to a specific matter.

In 2017/2018, the Council appointed 2 external investigators.

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*With over 33,000 solicitors in New South Wales, the number of matters which result in the institution of disciplinary proceedings is relatively small and is indicative of the high standard maintained by members of the profession.*

**D. Humphreys**  
President

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# COMPLIANCE AND DISCLOSURE

The legal profession legislation requires applicants for, and holders of, practising certificates to disclose certain matters to the Society.

Relevantly, these are:

1. “Automatic show cause events” - Part 3.5 of the Uniform Law sets out certain “*automatic show cause events*” that solicitors must disclose to the Society. Such “*automatic show cause events*” are defined in section 86 of the Uniform Law and include a bankruptcy event, conviction for a serious offence (indictable offences) or a tax offence.
2. Matters involving section 51 of the Uniform Law – such matters include a charge or conviction for a serious offence, a tax offence or an offence specified in Rule 15 of the *Legal Profession Uniform General Rules 2015 (Rules)*, a bankruptcy related event or disciplinary proceedings brought against a solicitor in a foreign country.
3. Matters referred to in Rule 13 of the Rules - At the time a solicitor renews or applies for a practising certificate, consideration must be given to the disclosure of each of the matters referred to in Rule 13(1) for the Society to determine whether or not s/he is a fit and proper person to hold a practising certificate.

## PRE ADMISSION DISCLOSURES

30	Traffic infringements
14	Centrelink Overpayment
14	DUI
11	Academic Misconduct
10	Serious Offence <sup>1</sup>
10	Parking Infringements
8	Drug Possession
7	Infringement Notice <sup>2</sup>
5	Summary offence <sup>3</sup>
4	Tax offence
2	Complaint
3	Mental Health
2	Bankruptcy
2	Engaging in legal practice without practising certificate

Notes:

1 Armed robbery, larceny, break and enter, hinder police

2 Public drunkenness, false ID, public nuisance

3 false representation, minor possessing alcohol



Applicants for a practising certificate are also required to disclose certain preadmission events such as convictions and other incidents affecting their fitness to practise pursuant to section 93 of the Uniform Law.

The Society expects that all relevant persons engaging, or seeking to engage, in legal practice in New South Wales are aware of the mandatory disclosure obligations.

## Disclosure Committee

The Disclosure Committee, under delegation of the Council, deals with the matters that solicitors are required to disclose to the Society. The Disclosure Committee does not have the power to make a determination adversely affecting a solicitor's right to practice. Any such determination is reserved for the Council.

In 2017/2018, the Disclosure Committee comprised 2 councillors of the Society, 5 solicitors and 2 lay members. It met 10 times to make determinations on the reports tabled before it.

In 2017/2018:

- A total of 209 disclosures were made to the Society, an increase of 56 from the previous reporting period. This included 85 pre-admission disclosures, which is an increase of 65 from the previous reporting period.
- Of the 209 disclosures received:
  - 151 involved summary offences, consisting of predominantly driving offences (such as drink-driving, negligent driving, driving without a licence, traffic infringements and parking infringements) as well as possession of prohibited drugs, academic misconduct, Centrelink overpayments and disorderly behaviour.
  - 2 related to a tax offence disclosure.
  - 18 were notifications of bankruptcy.
  - 38 were notifications relating to a serious offence including the offences of aggravated break and enter, affray, larceny, destroying and damaging property, indecent assault, common assault, stalking and intimidating, assaulting police and resisting/hindering arrest, breaching domestic apprehended violence orders and recklessly dealing with the proceeds of crime.

- No further action was taken in relation to 163 disclosures made to the Society on the basis that the offence did not impact upon the solicitor's fitness to practice. Of these 163 disclosures, 106 related to pre-admission/Rule 13 disclosures, 15 were bankruptcy disclosures, 14 related to serious offences and 28 concerned summary offences.
- 13 disclosures resulted in undertakings given by the solicitors. The undertakings resulted from the disclosure of bankruptcy, medical conditions, stalking and intimidating, drink driving and contravening apprehended domestic violence orders. The undertakings included the obligation to provide regular medical and/or financial reports to the Society.
- 3 disclosures were referred to Professional Standards - 2 were serious offences and 1 related to a medical condition.

# PROFESSIONAL SUPPORT ETHICS UNIT

## The year in review – service and guidance

In 2017/2018:

- The Ethics solicitors of the Professional Support Unit and the Society’s Ethics Committee provided specialist services to the legal profession on a wide range of topics to assist in maintaining and enhancing legal ethics and professional standards.
- Timely and practical guidance and assistance was provided to members of the legal profession to resolve ethical conflicts through a telephone enquiry line, email and personal attendance. In addition, the Society’s website provided general information in relation to a broad range of ethical issues as well as detailed guidelines on frequently asked questions concerning ethics in legal practice.
- A total of 3354 enquiries were received and resolved, surpassing previous reporting periods. Of these 3354 enquiries:
  - 765 (22.8%) related to conflict of interest issues.
  - 347 (10.3%) related to confidentiality/privilege issues.
  - 265 (7.9%) related to liens/documents issues.
- The Ethics solicitors designed and implemented education programmes, published relevant guidelines and materials to assist the legal profession and researched and made submissions on relevant topics.

## ETHICS ENQUIRIES

860	Miscellaneous
765	Conflict of interest
347	Confidentiality/privilege
308	Client’s instructions
270	Communications
265	Lien/documents
118	Termination of retainer
82	Client lacking capacity
64	Assist fraudulent activity
64	Trust monies
53	Costs
29	Undertakings
23	Advertising
23	Disclosure
10	Sol material witness
10	Unqualified persons
8	Sol leaving firm
6	Practice-general
3	Misleading
1	Irrevocable Authority
1	Letters of Demand
0	Contacting clients

## The Ethics Committee and its Functions

The functions of the Ethics Committee are defined by the directives from the Council. Each year, the Council will review and set goals to focus on maintaining and promoting the high ethical standards of the legal profession. Professional support to the Ethics Committee is provided by Professional Standards.

The role of the Ethics Committee, which meets monthly, includes:

- Providing detailed and timely information to the legal profession. Requests for information may arise from solicitor enquiries, departments within the Society or any of the Society's Committees. This promotes a culture of integrity and independence of the legal profession and provides a foundation for maintaining public confidence about the ethical standards of the profession.
- Achieving high ethical standards by identifying and preventing undesirable practices. This is accomplished by designing and implementing education programmes, providing guidance as required and publishing materials to assist the legal profession.
- Undertaking research, enquiries and making submissions on relevant ethical topics, legal policy and regulation affecting the profession.

In 2017/2018, the Ethics Committee had 18 members including 2 councillors of the Society. The members are practising solicitors from a variety of practice types and geographic areas providing a broad and comprehensive base of experienced, specialist expert guidance on ethical issues.

## Highlights of 2017/2018

- Developing and providing education programmes and seminars to assist the legal profession to comply with Continuing Professional Development (CPD) and practising certificate requirements. Some programmes were targeted to assist the growing number of accredited specialists in their fields of expertise.
- The education programmes and seminars were provided face to face, by webinars and other modes of delivery to promote access and availability to the legal profession.
- Providing leadership and maintaining a liaison role between state and national organisations to address ethical issues for the legal profession.

# PROFESSIONAL SUPPORT LEGAL COSTS UNIT

The Legal Costs Unit (**Costs Unit**) provides specialist costs guidance and education to all solicitors in New South Wales, regardless of their membership status, on costs queries. This service is promoted on the Society’s website, in the *Law Society Journal* and the Society’s *Members’ Services Guide*. The Costs Unit also researches relevant costs developments, including involvement in costs policy development.

## Common Problems

The most common “costs” enquiries received by the Costs Unit included:

- Recovery of legal costs and the assessment process
- Changes to costs disclosure obligations under the Uniform Law
- Alternative billing arrangements being requested by clients
- Withdrawal of costs and disbursements from money held in trust
- Recovery of legal costs and assessment
- Recovery of party/party costs

## Education

In 2017/2018:

- There was an increased number of solicitors attending seminars on legal costs.
- Solicitors continued to express concern about the strict disclosure obligations contained in the legal profession legislation.
- There remained a number of areas where solicitors could benefit from further guidance, such as scoping legal costs for the purposes of providing a single figure estimate of total legal costs.
- The Costs Unit has continued to strive to develop practically oriented “workshop” presentations addressing problem areas, such as communication, file transfers, disclosure and billing.
- Seminars organised by and held at the Society’s premises attracted large audiences. Attendees were mainly from small to medium firms with a number of sole practitioners.
- The Costs Unit provided in-house CPD sessions to a number of mid-tier and large law practices in Sydney city and Parramatta as well as government, community and educational organisations such as the Crown Solicitor’s Office, Community Legal Centres and the University of New South Wales.

## COST ENQUIRIES 2011–2018

1,004	2017/18
1,342	2016/17
1,849	2015/16
688	2014/15
1,091	2013/14
1,364	2012/13
1,355	2011/12
1,132	2010/11

## TOPICS

182	Cost agreements
163	Cost billing
150	Cost assessments
113	Cost recovery
96	Disclosure
75	Regulated costs
57	Party party costs
50	Cost trust account
48	File transfers
47	Liens
23	Third party payers

In 2017/2018 the Costs Unit continued to provide access to its services to suburban and regional areas. The suburban and regional areas attended by the Costs Unit included:

- Maitland
- Newcastle
- Coffs Harbour
- Gosford
- Merimbula
- North Shore & Northern Beaches
- St. George Sutherland
- Campbelltown & Macarthur
- Camden
- Orange
- Nepean / Hawkesbury

## Other Work

In 2017/2018 the Costs Unit researched and wrote articles relating to costs for the *Law Society Journal*, presented podcasts on costs issues, highlighted emerging issues in *Monday Briefs* and conducted informal mediations on costs.

The Costs Unit researched, reported and provided seminars on:

- Costs Disclosure, Costs Agreements and Billing under the legal profession legislation
- Costs Assessments, Costs Disputes, Determinations by the Commissioner and Compensation Orders under the legal profession legislation
- The various forms of security available to a solicitor with respect to protection of their fees including possessory liens, equitable liens, caveats and mortgages together with what constitutes reasonable prospects of success
- Regulated costs and withdrawing money from trust to pay profession fees

## The Costs Committee

The Costs Committee consists of solicitors from a range of practice types. Its role is to:

- monitor the effect of the *Civil Procedure Act 2005* and the *Uniform Civil Procedure Rules* with respect to costs
- monitor the efficacy of the costs assessment scheme
- examine and comment on legislation and law reform proposals relating to solicitors' costs

These activities aim to reduce the regulatory burden for solicitors, simplify the provisions in the legislation and ensure its effectiveness.

The Costs Committee also produces a range of information resources such as the *Costs Guidebook* and handles direct enquires from solicitors.

The Costs Unit provides assistance to the Costs Committee and is committed to facilitating communication between the legal profession and the Costs Committee.

## Costs Recovery

The Society is required to recover costs and fines ordered against legal practitioners following disciplinary proceedings, as well as costs incurred in connection with the appointment of supervisors, managers, investigators and receivers. Professional Standards recovers those costs and fines on behalf of the Society.

Fines and lump sum costs payments ordered by NCAT are enforced by applying to NCAT under section 78 of the *Civil and Administrative Tribunal Act 2013* for a certificate, which can then be registered as a judgment.

The Council has power under the legal profession legislation to specify the fees of investigators making those fees a debt payable by the law practice the subject of the investigation.

# PROFESSIONAL SUPPORT REGULATORY COMPLIANCE

The Regulatory Compliance Support Unit (RCSU) is an integral part of the Professional Support Unit of Professional Standards. RCSU provides comprehensive guidance to the legal profession around issues of a regulatory nature.

## Overview

In 2017/2018, the solicitors of RCSU responded to more than 4,000 issues raised by the profession either by phone, e-mail or face to face. This included providing professional guidance and assistance across a comprehensive range of practice management, practice structure, and business development topics.

Additionally, the solicitors of RCSU regularly provided professional assistance to other departments at the Society including its Registry. They played an integral role as members of the Uniform Law team by providing analysis and comment prior to the commencement in July 2018 of section 258 of the Uniform Law which concerns Managed Investment Schemes.

RCSU also supported the Head of Licensing around multifaceted legal issues involving the application of the Uniform Law and the Rules including: conditional admission, registration of foreign lawyers, appropriate use of names, titles and descriptions, and practice platforms available for complex business structures including churches, universities and other corporate entities created under statute.

## REGULATORY COMPLIANCE ENQUIRIES

812	Practising Certificate
788	Practice Management
698	Business Development
468	In House Practice
371	Employment
320	Establishment of an ILP
179	Interstate & Foreign Legal
165	Law Practice Demands
147	Miscellaneous
141	Establishment of Practice - Non ILP
127	Transfer of a Practice
115	Trust Accounts
100	Closing/Selling a Practice
76	Letterheads/Business Names
60	Consultants
51	Unqualified Practitioners
50	Establishment of an ULP
39	Show Cause Event/Disclosure

## Highlights of 2017/2018

### Interstate and Foreign Legal

RCSU observed that interstate and foreign legal issues continued to drive a significant number of queries reflecting the impact of globalisation on the delivery of legal services in Australia. RCSU was particularly busy assisting with enquiries which related to the process of becoming admitted to the Australian legal profession, practising entitlements and the process of registering as an Australian-registered foreign lawyer.

The Uniform Law introduced to New South Wales the concept of conditional admission of foreign lawyers and consequently, RCSU continued to be consulted on these applications.

### Corporate and Government lawyers

The Uniform Law also marked a significant change for corporate and government lawyers in New South Wales. Queries from in-house lawyers were notably prompted by the impending expiry, on 1 July 2018, of the transitional exemption for government and corporate lawyers from the requirement to hold a practising certificate. RCSU continued to promote awareness of these changes throughout the legal profession in New South Wales through seminars and regulatory updates.

### Education

The Society's inaugural Practice Management Course was conducted in July 2017. RCSU worked with and assisted the Society's Professional Development Department with course structure, materials and face to face course facilitation.

In 2017/2018, RCSU provided a total of 62 presentations and seminars to the profession, an increase from the previous reporting period.

RCSU provided CPD seminars, lectures, presentations and workshops at the Society's premises and at law practices in metropolitan, suburban and regional areas. In addition, RCSU provides seminars and presentations at:

- metropolitan law society conferences at Chatswood, Fairfield, Toongabbie and Sydney's Inner West.
- regional law society conferences at Grafton, Maitland, Newcastle, Wollongong and North and North West New South Wales.
- other conferences such as to the Australian Securities and Investments Commission, the Australian Taxation Office and the University of New South Wales.

Topics for seminars included:

1. Supervision of legal services
2. Transitional exemption for government and corporate lawyers
3. Marketing
4. Practice and Risk Management Systems
5. Legal writing skills
6. Undertakings and client retainers
7. Compliance driving profit
8. The cost of not communicating
9. Appropriate management systems for all law practice structures
10. Written communication seminar
11. Responsibility of principals – reasonable professional standards
12. Legal professional privilege for in-house solicitors
13. Undertakings for in-house solicitors
14. Induction for corporate legal practitioners

Table 1 - Number of complaints opened, by type of complaint

INVESTIGATIONS	10	11	12	13	14	15	16	17	18
<b>Personal Conduct</b>					<b>195</b>	<b>165</b>	<b>226</b>	<b>284</b>	<b>202</b>
Unethical Conduct	165	128	150	118	71	77	113	122	91
Negligence	40	40	25	48	29	24	20	44	23
Misleading	46	24	22	29	32	23	58	45	35
Conflict of Interest	25	15	17	22	16	16	12	31	18
Failure to Transfer Documents	7	10	7	4	6	3	2	4	6
Communicating with a Client of Another Solicitor	5	9	3	4	10	8	9	7	7
Breach Confidentiality	8	4	6	7	4	2	5	6	5
False Swearing of Documents	6	4	1	7	11	3	2	13	3
Undue Pressure	2	3	2	1	3	0	0	1	3
Threatening Behaviour	1	3	4	7	9	7	4	8	10
Failure to Assist Law Society	0	1	0	0	0	2	0	1	0
Borrowing from Client	2	0	5	6	4	0	1	2	1
<b>Cost / Payment Issues</b>					<b>52</b>	<b>48</b>	<b>59</b>	<b>68</b>	<b>49</b>
Failure to Pay Third Party	40	37	31	42	35	29	43	34	33
Overcharging	14	14	11	9	8	5	8	17	11
No Costs Disclosure	10	9	13	6	6	12	6	8	3
Failure to Provide a Detailed Account	12	3	0	0	2	1	0	5	1
Transfer Costs Without Authority	0	2	3	5	1	1	2	4	1
<b>Communication / Service</b>					<b>65</b>	<b>67</b>	<b>68</b>	<b>75</b>	<b>65</b>
No Communication	16	17	24	8	9	10	11	14	13
Failure to Carry Out Instructions	39	12	13	10	14	18	11	15	13
No Client Advice	6	12	5	1	5	3	6	0	2
Discourtesy	4	11	7	1	10	13	6	8	13
Act Without/Contrary to Instructions	9	7	10	6	15	13	19	15	11
Delay	11	4	7	7	9	7	11	15	11
Lack of Supervision	8	4	2	7	2	3	3	7	0
No Advice on Progress	1	1	4	0	1	0	1	1	2
<b>Non-Compliance</b>					<b>53</b>	<b>45</b>	<b>42</b>	<b>102</b>	<b>63</b>
Not Complying with Undertaking	20	15	11	18	13	8	8	19	9
Practising without a Practising Certificate	12	12	1	8	11	11	7	36	15
Not Complying with a s.660 Notice	16	11	1	5	2	4	3	2	0
Not Comply with Legal Profession Act/Regulations	15	9	19	19	19	15	20	41	38
Not Complying with Fiscal Obligations <sup>1</sup>	6	8	11	14	8	7	4	4	1
<b>Trust Account matters</b>					<b>76</b>	<b>47</b>	<b>40</b>	<b>57</b>	<b>33</b>
Breach of Sections of Act / Regs relating to Trust Moneys	31	22	19	41	40	23	17	19	2
Failure to Account	11	14	13	14	10	11	10	22	23
Misappropriation	17	7	8	5	26	13	13	16	8
<b>Other</b>					<b>0</b>	<b>6</b>	<b>13</b>	<b>14</b>	<b>69</b>
Review Re-Investigation	3	5	27	3	0	1	2	0	0
Act on Subpoena						1	1	1	0
Liens						3	5	3	0
237 NON COMPLY SECTION 371 NOTICE							1	6	4
241 MANAGER APPOINTED - NO CONDUCT							4	4	1
223 FAILURE TO SUPERVISE									5
235 BREACH SECTION 138 LPUL									14
238 OTHER TRUST BREACHES									8



INVESTIGATIONS (CONTINUED)	10	11	12	13	14	15	16	17	18
<b>Other</b>					<b>0</b>	<b>6</b>	<b>13</b>	<b>14</b>	<b>69</b>
242 BREACH SECTION 137 LPUL									1
243 CAUSING A DEFICIENCY IN THE TRUST ACCOUNT									1
245 INTERVENER									35
Rulings Enquiries						1	0	0	0
<b>TOTAL NUMBER OF INVESTIGATIONS</b>	<b>608</b>	<b>477</b>	<b>482</b>	<b>482</b>	<b>441</b>	<b>378</b>	<b>448</b>	<b>600</b>	<b>481</b>
<b>CONSUMER DISPUTES</b>	<b>72</b>	<b>68</b>	<b>68</b>	<b>64</b>	<b>39</b>	<b>30</b>	<b>1</b>	<b>0</b>	<b>0</b>
<b>TOTAL NUMBER OF COMPLAINTS OPENED <sup>2</sup></b>	<b>680</b>	<b>545</b>	<b>550</b>	<b>546</b>	<b>480</b>	<b>408</b>	<b>449</b>	<b>600</b>	<b>481</b>

Notes:

1 New category of complaint introduced in 2010

2 Includes complaints made by the Law Society

**Table 2 - Number of complaints opened, by type of complainant**

COMPLAINANT TYPE	10	11	12	13	14	15	16	17	18
Client/Former Client	222	159	174	124	141	116	115	179	134
Law Society	110	87	72	94	84	73	60	111	90
Solicitor	91	87	88	98	81	73	70	72	56
Third Party	82	85	78	104	84	69	70	69	80
Third Party (Other Side)	95	63	76	68	56	35	94	121	77
Barrister	43	37	40	32	11	22	20	22	16
Solicitor for Client	27	22	18	16	12	11	7	6	13
Legal Services Commissioner	4	3	2	7	5	4	7	11	3
Other <sup>1</sup>	6	2	2	3	6	2	6	5	9
Executor						2	0	2	3
Attorney General						1	0	2	0
<b>TOTAL NUMBER OF COMPLAINTS OPENED</b>	<b>680</b>	<b>545</b>	<b>550</b>	<b>546</b>	<b>480</b>	<b>408</b>	<b>449</b>	<b>600</b>	<b>481</b>

Notes:

1 Other includes Legal Aid Commission, Government Department and Beneficiary

**Table 3 - Complaints opened, by solicitor type**

SOLICITOR TYPE	NUMBER OF COMPLAINTS	COMPLAINTS AS % OF TOTAL ACTIVE SOLS <sup>1,2</sup>	% OF TOTAL COMPLAINTS
Principal of a law practice	318	0.963%	66.11%
Employee of a law practice	70	0.212%	14.55%
Government Legal Practitioner	6	0.018%	1.25%
Corporate Legal Practitioner	2	0.006%	0.42%
Complaints against Non Practising Solicitors	60	0.182%	12.47%
Complaints against Firms	25	0.076%	5.20%
<b>TOTAL NUMBER OF COMPLAINTS OPENED</b>	<b>481</b>		

Notes:

1 At 30 June 2018 total active solicitors 33,038 (Source: Law Society of NSW, Policy &amp; Research)

2 Includes multiple complaints against individual solicitors.

**Table 4 - Complaints opened, by practice region<sup>1</sup>**

REGION	NUMBER OF COMPLAINTS
<b>Sydney City</b>	<b>90</b>
<b>Suburban</b>	<b>103</b>
Bankstown & District	5
City of Sydney	6
Eastern Suburbs	11
Inner West	5
Liverpool & District	8
Macarthur	2
Nepean Hawkesbury	7
North Metropolitan	12
Northern Beachers	9
Parramatta District	24
St George-Sutherland	14
<b>Regional</b>	<b>28</b>
Newcastle	8
Hunter / Central Coast	10
Wollongong	10
Blue Mountains / Nepean	0
<b>Rural</b>	<b>29</b>
<b>Interstate</b>	<b>0</b>
<b>Other<sup>2</sup></b>	<b>75</b>
<b>TOTAL COMPLAINTS OPENED</b>	<b>325</b>

<b>Active City Solicitors</b>	<b>14602</b>
<b>Active Suburban Solicitors</b>	<b>9521</b>

<b>Active Rural Solicitors</b>	<b>3613</b>
<b>Active Interstate/Other Solicitors</b>	<b>3897</b>
<b>Active Overseas Solicitor</b>	<b>1405</b>
<b>TOTAL ACTIVE SOLICITORS</b>	<b>33038</b>

Notes:

1 Refers to individual solicitor complaints

2 Refers to Overseas or Unknown place of practice.

Solicitor statistics: Law Society of NSW, Policy & Research

**Table 5 - Number of complaints closed, by result**

<b>RESULT TYPE</b>	<b>2018</b>
1 REPRIMAND (TRIBUNAL)	4
10 COMPLAINT WITHDRAWN	8
105 APPLICATION APPROVED	3
106 APPOINTMENT TERMINATED	57
107 SOL REF TO ADT	16
111 APPEAL DISMISSED	1
121 APPLIC NOT OPPOSED	1
127 DISMISSED 155A	1
130 LOCAL CRT PROCEEDING	1
132 UNDERTAKING GIVEN	1
135 CAUTION	1
138 S.511 SUMM DISMISS	7
146 APPLIC DISMISSED	3
16 REVIEW - DEC UPHELD	1
2 STRUCK OFF	1
200 COMPLAINT WITHDRAWN - s273(1)	95
201 MISCONCEIVED/LACKING IN SUBSTANCE - s277(1)(a)	120
202 TIME LIMIT NOT WAIVED UNDER s272(1) - s277(1)(b)	10
204 FAILURE/INADEQUATE RESPONSE TO REQUEST FOR INFO - s277(1)(c)	27
205 COMPLAINT ALREADY/HAS BEEN INVESTIGATED - s277(1)(d)	4
206 COMPLAINT BETTER DEALT WITH BY LAW ENFORCEMENT/INVESTIGATORY BODY - s277(1)(e)	4
209 NO FURTHER INVESTIGATION REQUIRED EXCEPT CM - s277(1)(h)	7
210 NO POWER TO INVESTIGATE COMPLAINT - s277(1)(i)	1
211 PUBLIC INTEREST CLOSURE - s277(1)(j)	8
216 CM CAUTION - s290(2)(a)	3
223 D CAUTION - s299(1)(a)	5
224 D REPRIMAND - s299(1)(b)	5
230 D INITIATE TRIBUNAL PROCEEDINGS - s300(1)	44
231 TRIBUNAL DECISION HANDED DOWN	4
232 SUPREME COURT JUDGMENT HANDED DOWN	1
233 COURT OF APPEAL JUDGMENT HANDED DOWN	2
235 REFERRED BACK TO LSC	9
237 CLOSED AWAITING ADVICE	10
238 CLOSED ENQUIRY	91
239 CLOSURE - NO UPC/PM	83
28 NO FURTHER ACTION	2
35 REPRIMAND	2
38 DISS/NO P.MC./U.P.C.	12
405 WITHDRAWN (LSC)	1
46 RESOLVED	2
64 FINALISED LST	1
67 DISMISSED (TRIBUNAL)	1
93 CLOSED AWAIT ADVICE	1
94 CLOSED ENQUIRY	10
<b>TOTAL</b>	<b>671</b>

**Table 6 - Complaints opened and closed within same period**

COMPLAINT TYPE	NUMBER OPENED	NUMBER CLOSED	% OF OPENED
Act Without/ Contrary to Instructions	11	4	36%
Borrowing from Client	1	1	100%
Breach Confidentiality	5	3	60%
Communicating with a Client of Another Solicitor	7	1	14%
Conflict of Interest	18	7	39%
Consumer Dispute	0	0	0%
Delay	11	5	45%
Discourtesy	13	6	46%
Failure to Carry Out Instructions	13	5	38%
Failure to Pay Third Party	33	16	48%
Failure to Provide a Detailed Account	1	0	0%
Failure to Transfer Documents	6	2	33%
Failure to Account	23	4	17%
False Swearing of Documents	3	0	0%
Lack of Supervision	0	0	0%
Misappropriation	8	3	38%
Misleading	35	10	29%
Negligence	23	9	39%
No Advice on Progress	2	0	0%
No Client Advice	2	1	0%
No Communication	13	7	54%
Not Complying with Fiscal Obligations	1	0	0%
Not Complying with Undertaking	9	3	33%
No Costs Disclosure	3	1	33%
No Statement Available	0	0	0%
Not Complying with a s.660 Notice	0	0	0%
Not Complying with Legal Profession Act/ Regulations	38	6	16%
Other Trust Breaches	8	4	50%
Overcharging	11	6	55%
Practising without a Practising Certificate	15	2	13%
Review Re-Investigation	0	0	0%
Section 255 Breach Trust Money	2	1	0%
Section 264 Breach Trust Records	0	0	0%
Transfer Costs Without Authority	1	0	0%
Threatening Behaviour	10	4	40%
Undue Pressure	3	1	0%
Unethical Conduct	91	36	40%
Act on Subpoena	0	0	0%
Liens	0	0	0%
237 NON COMPLY SECTION 371 NOTICE	4	2	50%
241 MANAGER APPOINTED - NO CONDUCT	1	0	0%
Rulings Enquiries	0	0	0%
Failure to Assist LS	0	0	0%
<b>TOTAL</b>	<b>425</b>	<b>150</b>	<b>35%</b>

Table 7 – Number and type of proceedings instituted at NCAT

NAME OF SOLICITOR	CONDUCT	ORDERS MADE	DATE OF ORDERS
AUTORE, Anthony	<ul style="list-style-type: none"> <li>Guilty of professional misconduct</li> <li>Failing to honour an undertaking</li> <li>Failing to pay counsel's fees</li> <li>Failing to communicate</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Fine</li> <li>Course</li> <li>Costs</li> </ul>	17 May 2018
BERGER, Victor	<ul style="list-style-type: none"> <li>Guilty of professional misconduct</li> <li>Failing to make costs disclosures to clients</li> <li>Breaching undertakings to the Legal Services Commissioner</li> <li>Failing to comply with a court order</li> <li>Breaches of sections 254, 255 &amp; 259 of LPA 2004</li> <li>Causing deficiencies in trust account, overcharging and misappropriation</li> </ul>	<ul style="list-style-type: none"> <li>Removal from Roll</li> <li>Costs</li> </ul>	5 January 2018 <i>Decision on Appeal</i>
CDZ	<ul style="list-style-type: none"> <li>False certification</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Partial costs order</li> <li>Publication restrictions</li> </ul>	27 October 2017
CONNOLLY, Steven John	<ul style="list-style-type: none"> <li>Various breaches of Legal Profession Act, 2004</li> <li>Unethical conduct and inappropriate behaviour</li> </ul>	<ul style="list-style-type: none"> <li>Removal from Roll</li> <li>Costs</li> </ul>	23 March 2018
DDQ	<ul style="list-style-type: none"> <li>Omission to give timely notice of show cause event</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Costs</li> <li>Publication restrictions</li> </ul>	14 August 2017
DUBLER, Martin	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>False attestation to Will and Power of Attorney</li> <li>False certificate under s19 of Powers of Attorney Act 2003</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Fine</li> <li>Costs</li> </ul>	25 May 2018
FERRY, Robert Leslie	<ul style="list-style-type: none"> <li>Unsatisfactory professional conduct</li> <li>Breach of section 479 of LPA 2004</li> <li>Practising in a situation involving a conflict of interest</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Fine</li> <li>Costs</li> </ul>	21 May 2018
HASELDINE, Christopher John	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Breach of a fiduciary duty</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Fine</li> <li>Costs</li> </ul>	20 March 2018
HUANG, Minkai	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Lack of candour in application for registration and renewal of Practising Certificate</li> </ul>	<ul style="list-style-type: none"> <li>Removal from Roll</li> <li>Costs</li> </ul>	30 November 2017
KONSTANTINIDIS, Simon	<ul style="list-style-type: none"> <li>Question of jurisdiction</li> </ul>	<ul style="list-style-type: none"> <li>Application by Solicitor dismissed costs</li> </ul>	4 July 2017
MANOLAKOS, Christine	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Lodgement of caveat on title of client's property – no caveatable interest</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Fine</li> <li>Costs</li> </ul>	14 March 2018
MATILLA, Jennifer	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Misappropriation</li> <li>Breach of Legal Profession Act 2004</li> <li>Failure to comply with fiscal obligations</li> </ul>	<ul style="list-style-type: none"> <li>Removal from Roll</li> <li>Costs</li> </ul>	13 June 2018
McCARTNEY, Duncan Grant	<ul style="list-style-type: none"> <li>Executing withdrawal of caveat without instructions</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Fine</li> <li>Costs</li> </ul>	25 August 2017
OSMAN, Zenah	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Attempting to mislead Federal Court of Australia</li> <li>Making of false and misleading representations</li> <li>Purporting to act for organisations or persons when no instructions to do so</li> <li>Swearing an affidavit knowing or ought to have known to be false</li> </ul>	<ul style="list-style-type: none"> <li>Removal from Roll</li> <li>Costs</li> </ul>	23 May 2018

## APPENDIX

**Table 7 – Number and type of proceedings instituted at NCAT (continued)**

NAME OF SOLICITOR	CONDUCT	ORDERS MADE	DATE OF ORDERS
ROGERS, Michael Edward	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Failure to comply with notice – s660 Legal Profession Act 2004</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Costs</li> </ul>	7 March 2018
SIMMS, Sonia Elizabeth	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Practising outside terms of practising certificate</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Costs</li> </ul>	18 July 2017
THOMPSON, John Paul	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Failure to honour undertaking to the Law Society</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Costs</li> </ul>	21 March 2018
WEBB, Peter James	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Breach of undertakings</li> <li>False and misleading representation</li> <li>Breach of Practice Rule</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Fine</li> <li>Costs</li> </ul>	23 April 2018
WHEBE, Robert Joseph	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Failure to ensure incorporated legal practice paid GST, PAYG and employees' superannuation contributions</li> </ul>	<ul style="list-style-type: none"> <li>Removal from Roll</li> <li>Costs</li> </ul>	13 February 2018
YANG, Seung Phil	<ul style="list-style-type: none"> <li>Professional misconduct</li> <li>Failure to have PII in place</li> </ul>	<ul style="list-style-type: none"> <li>Reprimand</li> <li>Costs</li> </ul>	4 July 2017

**Table 8 Active solicitor statistics at 30 June 2018**

EMPLOYMENT TYPE	CITY	INTER-STATE	OVER-SEAS	RURAL	SUBUR-BAN	TOTAL	FE-MALE	MALE
Corporate Legal Practitioner	3050	25	718	187	2182	6,162	3665	2497
Employee of a law practice	7374	34	593	1434	2418	11,853	6171	5136
Government Legal Practitioner	2087	38	0	418	891	3434	2286	1148
Partner	1750	7	32	266	307	2362	625	1737
Principal (ILP)	1078	5	2	625	1244	2954	898	2056
Supervising Legal Practitioner	9	0	0	17	31	57	38	18
Sole Principal	517	16	18	758	1956	3265	1012	2253
Unemployed	120	119	277	402	2127	3045	1740	1305
Volunteer	11	2	0	16	53	82	53	29
<b>TOTAL</b>	<b>15996</b>	<b>246</b>	<b>1640</b>	<b>4123</b>	<b>11209</b>	<b>33,214</b>	<b>16488</b>	<b>16179</b>

**Table 9 - Amounts expended by the Public Purpose Fund and Fidelity Fund on Regulation, 2017/2018**

EXPENSE DESCRIPTION	RECOVERABLE FROM	TOTAL
Professional Standards / General Regulatory Expenses	Public Purpose Fund	4,376,036
External Interventions	Public Purpose Fund	940,141
Trust Account Inspections / Investigations	Public Purpose Fund	2,316,691
Fidelity Fund Administration	Fidelity Fund	783,942
<b>TOTAL REGULATORY COSTS</b>		<b>8,416,810</b>
<b>TOTAL PAID FROM PUBLIC PURPOSE FUND</b>		<b>7,632,868</b>
<b>TOTAL PAID FROM FIDELITY FUND</b>		<b>783,942</b>
<b>TOTAL</b>		<b>8,416,810</b>



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