Office of the NSW
Legal Services
Commissioner

ANNUAL REPORT
2024 – 2025

Office of the NSW Legal Services Commissioner

Organisational Chart

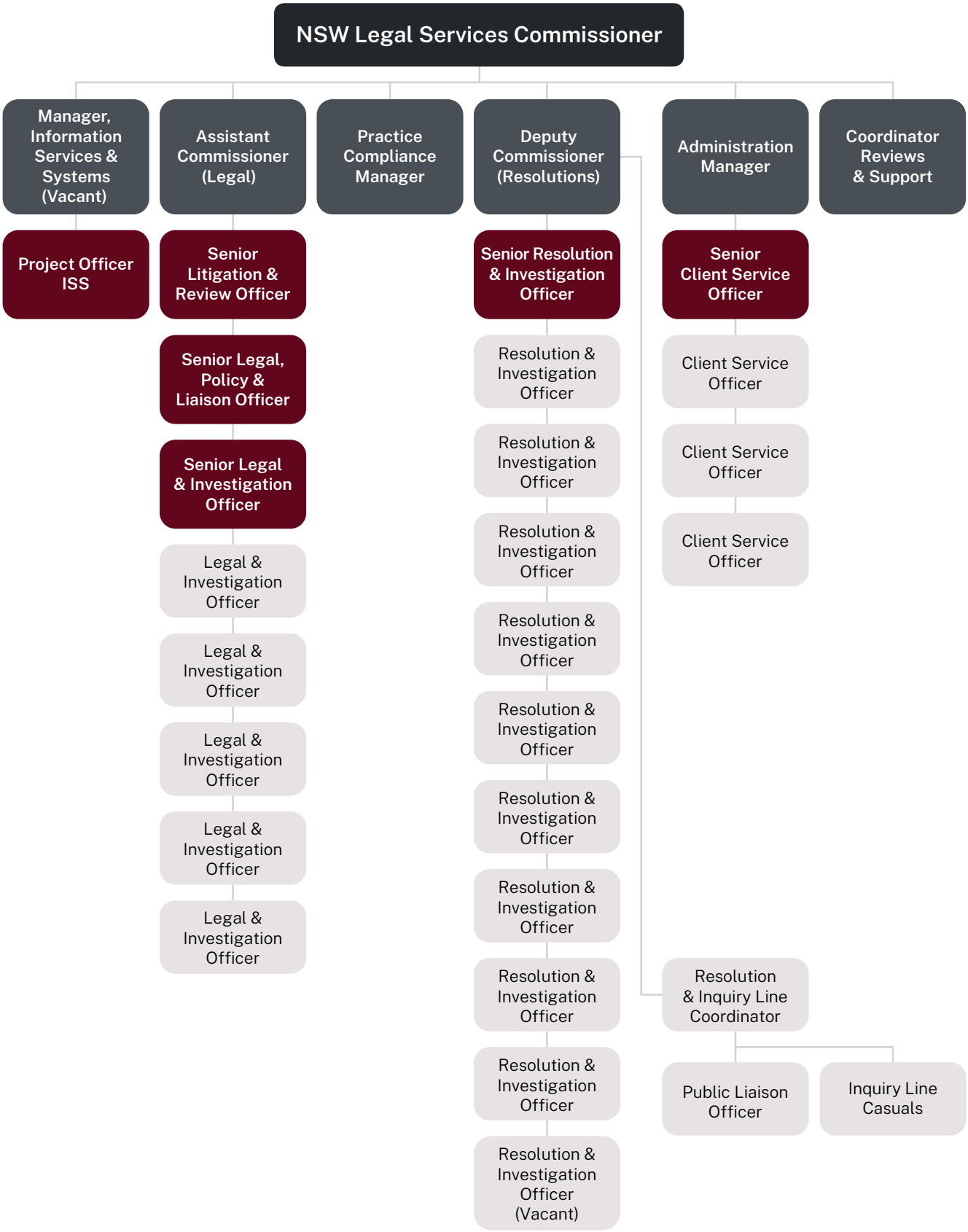


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Chapter 1

Commissioner's Report

The start of the financial year – 1 July 2024 – marked 30 years since the Office of the Legal Services Commissioner (OLSC) commenced operations. OLSC was established following a 1993 NSW Law Reform Commission report entitled 'Scrutiny of the Legal Profession: Complaints Against Lawyers'. At that time, complaints were handled exclusively by the Law Society of New South Wales and New South Wales Bar Association. The Law Reform Commission noted a vast number of complaints were dismissed, and concluded there was a profound gap between what angered clients sufficiently to go to the trouble of complaining, and what lawyers and their professional bodies regarded as serious enough to warrant disciplinary action or compensation. The Commission recommended major changes to the system, specifically that it be more consumer-oriented, that an independent statutory body be established to oversee the complaints regime and that a new category of complaints referred to as 'consumer disputes' should be created. And so, on 1 July 1994, the inaugural Legal Services Commissioner, Steve Mark, opened the doors of the fledgling OLSC.

30 years on our core business, now governed by the *Legal Profession Uniform Law (NSW)* and the *Legal Profession Uniform Law Application Act 2014*, remains largely the same – to receive all complaints about lawyers in New South Wales, resolve disputes or issues between clients and lawyers or law practices in a timely and effective manner and to investigate and, if warranted, take disciplinary action against, errant lawyers to protect the clients of law practices and the public generally. We do this with the assistance of the Council of the Law Society of New South Wales and the Council of the New South Wales Bar Association, my delegates for Uniform Law functions relating to complaints and professional discipline.

Operation of the complaints process in 2024-25

As noted last year, OLSC has seen an upward trend in the number of complaints received since 2019-20. In 2023-24 we saw an increase of 118 complaints on our 2022-23 figure. In 2024-25 the increase was even more pronounced, with 3,275 complaints received — 315 more complaints than we received in 2023-24. Nonetheless, clearance rates remained high, with 3,185 complaints completed.

OLSC retained and handled 72% of complaints, with 28% referred to the Law Society Council and Bar Council.

As in previous years, family law and elder law, capacity and succession were the specific areas of law most complained about. These complaints often arise from highly volatile and emotionally charged disputes, and complainants may be very distressed and anxious to have their complaint resolved.

Similarly, the conduct complained of remained consistent with previous years, the top issues being costs, quality of service (often both), poor communication, and acting without or not following instructions

As noted in previous annual reports, electronic lodgement of complaints (via our complaint portal or email), whilst more efficient, has enabled complainants to submit a complaint quickly, and to attach multiple, sometimes voluminous, documents at the click of a mouse. Lengthy complaints and "document dumping" continue to be a challenge.

In 2024-25, 15% of complaints were closed as withdrawn or because the complainant did not respond, or responded inadequately, to requests for further information, suggesting some complaints may be made in the heat of the moment with the complainant subsequently not willing or able to follow through with the process.

But 2024-25 also presented a new challenge — complaints we believe may have prepared/written using generative artificial intelligence.

Generative AI

OLSC has been alert to the possibility of complaints concerning the alleged (mis)use of generative artificial intelligence (gen AI) since the release of ChatGPT on 30 November 2022.

We welcome the swift guidance provided to the legal profession by the Chief Justice of New South Wales (Supreme Court Practice Note SC Gen 23, *Use of Generative Artificial Intelligence (Gen AI)*, 28 January 2025), Law Society of New South Wales (*A Solicitor's Guide to Responsible Use of Artificial Intelligence*, October 2024) and the New South Wales Bar Association (*Issues Arising from the Use of AI Language Models (including ChatGPT)in Legal Practice*, 12 July 2023).

Lawyers must be mindful to use AI responsibly not only in preparing court and other legal documents, but also in social media and blog posts, advertorial and marketing materials that may be accessible to members of the public, and relied upon as legal information if not legal advice.

Whilst there have been some well publicised referrals to legal profession regulators of lawyers who have submitted lists of authorities and written submissions containing citations to non-existent cases and other AI hallucinated content, we have yet to receive complaints from consumers of legal services about alleged misuse of gen AI by their lawyer.

We have, however, started to see complaints we suspect may have been prepared with the assistance, or even relying on, gen AI. Unfortunately, those complaints have also been found to contain fake case citations and references. One complainant quoted a section of a piece of legislation that does not exist. Another was convinced they were the subject of multiple court proceedings, despite never being served with originating process. We were unable to verify any such proceedings were on foot, and suspect the case names may have been generated by AI.

Whilst AI tools have great potential to facilitate access to justice the risks and dangers for consumers in relying on legal advice and submissions generated by AI have been commented on by Bell CJ in *May v Costaras* [2025] NSWCA 178, Gibson DCJ in *Gribble v ESSENTIAL ENERGY trading as Essential Energy* [2025] NSWDC 344 and the Fair Work Commission in *Mr Branden Deysel v Electra Lift Co.* [2025] FWC 2289 (8 August 2025).

OLSC likewise faces challenges in detecting when gen AI has been used, assessing the relevance of such content and verifying case citations and other references. There may be a change, and indeed increase, in workload if voluminous material is generated by gen AI and routinely submitted with complaints, or by respondent lawyers when responding to complaints.

Staff

OLSC was pleased, after rolling temporary assignments to the role, to appoint an ongoing Assistant Commissioner (Legal) in September 2024, and to create the position of, and appoint, a Resolution & Inquiry Line Coordinator. Our inquiry line is an important resource for potential complainants, providing valuable information about what OLSC can and can't do, and the complaints process.

This reporting year we also renamed the role of Complaints Manager to Deputy Commissioner (Resolutions), to better capture the seniority and authority of the role, as head of our large and busy consumer matter/costs disputes team, and a valued member of the senior management group. We also appointed a Senior Litigation and Review Officer in March 2025. This role involves handling complex litigation matters, investigating, analysing, and dealing with sensitive complaints as well as assessing and conducting applications for review of decisions and determinations of the Commissioner and her delegates.

I express my thanks and appreciation to all OLSC staff for their dedication, hard work and professionalism throughout the reporting year.

Chapter 2

Legal and Investigation Team

The Legal Team consists of lawyers with various practice backgrounds.

The Legal Team deals with complaints containing disciplinary matters, and mixed complaints containing both consumer matters and disciplinary matters.

Complaints containing disciplinary matters

A disciplinary matter is so much of a complaint about a lawyer or a law practice as would, if the conduct concerned were established, amount to unsatisfactory professional conduct or professional misconduct.

In practice, most complaints made by persons other than a client/third party payer, which cannot, by definition, be "consumer matters", are on receipt and pending preliminary assessment, provisionally classified as containing a disciplinary matter.

The first step in dealing with the complaint is to conduct a preliminary assessment, to identify the allegations, assess whether the conduct complained of would, if established, amount to unsatisfactory professional conduct or professional misconduct and assess whether the available material provides a factual basis for the allegations made.

The OLSC is not bound by rules of evidence and may inform itself of any matter in any manner as it thinks fit. Further information may be requested from the complainant, the lawyer or any other person who may have relevant information. However, there is no compulsive power that can be exercised during preliminary assessment.

After preliminary assessment, a complaint may be closed without further consideration of its merits, or an investigation may be commenced. The Commissioner is not required to give a complainant or a lawyer an opportunity to be heard or make a submission before determining whether or not to close a complaint.

Complaints may be closed for any of the reasons set out in section 277 of the *Legal Profession Uniform Law* (NSW) ('Uniform Law').

By way of example, complaints may be closed as misconceived or lacking in substance if the conduct is not capable of being unsatisfactory professional conduct or professional misconduct, or if the material provided in support of a complaint is insufficient to establish a proper factual basis for the complaint.

Complaints not closed after preliminary assessment may be investigated pursuant to section 282 of the Uniform Law. If, after completing an investigation, the Commissioner finds a lawyer has engaged in unsatisfactory professional conduct, the Commissioner may determine the matter by making any of the orders specified in section 299 of the Uniform Law.

Orders may include:

- Cautioning the lawyer
- Reprimanding the lawyer
- Requiring an apology from the lawyer
- Requiring the lawyer to redo the work that is the subject of the complaint at no cost or at a reduced cost
- Requiring the lawyer to undertake training, education or counselling
- Requiring the lawyer to pay a fine of up to $25,000
- Recommending the imposition of conditions on the lawyer's practising certificate

Alternatively, if the Commissioner is of the opinion that the alleged conduct may amount to professional misconduct, or unsatisfactory professional conduct that would be more appropriately dealt with by the NSW Civil & Administrative Tribunal, the Commissioner may initiate and prosecute disciplinary proceedings in the Occupational Division of the NSW Civil & Administrative Tribunal.

Complaints received

In 2024-2025, the OLSC received a total of 3,275 written complaints, an increase of 315 complaints from the previous year. Of the total written complaints received, 1,762 were classified as disciplinary matters.

The OLSC continues to notice an ongoing increase in the complexity of investigations and a sizeable increase in the amount of documentary material submitted with complaints, especially as attachments to emailed complaints.

Most complaints were received in relation to Family / De facto law matters, which saw a slight decrease (20.7% compared to 23.5% in the 2023–2024 financial year).

Complaints often arise from a misunderstanding of fact or law, including as to the role of a lawyer within the adversarial system.

Similarly, complaints about Independent Children's Lawyers (ICLs) often arise from a misunderstanding of the role of an ICL, which requires them to act in the best interests of the child or children, independent from the views of the parents or carers. This will often create a tension that may result in a professional disciplinary complaint.

The total number of complaints about wills, powers of attorney, probate and family provisions saw an increase (total 14.1% compared to 13.3% in the 2023 – 2024 financial year).

Many of these complaints are made by beneficiaries of the estate, who complain about the lawyer who is either the executor of the estate, or the lawyer that represents the executor of the estate. The issues raised are typically delay, lack of communication about estate accounts and excessive legal costs. Complaints often arise from a misunderstanding of the rights and entitlements of a residuary beneficiary. The lawyer for the estate does not act for the residuary beneficiary, and therefore a residuary beneficiary generally has a limited right to information from the lawyer.

Another common complaint with respect to wills and powers of attorney is that the person making the will or power of attorney lacked legal capacity to do so. Complainants allege that the lawyer either knew that their client lacked capacity, or did not sufficiently assess their capacity prior to taking instructions.

The most commonly made complaint, across all complaints received was negligence at around 18.5%, followed by communication (17%) and ethical matters (16.1%).

Determinations and disciplinary action

Table W6 reports on the determinations made, and disciplinary action taken, by the Commissioner in the reporting year. Apart from orders to caution, disciplinary action is published on the Register of Disciplinary Action kept by the Commissioner and accessible on the OLSC's website.

The Commissioner issued nine (9) cautions to eight (8) lawyers.

Disciplinary proceedings

Disciplinary proceedings initiated against lawyers are heard in the Occupational Division of the NSW Civil & Administrative Tribunal ('Tribunal'). There were no decisions delivered in the reporting year, in which the NSW Legal Services Commissioner was the Applicant.

Internal reviews

Decisions made by the Commissioner or her delegates (the Council of the Law Society of New South Wales and the Council of the New South Wales Bar Association) are final except that the Commissioner may, at her absolute discretion, conduct an internal review of a decision if she considers it appropriate to do so. On review, the Commissioner must consider whether the decision was dealt with appropriately and whether the decision was based on reasonable grounds, and may confirm the original decision, make a new decision or refer it back to the original decision maker.

The Commissioner did not exercise her absolute discretion to conduct an internal review during the reporting year, as most requests sought to either re-agitate issues that had been raised and addressed in dealing with the original complaint and / or provided no new evidence or persuasive reasons to justify a finding that it is appropriate to conduct an internal review; noting also the Court of Appeal's observations in both *Mendonca v Legal Services Commissioner* [2020] NSWCA 84 and *Hastwell v Legal Services Commissioner* [2021] NSWCA 20.

Reviews by NSW Civil & Administrative Tribunal

Hao Ran Shen v NSW Legal Services Commissioner

By Amended Administrative Review Application filed with the Tribunal on 8 March 2024, the lawyer, Mr Hao Ran Shen, sought administrative review of a disciplinary decision made by the then Acting Commissioner on 13 November 2023 (Decision).

The disciplinary decision determined a complaint made by a former client, alleging the lawyer when acting on his behalf in a criminal matter, failed to attend a court hearing without reasonable excuse. The former client also alleged that the lawyer failed to cease acting when instructed to do so.

Following an investigation, the Acting Commissioner found that the lawyer in failing to attend Court without a reasonable excuse, had engaged in unsatisfactory professional conduct and made an order pursuant to section 299(1)(b) of the Uniform Law reprimanding the lawyer.

The Tribunal's decision was published on 29 October 2024 and the following order was made: "*The Decision of the Acting NSW Legal Services Commissioner on 13 November 2023 is affirmed*".

Judicial review and other proceedings before the Supreme Court of New South Wales

One complainant and one lawyer have sought judicial review of decisions made by the Commissioner and the former Commissioner.

In the first matter, the complainant sought judicial review of the Commissioner's decision to close the complaint without conducting an investigation pursuant to section 277(1)(h) of the Uniform Law. The complainant also sought judicial review of the then Acting Commissioner's decision to decline to exercise her absolute discretion to conduct an internal review. Those proceedings were dismissed by consent on 16 October 2023 with costs in favour of the complainant, as reported in the last Annual Report. The complainant subsequently commenced proceedings in the Supreme Court of NSW seeking an order that the Acting Commissioner breached an agreement reached between the parties during the judicial review proceedings as well as various declarations and other orders. Those proceedings were ultimately settled.

Separately, a complainant had brought proceedings in the Supreme Court of NSW seeking damages for an alleged breach of contract and damages for 'professional negligence'. The Commissioner filed a Notice of Motion seeking orders that the proceedings be summarily dismissed or that the initiating proceedings as against the Commissioner be struck out. This Notice of Motion was heard on 23 July 2024 and judgment was delivered on 22 October 2024. The Court ordered, amongst other orders, that the proceedings be dismissed pursuant to UCPR 13.4: *Westwood v Gulliver & Ors* [2024] NSWSC 1323.

Policy development

The OLSC continued to work with New South Wales co-regulators (the Law Society of New South Wales and the New South Wales Bar Association), our Uniform Law scheme counterparts in Victoria and Western Australia, the Legal Services Council and the Commissioner for Uniform Legal Services Regulation throughout the reporting year including:

- Initiating discussion at joint CPD sessions with the Law Society and Bar Association
- Regular liaison with our counterparts in Victoria and Western Australia
- Attending regular meetings with Uniform Law policy officers
- Being part of a working group to progress proposed amendments to the Uniform Law
- Attending the annual Uniform Law Summit
- Responding to inquiries and consultation papers from the Legal Services Council and Commissioner for Uniform Legal Services Regulation as required

The Legal Team continues to provide guidance and legal advice to senior managers and staff on the interpretation and application of the Uniform Law. The Commissioner, Assistant Commissioner (Legal) and the Deputy Commissioner (Resolutions) meet regularly with the Director Legal Regulation, the Deputy Directors, and Team Leaders of the Legal Regulation Department at the Law Society of New South Wales, as well as the Director of Professional Conduct at the New South Wales Bar Association to discuss matters of common interest.

The Commissioner is also a member of the Supreme Court of New South Wales Costs Assessment Rules Committee.

CASE STUDY 1

A solicitor was cautioned in relation to his conduct at a remote interim family law hearing in November 2024 between the applicant husband and the respondent wife who was the solicitor's client

The solicitor was in attendance for the hearing at the wife's residence where the husband was also present in circumstances where the husband had been diagnosed with Alzheimer's disease and the matter before the court was an application by the husband's guardian for injunctive orders restraining the wife from contact with the husband, redirecting his pension and diminishing or dealing with his assets.

While the solicitor took 'comfort' in the husband remaining in a bedroom of the wife's residence during the hearing, he failed to take appropriate action such as seeking to have the matter adjourned / stood down. The solicitor was cautioned for this failure and for his failure to notify the guardian and/or the husband's lawyers of the husband's presence at the residence of the wife at the time of the remote hearing. A caution was considered appropriate in light of the solicitor's expressed regret for his failures, his recognition that he should have done things differently and acknowledgement of his error of judgment.

The Commissioner made a finding of unsatisfactory professional conduct and issued a caution to the solicitor pursuant to section 299(1)(a) of the Uniform Law.

CASE STUDY 2

Lawyer 1 and Lawyer 2 acted for a complainant's ex-partner in family law and property settlement proceedings

Lawyer 1: As the principal of the law practice, failed to supervise Lawyer 2 in a property transaction which used their PEXA credentials.

Lawyer 2: When completing a property transaction (in which the ownership of the matrimonial property was changed from joint tenancy to tenants in common), Lawyer 2 incorrectly represented that the law practice acted for both owners (as joint tenants) when they had only been instructed by one of the owners; their client, who was also the complainant's ex-partner.

The Commissioner made findings that Lawyer 1 and Lawyer 2 had engaged in unsatisfactory professional conduct and issued a caution to both lawyers pursuant to section 299(1)(a) of the Uniform Law.

CASE STUDY 3

A solicitor was asked to help a friend by drafting Wills for his friend's elderly parents. The solicitor knew the friend's parents socially but had not met them for a number of years at the time of being asked to draft the Wills. By this time, the elderly parents were living in aged care, and the mother had had some medical episodes

The friend sent the Will instructions to the solicitor by email. The friend was a major beneficiary of his parents' Wills. The solicitor drafted the Wills and returned them by email to the friend. At no time did the solicitor meet with either of the elderly parents to verify the instructions or to satisfy himself as to their testamentary capacity.

The Wills were executed without the solicitor being present.

The Commissioner was persuaded that the solicitor had engaged in unsatisfactory professional conduct in the following ways:

1. Not meeting with the elderly mother to take her instructions,
2. Not obtaining a medical report to satisfy himself that the elderly mother had the required testamentary capacity,
3. Not being present when the Wills were executed and therefore being unable to satisfy himself that the elderly mother was not subjected to undue influence or coercion to execute the Will or that she had the required testamentary capacity.

The Commissioner made a finding of unsatisfactory professional conduct and issued a caution to the solicitor pursuant to section 299(1)(a) of the Uniform Law.

CASE STUDY 4

The solicitor took instructions from clients, one of whom was also an employee

The Commissioner found that the solicitor had engaged in unsatisfactory professional conduct for failing to provide ongoing costs disclosure, entering into a contingency fee agreement (prohibited by section 183 of the Uniform Law) and acting in a conflict of interests where the client/employee worked on his own matter.

The Commissioner made a finding of unsatisfactory professional conduct and issued a caution to the solicitor pursuant to section 299(1)(a) of the Uniform Law.

CASE STUDY 5

The solicitor failed to pay counsel's fees for more than 3 years

Even when counsel followed up with the solicitor, the solicitor declined to pay counsel's fees for nearly two years. Counsel eventually commenced proceedings in the Local Court to recover their fees.

At first, the solicitor declined to participate in those proceedings and counsel obtained default judgment. Counsel agreed for the default judgment to be set aside so that the solicitor could file a defence.

Ultimately, judgment was awarded in counsel's favour and the solicitor paid counsel's fees in full.

The Commissioner found that the solicitor had engaged in unsatisfactory professional conduct by frustrating counsel's attempts to recover their costs.

The Commissioner made a finding of unsatisfactory professional conduct and issued a caution to the solicitor pursuant to section 299(1)(a) of the Uniform Law.

The solicitor demonstrated a concerning lack of insight into their conduct. Accordingly, the solicitor was also ordered to undertake training with the Professional Support Unit of the Law Society of NSW addressing their obligations regarding payment of counsel's fees.

CASE STUDY 6

A barrister failed to fulfill the requirements of a brief to advise in a timely way and failed to respond to the client, resulting in a finding of unsatisfactory professional conduct and an order cautioning the barrister

An experienced barrister was briefed to provide expert advice. At the time, the barrister had a high workload and had some medical issues. Instead of advising the client that the advice work would be delayed, the barrister on multiple occasions assured that the work would be completed by certain dates. After 6 months of attempting to obtain the advice, the client terminated the retainer and requested the return of the brief. The barrister failed to acknowledge or respond to the client's termination of the retainer and did not return the brief.

The barrister did not initially respond to this office and required the issuing of two statutory notices requiring a response. When these statutory notices were not responded to, the Commissioner recommended to the Bar Council that the barrister's practising certificate be suspended. The barrister then responded, acknowledged and apologised for not only for the conduct complained of, but also for not responding to the statutory notices.

The barrister provided relevant medical evidence and other circumstances that provided context to the grounds of the complaint and for the delay in responding. Importantly, the barrister's response indicated extensive and appropriate self-reflection and insight, which included an acceptance of responsibility for the entirety of the conduct. The barrister also proactively sought to apologise directly to the client for their conduct.

Chapter 3

Consumer Matters

The 2024-25 reporting year marks a decade since the introduction of the Legal Profession Uniform law (NSW) with the additional focus on consumer remedies contained in that legislation. The Resolution and Investigation Officers of the OLSC aim to uphold the objectives of the Uniform Law — particularly that clients of law practices are empowered to make informed choices about the services they access and the costs involved.

Under the legislation complaints may be characterised as containing either a consumer matter (including costs dispute) or a disciplinary matter, or both.

A **consumer matter** is so much of a complaint about a lawyer or a law practice as relates to the provision of legal services to the complainant by the lawyer or law practice and as the Commissioner determines should be resolved by the exercise of functions relating to consumer matters.

A **costs dispute** is a consumer matter involving a dispute about legal costs payable on a lawyer-client basis where the dispute is between a lawyer or law practice and a person who is charged with those legal costs or is liable to pay those legal costs (other than under a court or tribunal order for costs), whether as a client of the lawyer or law practice or as a third party payer.

The OLSC must attempt to resolve a consumer matter by informal means. The Commissioner also has power to make a determination under section 290 of the Uniform Law, if satisfied that it is fair and reasonable in all the circumstances, and/or a binding determination about costs.

Whilst formal determinations are made in some circumstances, often simply giving an indication to a lawyer that the Commissioner may give consideration to making a determination in a consumer matter or a costs determination, where grounds exist to support that, may have the effect of encouraging a lawyer to engage in attempts to informally resolve the complaint. Resolution & Investigation staff also encourage complainants to actively participate in the informal resolution process through the OLSC, noting that the service is free of charge and that a realistic proposal for resolution may lead to a speedier outcome.

Where a Resolution & Investigation Officer comes to a view that a complaint may involve a disciplinary matter, issues of potential unsatisfactory professional conduct or professional misconduct must be considered separately from consumer aspects of a complaint. The legislation does allow a mechanism for the resolution of consumer matters prior to the consideration of disciplinary aspects of a complaint.

The year under review

In the 2024-25 financial year of the total written complaints received, **1501** were assessed as consumer matters. From the consumer matters received, we assessed a total of **625** as cost dispute complaints.

For this reporting year, Family and De facto matters were again the areas of law most represented in consumer matters **(17.8%)**, followed by Other Civil matters **(13.2%)** and Conveyancing **(12.2%)**.

Breaking down the main issues in consumer matters, these were Negligence **(34.1%)**, Communication **(20.9%)**, and Delay **(8.5%)**.

In 2024-25, Family and De facto matters were once again the areas of law most represented in cost disputes **(27.5%)** followed by Other Civil matters **(13.1%)** and Criminal matters **(10.7%)**.

Outcomes

In the 2024-2025 financial year **984** Consumer matters were closed including **379** received in previous years. Of those received in the 2024-2025 year, **592** were closed, determined or resolved (a significant increase from the previous year). 13 matters were found to fall outside our jurisdiction.

Where a matter is closed, an explanation is generally provided, although in some instances matters must be closed as the complainant has failed to provide necessary information to deal with the complaint. A small number of consumer matters were closed as not able to be resolved or were outside our jurisdiction. Consumer matters that are resolved may include matters where documents have been transferred, an apology has been offered or legal work has been redone to the satisfaction of the complainant, following the involvement of the OLSC.

In the 2024-2025 financial year **650** Costs Disputes were closed, including **248** received in previous years. Of those received in the 2024-2025 year, 366 were either resolved or closed. 36 costs matters were found to fall outside our jurisdiction.

Complainants may be referred to the New South Wales Costs Assessment Scheme in circumstances where the totality of the costs involved, or the amount in dispute, may exceed the limits of the OLSC's jurisdiction. This may also be the case where the invoices in question fall outside the time periods allowed for the OLSC to deal with a costs dispute.

Resolution & Investigation Officers are also obliged to inform complainants of the right to apply for a costs assessment where attempted resolution through the OLSC has been unsuccessful. However, the costs potentially associated with such an application may not be viable in disputes about smaller amounts.

General comments

In last year's report we noted that the creation of additional establishment positions and subsequent new recruitment had meant that toward the end of the reporting year we saw the beginning of a reduction in high individual caseloads and resultingly, a decrease in the time taken to deal with complaints. In general, it is pleasing to report that this has continued. However, as against that we once again observe that the general complexity of consumer matters seems to be increasing and staff are often required to deal with matters involving significant documentation. We have also begun to encounter complaint material that has clearly been generated by artificial intelligence.

Our staff frequently deal with people for whom engagement in legal proceedings may not be something they have previously experienced and that can be challenging and confusing. Our Resolution & Investigation Officers do not give legal advice or opinion, but are often able to supply additional procedural or contextual information to complainants that had not previously been made available to them by their lawyers. Whilst the provision of additional information may not always resolve all of a complainant's concerns, it can assist their understanding of why events may have occurred and, in many instances, this may be sufficient to resolve the complaint. We can also in some instances resolve matters by bringing to a lawyer's attention a client's concern about delay or a lack of communication. Engagement in the complaint process will not necessarily lead to the termination of the relationship between a lawyer and client, although in some instances a lawyer may take receipt of a complaint as an indication of a loss of confidence and consider it would be inappropriate to continue to represent the client. It is important to note that the OLSC does not have the power to require a lawyer to continue to act for a client.

Allegations of negligence remain a significant proportion of the consumer matters that come before the OLSC. In some cases, complaints containing allegations of negligence may be able to be resolved by negotiation to the satisfaction of the parties but there are also instances where such disputes would be more properly referred to the civil Courts for determination. It is a requirement for lawyers practising in New South Wales to hold insurance in the event of a client making a claim against them alleging professional negligence.

It is disappointing that we record in the 10th year of the operation of the Uniform Law that the OLSC continues to receive complaints of instances of inadequate, misleading or non-existent disclosure of costs particularly in the family law area. The costs disclosure regime is clearly set out in the legislation. Once again, we encourage all lawyers to regularly review their cost disclosure procedures to ensure that clients are being provided with accurate and timely information about cost implications.

Where inadequate costs disclosure is identified, it is open to the Commissioner to issue a consumer matter caution pursuant to section 290(2)(a) of the Uniform Law. This can have the effect that lawyers are unable to recover their costs until they have been formally assessed and in more serious instances, such failures may also constitute unsatisfactory professional conduct or professional misconduct pursuant to section 178 of the Uniform Law.

Our staff work in a challenging environment in that they are interacting with people who are unhappy because they have a complaint or, in the case of lawyers, may be unhappy because a complaint has been made against them. Some complainants have quite unreasonable expectations of what the OLSC may be able to achieve for them and some lawyers are reluctant participants in attempts by the OLSC to resolve consumer complaints. While always conscious of access to justice issues, staff of the OLSC are not required to tolerate instances of abuse or threatening behaviour and it is pleasing that most people dealing with the OLSC do so in a respectful and courteous manner. We acknowledge that not all complainants will be satisfied with the outcome of their complaint to the OLSC but where a matter has not been able to be resolved we do attempt to provide a clear explanation as to why the OLSC may not consider that further action can be taken.

The OLSC is often privy to information about the considerable pressures that may be placed on people engaging in legal practice, particularly as the pace of communication and client expectations increase. The OLSC commends the considerable resources offered by the Law Society to lawyers who may be suffering work or life stresses.

Inquiry Line

The OLSC Inquiry Line is a telephone service that provides members of the public and, at times, the profession, with procedural information about how to make a complaint to the OLSC. It also provides general information in relation to the role of, and the powers of, the OLSC with respect to the handling and determination of complaints. Where appropriate, Inquiry Line staff can provide general information relating to common complaint scenarios and refer callers to the OLSC website or applicable OLSC Fact Sheets that may assist callers to understand common issues. Inquiry Line staff can also offer referrals to other agencies where such agencies are better placed to assist.

At times, calls may simply involve the Inquiry Line staff providing information to the caller about how to raise their concerns directly with the lawyer. In cases, however, where it is not possible or appropriate for a caller to raise a complaint directly with a lawyer, or where such methods of informal resolution have been attempted outside of the OLSC and exhausted, a caller may be provided with information about the process of submitting a formal written complaint.

In total, for the 2024-25 reporting year, 4,560 calls were recorded as received to the Inquiry Line, a decrease of 158 calls from the previous reporting year. At the conclusion of each call, survey forms were sent to callers who indicated an interest in participating in the provision of feedback. Participation in the survey assists in the maintenance and improvement of the Inquiry Line's service, and the information gathered through the survey allows the OLSC to identify and implement improvements to the service. From the 4,560 calls made to the Inquiry Line, 2,547 callers expressed interest in participating in the survey. Due to a technical issue, survey forms were required to be sent manually to those who expressed interest. As a result, from July 2024 to June 2025, 64 completed surveys (2.5%) were then sent back to the OLSC for analysis. For the next reporting year, the OLSC has introduced a new online survey form to support an increase in completed survey responses to further assist the OLSC to improve upon the Inquiry Line service.

Overall, results were overwhelmingly positive. 100% of callers agreed with the statement that the call was handled promptly and 100% agreed with the statement that the Inquiry Line staff member was professional and courteous. These are all increases from the 2022-23 reporting year. 96.90% of callers agreed with the statement that the Inquiry Line staff member clearly explained how they could assist and 93.80% of callers also agreed with the statement that the information provided was helpful. In addition to this, 90.6% of callers indicated that they would recommend the OLSC's Inquiry Line service to a friend or relative.

Assistance provided to complainants with a special need or disability in preparing their written complaints to the OLSC

The OLSC's Public Liaison Officer (PLO) assists a large number of people each year to put their complaints in writing via conducting telephone interviews.

During this reporting year, approximately 111 requests for PLO assistance were received, and 75 appointments were completed.

There are many reasons why potential complainants seek assistance from the PLO. These reasons can include, but are not limited to the potential complainant:

- Having an intellectual or physical disability
- Experiencing mental health issues
- Being illiterate or having an inability to access or use computers
- Requesting the assistance of an interpreter, which the PLO can organise, due to English not being their first language
- Experiencing social isolation and they are unable to obtain assistance via a friend or family member
- Being a survivor of domestic and family abuse or survivor of child sexual abuse within institutional care

To further assist those who may require assistance, in this reporting year the OLSC introduced a new SMS system to assist with the appointment scheduling process. This has been a positive introduction, providing a simpler and more accessible option to communicate appointment times and reminders.

There are various areas of the law in which potential complainants seek assistance from the PLO, however in this reporting year, the majority of the complaints appeared to come from the following areas of law:

- Personal injury Law
- Criminal Law
- Family Law

When the PLO provides assistance, the potential complainants are provided general information about the OLSC's complaint handling process including the preliminary assessment of complaints and the timeframes within which to make their complaints. Sometimes complainants are referred to a more appropriate government agency or non-government service to seek special assistance relevant to their needs.

CASE STUDY 1

Complaint involving allegations of negligence in a conveyancing matter

The complainant engaged the services of the lawyer in May 2017 to assist in the purchase of a residential property. The complaint arose from alleged negligent advice provided by the lawyer as to the complainant's liability to pay Surcharge Purchaser Duty as a temporary resident of Australia.

The complaint was made out of time, however, the Commissioner decided to waive the time requirement on the basis that the complainant was not made aware of the alleged negligence until recently when he received a Notice of Investigation from Revenue NSW and had been attempting to resolve the dispute with the lawyer for a significant amount of time before making a complaint to the OLSC.

The OLSC initially wrote to the complainant to advise of the option to take private legal action against the lawyer for professional negligence. The complainant asked the OLSC to request that the lawyer notify Lawcover of the potential claim as he was refusing to do so. While it is not within the power of the OLSC to compel a lawyer to notify Lawcover, after attempting informal resolution of the complaint, the complainant advised that the lawyer had ultimately agreed to advise Lawcover of the potential claim.

CASE STUDY 2

Complaint involving a costs dispute resulting in a fee reduction

After an altercation, the police placed an Apprehended Violence Order (AVO) on the complainant's partner. The complainant approached the law practice to prepare a statement to be filed in Court in an application for removal of the AVO that was to be made by the partner's lawyers.

The law practice quoted a fixed fee of $1,650 (GST inclusive) to take instructions and prepare the statement. The complainant deposited that amount in the law practice's Trust account. Work was undertaken in taking instructions and preparing the statement but due to a miscommunication a finalised statement was not provided to the complainant, or the defendant's lawyers, before the Court date.

There were attempts made directly by the parties to resolve the dispute prior to the complaint being made, with the law practice offering a discount of $550 before an invoice was issued. However, these attempts failed. Ultimately, the law practice then issued a bill for $1,826.

In the informal resolution process the law practice offered to discount the bill by $176 being the difference between the funds held in trust and the invoice. This offer was rejected by the complainant.

It became apparent that further attempts at informal resolution would be futile, and the Commissioner determined to resolve the dispute in accordance with section 292 of the Uniform Law to vary the legal costs payable. The Commissioner ordered that the invoice be reduced to $1,100 (GST) inclusive. In reaching her decision the Commissioner had regard to the amount billed in excess of the fixed fee retainer, the work that was actually performed noting that the task was not finalised prior to the relevant Court date; and the conduct of the parties.

CASE STUDY 3

Complaint involving a conveyancing matter resulting in a refund of legal fees

The complainant engaged the lawyer to act on his behalf in a purchase of a home unit. The lawyer informed the complainant that the legal fees would amount to $5,000 plus GST. The final amount charged by the lawyer amounted to $15,279.57 plus GST.

The complainant sought the assistance of the OLSC to negotiate a reduction in fees and seek an appropriate refund from the lawyer. The lawyer engaged in resolution attempts and offered to refund the complainant $10,747.46 which the complainant was happy to accept.

CASE STUDY 4 Complaint involving costs charged that exceeded the written costs estimate resulting in a binding costs determination

The complainant had engaged the lawyer to assist her with a Strata matter. The complainant was issued with a costs agreement that provided a costs estimate of approximately $3,500.00. The complainant was eventually issued with a second bill, that caused the costs that she had incurred to exceed the costs estimates by more than $1,000.00. The complaint was that the costs charged had exceeded the written estimate.

As the invoice subject to the complaint fell outside of the time limits of the Uniform Law, but within the discretionary period in which the Commissioner had the power to waive the time requirement if she considered it just and fair to do so, out of time submissions were sought from the complainant and the respondent lawyer. The time requirement for the discretionary invoice was waived by the Commissioner, and the complaint was characterised as a consumer matter including a costs dispute.

Attempts at informal resolution were unsuccessful. The Commissioner formed a preliminary view that a binding costs determination should be made to finalise the costs dispute, and invited the complainant and the lawyer to provide submissions. These were reviewed. The Commissioner was satisfied that the lawyer had not complied with their professional obligations to provide a revised costs estimate. However, the Commissioner was also satisfied that the complainant had been put on notice that the costs were increasing, yet kept providing instructions, and received the benefit of the work that was performed. Ultimately, a binding costs determination pursuant to section 292 of the Uniform Law was made to reduce the invoice from $1,200.00 to $580.00 and the complaint was finalised.

CASE STUDY 5 Complaint involving a costs dispute in a conveyancing matter resulting in a fee reduction

The complainant engaged the services of a solicitor in a purchase of an apartment in December 2024.

The complainant alleged that there was a discrepancy of $1,100 with the PEXA electronic conveyancing as it pertained to the local authority rates adjustments at settlement.

Following contact by the OLSC, the solicitor reviewed the PEXA adjustment calculations, and there appeared to be discrepancy whereby incorrect figures were entered inadvertently. The solicitor proposed to pay the complainant $1,500 as a gesture of goodwill and for any inconvenience caused.

The complainant accepted the solicitor's proposal and was satisfied with the outcome.

CASE STUDY 6 Complaint involving a driving matter resulting in a reduction in legal fees

The complainant retained the lawyer to represent him in an Application to reduce the length of his licence suspension. The lawyer took payment in advance for the Court appearance and issued a Costs Agreement. The matter was not heard on the initial Court date and was adjourned for several months.

The lawyer ceased communicating with the complainant, and as the rescheduled Court date approached, the complainant urgently requested his file so that another lawyer could represent him. Despite the failure to communicate with his client, on receipt of the client's request for his file, the lawyer treated the engagement as having been terminated and relied on a clause in his Costs Agreement to charge fees at an hourly rate, instead of the cost included in the Cost Agreement.

The Commissioner ultimately made a determination under section 292 of the *Legal Profession Uniform Law (NSW)* (Uniform Law) that the lawyer was not entitled to an hourly rate up to and including the initial Court date as this was a separate and documented milestone within the Costs Agreement. The Commissioner also determined that on ceasing to communicate with the complainant, the lawyer effectively ceased to represent the client and therefore could not recover costs he had charged after this date.

CASE STUDY 7

Complaint involving a costs dispute in a family law matter resulting in a discount of legal fees

The complainant instructed the lawyer in a family law matter involving a property settlement. The complainant alleged that the lawyer overcharged for the work that was done, as they were initially advised in the costs agreement of estimated costs of $4,400 plus GST but were ultimately invoiced for $7,475.60.

The complainant also alleged that the lawyer acted without instructions in relation to the re-drafting of a Binding Financial Agreement and passed the matter to different lawyers in the firm, causing delay. As a result of their concerns, the complainant disputed the firm's invoice for $7,475.60, of which they had already paid $3,650.

The lawyer responded to the complaint by stating that the costs agreement was a fixed fee agreement and that any out-of-scope work would be charged at their hourly rate. The lawyer denied there had been undue delay as the work was produced within five weeks of the initial instructions but conceded that progress was impacted by repeated failures by the opposing party to provide disclosure documents. The lawyer maintained that the complainant expressed no concerns following receipt of the amended Binding Financial Agreement. The lawyer also denied that the handover of the complainant's matter to other lawyers in the firm adversely impacted on its progress or resulted in any extra costs.

The OLSC assisted the parties with attempts at informally resolving the dispute. The lawyer agreed to accept payment of the sum of $2,500 in lieu of the outstanding costs, and the parties agreed to resolve the complaint on that basis.

CASE STUDY 8

Complaint involving a costs dispute and allegations of poor communication resulting in a fee reduction

The complainant engaged the lawyer to represent him in a Family Law matter. He alleged poor communication, stating that the lawyer provided little to no advice on his case and failed to respond to his requests. Additionally, the complainant cited delays in progressing his matter, which resulted in financial consequences. He argued that he should not be required to pay the outstanding invoice of $2,394.

The OLSC attempted to informally resolve the complaint by requesting a response from the lawyer, along with suggestions for its resolution. The lawyer explained that a significant amount of work had already been provided to the complainant and that a previous invoice of $4,865 had already been written off.

After the parties exchanged offers regarding the outstanding fees, the lawyer accepted the complainant's offer to settle the matter by paying $1,500 in full and final settlement of the dispute.

CASE STUDY 9

Complaint involving a costs dispute in a civil dispute resulting in a fee reduction

The complainant engaged the services of a solicitor for advice with respect to a retaining wall/fencing dispute with their neighbour in August 2024.

The law practice had provided the complainant with a fixed fee quote of $7,000. However, due to the complexity of the matter and the involvement of the parties' insurers and AFCA, more work was required than anticipated by the law practice. The law practice subsequently amended their fixed fee retainer to an hourly rate costs agreement after communicating this to their client.

The complainant agreed to the new amended costs agreement in November 2024. In February 2025, a complaint was received by the OLSC alleging that the professional fees incurred were excessive and unreasonable. Furthermore, the solicitor refused to provide the complainant with an itemised client account and to negotiate on costs.

In April 2025, after several counterproposals and assistance by the OLSC, the law practice agreed to a reduction in fees to $16,500.

Following assistance by the OLSC the complainant was happy with the outcome. The parties to the dispute were also pleased that costs assessment was not necessary in this instance.

Chapter 4

The OLSC and the Community

Throughout 2024–2025, the Commissioner and OLSC staff continued to foster strong professional relationships with key stakeholders, co-regulators, and counterparts across other jurisdictions. Engagement with co-regulators was sustained through regular meetings, forums, and conferences. Additionally, the Commissioner continued as a member of the Supreme Court Costs Assessment Rules Committee, contributing to the development and oversight of cost assessment procedures.

OLSC participated in joint Continuing Professional Development (CPD) sessions with the Legal Regulation Department of the Law Society of NSW and Professional Conduct Department of the New South Wales Bar Association.

On 26 September 2024 and 29 May 2025, the Commissioner and the Assistant Commissioner (Legal) attended the NSW Bar Association's Bar Practice Course, participating in the Ethics Hypothetical session.

The Commissioner also participated in the Legal Services Regulatory Dialogue established under the Australia-UK Free Trade Agreement, attending regular meetings of the working group on legal regulatory cooperation.

Inappropriate Personal Conduct

The Commissioner and the OLSC's Personal Conduct Team ('PCT') endeavour to provide an informal and confidential avenue to identify, discuss and report inappropriate personal conduct within the legal profession.

The main aim of the PCT is protective in order to identify unacceptable behaviour by NSW lawyers, and to assist reporters with issues relating to inappropriate personal conduct including but not limited to workplace bullying, discrimination, and sexual harassment.

Reporting remains a difficult decision for many, and data analysis indicates that underreporting continues to be a significant issue. Legal professionals, like the wider community, are reluctant to proceed with reporting, as reflected in data from the Elker online reporting platform: 57% of informal reports were abandoned during the preliminary stage, with reporters choosing not to finalise or lodge a report. This marks a 13% increase in abandoned informal reports compared to the same reporting period for last year.

There appear to be several key factors that have hindered reporting. These include concerns about jeopardising internal job promotions, career progression, and future opportunities, as well as fears of potential repercussions such as defamation claims. These concerns have been shared with the PCT by reporters who ultimately chose not to proceed with formal complaints and wish to remain anonymous.

During this reporting period, 78.26% of informal reports were received through the Elker platform, while 21.74% were submitted via the PCT email and telephone channels. There were four informal reports that converted to formal complaints.

The OLSC held a joint information session with the Australian Human Rights Commission ('AHRC') this past year for its staff. The session provided an overview of the legislation administered by the AHRC, including federal discrimination and human rights laws, as well as the AHRC's complaints process. It also highlighted the similarities between the AHRC's and OLSC's complaint handling procedures, and the types of complaints commonly received by both organisations.

The Commissioner is committed to enhancing the Elker reporting platform by collaborating with other jurisdictions, implementing continuous improvements, and streamlining questions to reduce lodgement times. The OLSC also acknowledges the barriers that individuals may face when reporting inappropriate personal conduct within the legal profession.

The OLSC strongly advocates that there is no excuse for unacceptable conduct in the legal profession. We take a supportive approach through active listening, confidential information handling and referrals to mental health support agencies and other organisations such as Beyond Blue, Lifeline Australia, the Fair Work Commission, AHRC and the Law Society of NSW's Solicitor Outreach Service (SOS) which is a confidential counselling service for NSW solicitors.

Staff Training

MS Teams remains an essential tool for staff, facilitating meetings, remote learning, and enhancing productivity. It encourages online collaboration and communication, thereby improving collegiality across all the OLSC teams when working remotely.

All OLSC legal officers attended continuing professional development (CPD) courses to meet their mandatory CPD requirements, necessary for the renewal of their practising certificates.

During 2024-2025, inhouse training was provided to all new Resolution & Investigation Officers and Legal & Investigation Officers by the Senior Legal & Investigation Officer. The training focuses on the *Legal Profession Uniform Law (NSW)* and its associated legislation, explaining how these relate to the role of the OLSC and processes of the OLSC. This helps new staff members gain a better understanding of the complaint and investigative processes.

The training also enhances their ability to focus on the relevant issues when managing and navigating the complexities involved in dealing with complaints. Newly appointed complaint handling staff are provided with continuous support from experienced officers, who offer expert guidance and share their professional insights. This collaborative approach ensures that new staff build confidence and fosters development of requisite knowledge and competencies within a challenging complaint handling environment.

Throughout the reporting year, OLSC continued its popular Lunch & Learn Seminars, providing staff the opportunity to gain knowledge, apply practical insights to enhance their daily operations, and strengthen their complaint investigation skills. Some of the Lunch & Learn Seminars during 2024-2025 were:

- Australian Human Rights Commission (AHRC) delivered an information session on the legislation followed by AHRC, Federal discrimination and human rights law. It was interesting to learn how another complaint agency operates
- Electronic Conveyancing: Sympli and PEXA Online Demonstrations - online demonstrations hosted by the Electronic Lodgement Network Operator (Sympli and PEXA), which demonstrated the end-to-end transactions from the perspective of a Vendor and Purchaser in a conveyance. Issues discussed included Client Authorisation, Verification of Identity, lodgement instructions and a brief history of the Electronic Conveyancing Workspace
- Lawcover delivered an information session on how claims are handled and how their role intersects with complaints
- NSW Supreme Court Costs Assessment Scheme gave an overview of their process for resolving and determining legal costs disputes

During 2024-2025, OLSC staff completed the Department of Communities & Justice (DCJ) mandatory compliance and regular training modules through the online Thrive Learning App to ensure that they keep up to date with their obligations in the following areas:

- Code of Ethics & Conduct for NSW Government Sector Employees
- DCJ Cyber Security Awareness Essentials 2025
- Conflicts of Interest
- Mandatory Data Breach Notification

OLSC staff also accessed some of the Department of Communities & Justice online courses via the learning platform to enhance their knowledge and skills in:

- Talking about racism at work, Understanding racism at work and Understanding Anti-Racism, a 3 part online module discussing the language of racism, how to have racial dialogues at work, advance racial literacy knowledge and to focus on what anti-racism looks like in Australian organisations
- Preventing workplace bullying and harassment for managers, workers and supervisors

The training needs of our Legal & Investigation Officers and Resolution & Investigation Officers were further addressed through CPD e-learning webinars, seminars and workshops to supplement their knowledge. Some of the knowledge area sessions attended were:

- Fundamentals of GenAI for lawyers | Law Society of NSW
- Complimentary Risk Briefings: Traps in Property, Conveyancing, and Traps in Wills and Estates | Lawcover
- CPD Privacy + Digital Age Reforms | Thomson Geer
- Wellbeing Masterclass - Cultivating Connections in the workplace presented by Mental Health Clinicians
- National CPD Legal Ethics in the Digital World | Thomson Geer
- NSW Government in Focus Webinar Series 2025 Blue Sky of AI: Current Regulatory Framework and Impending Changes (AI) | MinterEllison
- NSW Government in Focus Webinar Series 2025 - Session 2, Minimising Risk and Streamlining Compliance: Harnessing Advanced Technologies for Regulatory Responses | MinterEllison

Conferences

On 10 and 11 October 2024, members of the Legal & Investigation team and the Consumer matter team attended the Law Society of NSW Government Solicitors 2024 Annual Conference. This event provided an opportunity for attendees to engage in thought provoking sessions through a series of keynotes and panel discussions.

Some of the sessions attended were:

- The Model Litigant: How good must you be?
- Key Government Cases - A Year in Review
- The AI and Technology Deep Dive

On 28 February 2025, the Commissioner took part in a keynote panel discussion titled *Navigating Ethical Challenges: Insights from Legal Regulators* at the Law Institute of Victoria's National Costs Law Conference 2025. The Commissioner offered insights into the pressing ethical and conduct challenges currently confronting the legal profession. She also shared her perspective on disciplinary matters concerning costs and billing, shedding light on how such issues are mediated and resolved. Joining her in the discussion were her counterparts from Victoria and Western Australia.

On 15 May 2025, a member of the Legal Team viewed the Legalwise online Property Law Conference: Key Reforms, FIRB, Tax and Transactions, held earlier in the year. The conference provided valuable insights into evolving property law issues and of particular relevance to our jurisdiction in New South Wales was the session on Recent Professional Discipline Decisions Significant to Property Law which examined cases involving solicitors and conveyancers in property transactions and the evolving standards of professional conduct for lawyers.

International Conference of Legal Regulators and Conference of Regulatory Officers (ICLR + CORO) 2024, Melbourne, 16-18 October 2024

This year's conference was hosted by the Victorian Legal Services Board and Commissioner (VLSB+C) and staff from the OLSC were invited to the ICLR + CORO, the first-ever combined International Conference of Legal Regulators and Conference of [Australian] Regulatory Officers. The combined conference was extended from the usual 2 days for CORO to 3 days and included a mix of plenary sessions, break-outs and workshops to build skills and tools – all presented by a mix of local and international speakers.

The conference theme connected a wide range of issues facing legal profession regulators globally including access to justice, using research and data to inform improved practice, diversity, the rule of law, consumer-centricity and lawyer wellbeing.

The CORO Conference provides a forum for all regulators of the legal profession in Australia and New Zealand, and other interested parties, to come together to discuss the developments that have occurred in the various jurisdictions and encourages discussion for the exchange of ideas, opinions, and information about challenges that the legal profession faces in an ever-changing environment.

The Commissioner asked for expressions of interest from staff to attend CORO and three case officers attended the conference along with senior management.

Case officers who attended CORO said:

> *'In 2024, CORO was combined with the ICLR, which meant that a number of international guests and speakers were in attendance.*
>
> *This dynamic provided unique and interesting perspectives about the common challenges felt by regulators from around the world.*
>
> *Some of those challenges reflect the changing world; for example, with respect to AI, whilst others relate to more traditional issues faced by regulators and the profession.'*

And on a lighter note:

'Evening reception held on Wednesday, 16 October 2024 at Alto (on the Langham rooftop)

Being a conference with international regulators in attendance, organisers arranged a display of native Australian animals with their handlers at the reception. These included a koala, wombat, joey, echidna and a gorgeous silver snake.

Also on the theme of Australian culture, a didgeridoo player from the Northern Territory dazzled attendees, first with the beauty of his didgeridoos (one of a size larger and more decorated than usually seen). A highlight of this performance was the player's rendition of the sound of a kookaburra, and yes, it sounded authentic.

No doubt our international visitors were delighted by this interlude in the conference.'

Meetings/Forums

On 27 November 2024, the Commissioner joined a panel of legal ethics experts from across the legal community hosted by CLCNSW, exploring legal ethics in the community legal sector.

On 28 November 2024, the Commissioner attended the Uniform Law Summit (UL Summit) in Sydney hosted by the Legal Services Council/Commissioner for Uniform Legal Services Regulation. The UL Summit was attended by her counterparts at the Law Society of NSW, NSW Bar Association, Victorian Legal Services Board + Commissioner and Legal Practice Board of Western Australia.

On 12 May 2025, the Commissioner participated in the Centre for Legal Innovation's College of Law Roundtable on the Impact of Generative AI in Legal Practice, held for legal profession regulators. The discussion covered a broad range of issues facing legal regulators, including their understanding of how AI technologies are being applied within legal practice environments. Some of the topics discussed were:

- How are legal profession regulators staying informed on the rapid evolution of generative AI in legal practice
- What best supports innovation in relation to the regulatory approach to ensure consumer protection and legal professional ethics/accountability
- How do legal profession regulators anticipate what their regulatory priorities, responsibilities and competencies are to effectively respond to AI driven transformation in the legal practice

On 20 May 2025, the Commissioner met with the Fijian Independent Legal Services Commissioner, who expressed a keen interest in understanding the functions and role of the OLSC. Accompanying the Fijian Commissioner, the Court Officer also engaged with our Senior Legal & Investigation Officer, where differences and similarities in the respective professional disciplinary jurisdictions were discussed, specifically in relation to administrative, investigative and judicial processes.

Chapter 5

Information Services and Systems

Throughout 2024–2025, OLSC maintained its commitment to promoting a high-performing workplace by consistently reviewing staff needs and refining internal processes. A key area of review within Information Services and Systems was the Microsoft Dynamics Case Management System (CMS).

OLSC CMS Uplift Project

The OLSC CMS Uplift Project is a strategic, ongoing initiative aimed at significantly enhancing the systems and processes that support complaints management. During 2024-2025, the CMS uplift project team conducted a comprehensive analysis of current CMS functionality to identify key challenges encountered during case handling. This review resulted in the development of an extensive issues register, designed to allow for targeted improvements and guide future enhancements.

The overarching goal of the CMS Uplift Project is to deliver a more robust and user-friendly solution that meets the evolving needs of the OLSC

Key priorities include:

- **Streamlining document management** to support case officers with more efficient and chronological handling of case materials
- **Improving user experience** by addressing common pain points and simplifying core workflows
- **Increasing operational efficiency** by reducing reliance on manual workarounds
- **Ensuring compliance with cybersecurity standards** for secure file transmission with external stakeholders

These enhancements are expected to deliver meaningful benefits to staff and stakeholders, reinforcing the OLSC's commitment to continuous improvement and service excellence.

Windows 11 for OLSC users

With support for Windows 10 nearing its end, all DCJ corporate devices — including desktops and laptops — will transition to the Windows 11 operating system, delivering a faster, more secure, and modern work environment for staff. A test rollout of Windows 11 commenced in June 2025. The test rollout was successfully completed in July 2025, which confirmed minimal disruption to users and no adverse impact on either standard or non-standard software used within the office.

This successful pilot has laid the foundation for full implementation across the OLSC in the early stages of the 2025–2026 financial year, ensuring a smooth and efficient transition aligned with broader DCJ digital infrastructure upgrades.

Website

As reported in 2023-2024, ongoing efforts have continued for enhancements to be made to the online Complaint and the Register of Disciplinary Action portals to ensure their functionality and design are aligned with the OLSC's website. OLSC staff are collaborating closely with the Department's IDS team, supported by external consultants, to advance the implementation of these enhancements to the CMS web portals that host these systems. These upgrades are designed not only to reflect the OLSC's brand identity through a consistent look and feel, but — most importantly — to provide users with a seamless and intuitive experience when navigating between platforms.

Chapter 6

Statistics

Inquiry Line

In 2024-2025 financial year 4,560 calls were made to the OLSC Inquiry Line, a decrease of 158 from the previous year.

P1 Legal matters raised in calls

	2024-2025	2023-2024	2022-2023
Other Civil	17.7	12.1	9.4
Family/ Defacto	15.1	16.5	14.4
OLSC General Query*	12.5	19.4	31.9
Wills/ Power of Attorney	8.2	9.0	9.0
Probate/ Family Provisions	7.0	4.8	4.6
Criminal	5.4	4.7	5.0
Other	5.3	4.4	3.8
Conveyancing	5.1	5.6	4.6
General Law/ Legal Profession Query	3.9	7.9	1.7
Workers Compensation	3.5	2.7	2.3
Personal Injuries	3.3	2.3	3.4
Commercial/ Corporations	2.5	2.8	2.2
Leases/ Mortgages/ Franchises	1.9	1.1	1.3
Building Law	1.7	1.2	1.0
Victim's Compensation	1.6	1.1	1.1
Immigration	1.4	1.1	1.0
Professional Negligence	1.1	0.8	0.8
Employment Law	0.9	1.1	1.0
Strata Bodies/ Corporates	0.9	0.6	0.9
Land and Environment	0.7	0.7	0.8
Insolvency	0.2	0.1	0.0

* *OLSC General Query: includes Complaint enquiries, General enquiries, OLSC Website, Statistics & Publications*

P2 Nature of phone enquiry

	2024-2025	2023-2024	2022-2023
Communication	19.8	24.8	21.6
Negligence	15.2	11.7	11.4
Ethical matters	13.4	10.3	8.8
General Cost complaint/ query	9.1	7.6	10.6
Overcharging	8.4	12.0	11.1
Delay	7.8	5.8	6.3
OLSC Process*	5.8	5.6	9.6
Instructions not followed	4.1	5.1	4.6
Costs disclosure	3.3	3.4	3.1
Conflict of interests	2.5	2.6	2.2
Misleading conduct	2.2	3.4	3.0
Document transfer/ liens	1.3	1.2	1.7
Trust fund matters	1.3	1.8	1.2
Fraud (not trust fund)	1.3	0.8	0.6
Document handling	1.1	0.8	0.7
Compliance matters	1.1	1.8	2.1
Failure to honour undertakings	0.9	0.4	0.6
Pressure to settle	0.8	0.7	0.8
Capacity	0.4	0.3	0.1
Advertising	0.0	0.0	0.0
Supervision	0.0	0.0	0.0

P3 Lawyers mentioned on inquiry line

	2024-2025	2023-2024	2022-2023
Solicitor	92.8	93.8	93.0
Other*	5.2	3.9	5.0
Barrister	2.0	2.2	2.1

* *Other: includes Licensed Conveyancer, Judge/ Magistrate, Executor, Interstate Lawyer, Paralegal/ Clerk & Support staff*

P4 Source of calls to the OLSC inquiry line

	2024-2025	2023-2024	2022-2023
Client	64.5	67.7	63.4
Opposing client	7.7	9.0	8.8
Other*	7.3	5.3	6.5
Friend/ relative	7.0	5.2	6.4
Beneficiary/ executor/ administrator	5.6	4.9	6.1
Previous client	3.5	2.9	3.0
Solicitor on another's behalf	1.6	1.3	1.7
Solicitor on own behalf	1.4	1.8	2.4
Non-legal service provider	1.1	1.4	1.4
Barrister on own behalf	0.2	0.2	0.2
Barrister on another's behalf	0.1	0.1	0.1

* *Other: includes Unrepresented Client, Government Agency, Witnesses, Judges, Quasi-judicial officers & non-identified source of calls*

P5 Outcomes of calls to the inquiry line

	2024-2025	2023-2024	2022-2023
Provided complaint form	63.6	38.6	43.4
Caller indicated intention to send in complaint	8.4	7.9	12.6
Listened to caller's concerns	7.3	3.6	6.4
Referred to OLSC website	4.1	31.0	15.1
Other results	4.1	3.9	6.8
Provided referral for legal advice or other assistance	3.9	3.7	3.2
Provided information about the legal system	2.2	5.4	4.5
Scheduled interview for caller	2.0	1.4	1.5
Explained that concerns are outside jurisdiction of OLSC	1.8	2.0	3.1
Recommended direct approach to lawyer about concerns	1.2	1.9	3.1
Referred to other agencies	1.0	0.4	0.4
Provided referral to Costs Assessment	0.3	0.2	0.5

Written Complaints

Please note the *Legal Profession Uniform Law (NSW)* applies to complaints made on or after 1 July 2015. This Office also continues to deal with complaints made under the *Legal Profession Act 2004*.

In 2024-2025 the OLSC **received** a total of 3,275 written complaints, an increase of 315 from the previous year. Of the total written complaints received, 1,501 were assessed as consumer matters, 1,762 as disciplinary matters and 3 as mixed matters. On receipt 4 complaints could not be classified as a consumer matter or disciplinary matter. Of those complaints assessed as within jurisdiction, 71.8% of those written complaints received were retained and handled by the OLSC. The remaining 28.2% were referred to the professional associations for handling.

The OLSC registered the **completion** of 3,185 written complaints, an increase of 243 from the previous year. Of the total written complaints completed, 300 complaints were resolved following informal resolution, 56 complaints were determined by OLSC/ Council and 2,653 complaints were closed. 176 complaints were closed on the basis OLSC had no power to deal with them and/ or were sent directly to NSW Police or regulators outside NSW. Of those complaints assessed as within jurisdiction, 77.5% of written complaints were completed by the OLSC. The professional associations completed the remaining 22.5%.

W1 Legal matters giving rise to complaints received in 2024-2025

	Agency Handling Complaint				
	OLSC	**Council**	**2024-2025***	**2023-2024**	**2022-2023**
Other Civil	12.0	9.2	21.1	20.6	21.6
Family/ Defacto	16.4	4.3	20.7	23.5	22.3
Criminal	7.4	2.0	9.4	8.9	8.6
Probate/ Family Provisions	7.1	1.9	9.0	8.3	8.9
Commercial/ Corporations	3.1	2.9	6.0	6.1	6.5
Personal Injuries	4.8	1.1	5.9	4.8	5.9
Conveyancing	5.0	0.9	5.9	6.8	6.4
Wills/ Power of Attorney	3.8	1.2	5.1	5.0	3.4
Employment Law	2.3	1.4	3.7	4.0	3.7
Workers Compensation	3.2	0.3	3.5	2.3	3.0
Leases/ Mortgages/ Franchises	1.3	0.6	1.9	1.9	1.7
Strata bodies/ Corporates	1.3	0.5	1.9	1.9	1.9
Building Law	1.1	0.5	1.6	2.2	1.8
Immigration	1.0	0.4	1.4	1.0	1.9
Professional Negligence	0.6	0.2	0.9	0.4	0.6
Land and Environment	0.6	0.2	0.8	0.6	0.7
Insolvency	0.2	0.4	0.6	0.8	0.5
Victim's Compensation	0.6	-	0.6	0.7	0.7
Total %	**71.8**	**28.0**			

* *Percentages have been rounded to one decimal place resulting in the total possibly being plus or minus 0.1%.*

W2 Nature of complaints received in 2024-2025

Agency Handling Complaint					
	OLSC	**Council**	**2024-2025***	**2023-2024**	**2022-2023**
Negligence	16.5	2.0	18.5	19.0	20.4
Communication	13.2	3.9	17.0	16.8	17.9
Ethical Matters	8.8	7.3	16.1	12.4	8.0
Overcharging	10.2	0.4	10.5	13.1	13.1
Misleading Conduct	3.8	4.5	8.3	9.4	10.1
Delay	4.8	1.0	5.8	5.6	6.0
General Cost Complaint/ Query	4.4	1.1	5.5	5.2	4.2
Instructions Not Followed	2.8	0.6	3.4	4.6	4.9
Conflict of Interest	1.7	1.7	3.4	2.8	2.8
Cost Disclosure	2.2	0.1	2.3	2.4	3.2
Compliance Matters	1.0	1.2	2.2	2.2	2.0
Trust Fund	0.8	1.3	2.1	1.5	2.2
Document Transfer/ Liens	1.5	0.2	1.6	1.4	1.6
Capacity	0.4	0.2	0.7	0.8	0.7
Document Handling	0.5	0.1	0.7	0.8	0.5
Fraud (Not Trust Fund)	0.1	0.5	0.6	1.1	1.2
Pressure to Settle	0.5	0.1	0.6	0.6	0.8
Undertakings	0.2	0.2	0.4	0.2	0.1
Advertising	0.0	0.1	0.1	0.1	0.2
Supervision	0.0	0.1	0.1	0.1	0.2
Total %	**73.4**	**26.6**			

* *Please note numbers for the following are collected from analysis of the complaints received (up to 5 options per complaint) so do not tally with overall total numbers received.*

W3 Type and source of complaints received in 2024-2025

	Number of complaints						
	Solicitor*	**Barrister**	**Other****	**TOTAL**	**2024-2025**	**2023-2024**	**2022-2023**
Client	1404	69	9	1482	45.3	46.4	46.6
Opposing client	830	53	5	888	27.1	26.5	24.4
Previous client	191	5	1	197	6.0	5.7	6.5
Other ***	179	11	7	197	6.0	5.3	4.0
Beneficiary/ Executor/ Administrator	159	2	-	161	4.9	3.9	5.3
Solicitor on another's behalf	74	1	-	75	2.3	2.0	2.7
Solicitor on own behalf	70	1	-	71	2.2	2.8	2.5
Client's friend / relative	62	4	1	67	2.0	2.7	2.8
Non-legal service provider	39	3	-	42	1.3	1.3	1.9
Unrepresented client	37	2	-	39	1.2	1.6	1.2
Barrister on own behalf	18	2	-	20	0.6	0.9	1.3
Barrister on another's behalf	7	7	-	14	0.4	0.3	0.2
Commissioner	8	-	1	9	0.3	0.2	0.1
Law Society	8	-	-	8	0.2	0.2	0.2
Bar Association	-	5	-	5	0.2	0.2	0.2
Cost Assessor	-	-	-	0	0.0	0.0	0.1
TOTAL	**3086**	**165**	**24**	**3275**			

* *Includes former solicitors and law practices.*
** *Includes licensed conveyancers, magistrate and interstate lawyers.*
*** *Includes government agencies, witnesses and judge/ quasi-judicial officer.*

W4 Age of complaints remaining open or suspended on 30 June 2025 and being handled by the OLSC

Year opened	Open at 30 June 2025	Open at 30 June 2024	Open at 30 June 2023
2024-2025	759		
2023-2024	98	858	
2022-2023	43	131	900
2021-2022	8	35	120
2020-2021	5	14	41
2019-2020	3	7	18
2018-2019	2	2	4
2017-2018	0	0	1
2016-2017	0	0	2
2015-2016	0	0	1
2014-2015	0	0	0
2013-2014	0	0	0
2012-2013	0	2	2
1994-2012	0	0	0
TOTAL	**918**	**1049**	**1089**

* *Variations may be noted due to files being reopened. Data has been checked, verified and is accounted for.*

W5 Average time taken to finalise a complaint handled by the OLSC in 2024-2025

	Days*
Average time to complete complaints received and completed/ resolved in 2024-2025	95.0
Average time to complete complaints received in any year but completed/ resolved in 2024-2025	290.8
Average time taken to dismiss complaints received in 2024-2025	63.1
Average time to dismiss complaints received in any year but dismissed in 2024-2025	338.1

* *Averages rounded to 1 decimal point.*

W6 All Complaints finalised in 2024-2025

All OLSC Complaints Resolved

	Solicitor*	Barrister	Other**	TOTAL
Complaints resolved informal resolution	295	5	0	300
Subtotal resolved at the OLSC	**295**	**5**	**0**	**300**
All OLSC Complaints Closed				
Determination: Caution & Apology	8	1	0	9
Consumer matter Determination	9	0	0	9
Compensation order	1	0	0	1
NCAT disciplinary proceedings	1	0	2	3
Subtotal determined by OLSC	**19**	**1**	**2**	**22**
Withdrawal of a complaint at OLSC	194	7	2	203
Misconceived/Lacking in substance	605	28	1	634
Time requirement not waived	104	1	0	105
Complainant No/Inadequate response to request info	200	5	0	205
Duplicate complaint	48	3	0	51
Closed Civil proceedings on foot	20	0	0	20
Closed No further investigation except CM	128	1	0	129
Closed in Public interest	79	6	1	86
Closed because pre-requisite to resolution action not satisfied	2	0	0	2
Not Resolved after informal resolution	553	19	0	572
Appeal closed by OLSC	2	0	2	4
Subtotal closed by OLSC	**1935**	**70**	**6**	**2011**
Total OLSC Complaints Completed	**2249**	**76**	**8**	**2333**
All Non Jurisdictional Complaints				
Closed No power to investigate	73	1	6	80
Refer to NSW Police or other	82	8	6	96
Total Non Jurisdictional Complaints	**155**	**9**	**12**	**176**
All Council Complaints Closed				
Disciplinary action: Reprimand/ Fine	10	7	0	17
Determination: Caution & Apology	1	6	0	7
NCAT disciplinary proceedings	9	1	0	10
Subtotal determined by Council	**20**	**14**	**0**	**34**

	Solicitor*	Barrister	Other**	TOTAL
Withdrawal of a complaint at Council	46	5	1	52
Misconceived/Lacking in substance	34	16	1	51
Time requirement not waived	14	9	0	23
Complainant No/Inadequate response to request info	27	1	3	31
Duplicate complaint	15	0	0	15
Closed No further investigation except CM	389	49	3	441
Closed in Public interest	24	2	2	28
Not Resolved after informal resolution	0	1	0	1
Subtotal closed by Council	**549**	**83**	**10**	**642**
Total Council Complaints Completed	**569**	**97**	**10**	**676**
Total finalised by OLSC	**2249**	**76**	**8**	**2333**
Total Non Jurisdictional Complaints	**155**	**9**	**12**	**176**
Total finalised by Council	**569**	**97**	**10**	**676**
TOTAL	**2973**	**182**	**30**	**3185**

* *Includes former solicitors and law practices.*
** *Includes licensed conveyancers, magistrate and interstate lawyers.*

W7 Duration of file handling at the OLSC

Time taken for complaints received in all years and finalised in 2024-2025

Percentage of files closed within following periods*			
	2024-2025	**2023-2024**	**2022-2023**
0-30 days	24.9	20.3	22.9
1-3 months	22.9	23.2	19.8
3-6 months	24.3	22.5	23.3
6-9 months	11.5	12.4	14.9
9-12 months	6.6	9.4	8.4
Over 12 months	9.7	12.1	10.7

* *Percentages have been rounded to one decimal place resulting in the total possibly being plus or minus 0.1%.*

R2 Reviews in progress and finalised in 2024-2025 - received all years

	Solicitor	Barrister	Others	Total	Percentage
Reviews in progress					
Internal review application under LPUL	155	14	0	169	45.2
Total remaining open	**155**	**14**	**0**	**169**	**45.2**
Reviews completed					
Discretion declined for review under LPUL	178	27	0	205	54.8
Total completed	**178**	**27**	**0**	**205**	**54.8**
Total handled	**333**	**41**	**0**	**374**	**100**

NSW Civil and Administrative Tribunal

For matters filed and disposed of by NCAT in 2024-2025 refer to NCAT's annual report.

Chapter 7

Financial Performance for 2024-2025

The OLSC operates within the organisational framework of the NSW Department of Communities and Justice. Unlike Departmental agencies funded by State Treasury, the OLSC receives operational funding from the Public Purpose Fund.

During the 2024-2025 financial year, the OLSC recorded lower than forecast expenditure across both its Employee Related Expenses (ERE) and Other Operating Expenses (OOE) budgets.

The ERE underspend was primarily due to delays in establishing new funded positions. While priority was given to filling vacancies promptly, the process of creating new roles involves several administrative steps, including drafting position descriptions, obtaining approval from the Secretary, configuring roles within the Department of Communities and Justice (DCJ) HR system (My Work Zone), and conducting open merit recruitment. These steps resulted in new positions only becoming ready for advertisement late in the financial year. The positive end-of-year variance in ERE reflects the impact of these timing delays.

OOE expenditure also remained below forecast, continuing a trend observed in recent years. This was largely driven by the sustained benefits of a paperless office environment, which contributed to reduced costs in areas such as printing and stationery. As a result, many general ledger accounts recorded significant positive variances. Further detail on these variances is provided in the accompanying notes to the financial statements.

Human Resources

During 2024-2025 the Commissioner carried out a review of the OLSC Approved Establishment with a view to removing obsolete roles and creating needed positions. As a result of the review, four vacant roles were classified obsolete and were subsequently delimited and permanently removed. The removed roles, three of which were fully funded, were:

- Legal and Investigation Officer (Legal Officer Grade 3) – funded
- Litigation Officer / Advocate (Legal Officer Grade 4) – funded
- Records Management Officer (Clerk Grade 3/4) – funded
- Research & Project Coordinator (Clerk 9/10) – unfunded

During the course of the financial year, the OLSC sought approval from the Secretary to create four new, much needed roles on the Establishment, utilising some of the funding freed by delimiting the obsolete positions.

Two of the new roles created, 'Resolution and Inquiry Line Coordinator' (Clerk 7/8) and 'Senior Litigation and Review Officer' (Legal Officer Grade 6) were filled via open merit recruitment during the course of the year.

An additional role, Senior Legal, Policy and Liaison Officer (LO5), was added to the Establishment in June 2025 and will be filled via open merit recruitment early in the 2025-2026 financial year.

September 2024 saw the appointment of an occupant to the senior OLSC position of Assistant Commissioner (Legal). This important role manages and leads the OLSC Legal and Investigation team and provides high level legal advice and support to the Commissioner.

The year also saw the appointment to ongoing roles of two temporary staff members who had previously sat successfully for interview at their respective grades.

2024-2025 witnessed staff movement in relation to maternity leave entitlements, with one staff member commencing maternity leave for a period of 6 months, while another staff member returned to duty after a 12-month maternity leave absence.

At the close of the financial year, the OLSC Establishment sits at 33 ongoing, full time administrative and professional staff, and one full time equivalent position for rostered casual employees working on the OLSC Inquiry Line.

Financial Statement 2024-2025

	Budget	Actual	Variance	Notes
	$	$	$	
Public Purpose Fund Recoupments (Budget)	(6,641,972)	(6,137,360)	(504,612)	
TOTAL REVENUE	**(6,641,972)**	**(6,137,360)**	**(504,612)**	
EMPLOYEE RELATED PAYMENTS	**5,062,339**	**4,364,134**	**698,205**	**1**
Software Support	167,710	71,001	96,709	**2**
Makegood expense	-	(6,173)	6,173	
IT Supplies	4,000	-	4,000	
Insurance Public Liability	1,700	1,703	(3)	
Insurance Property	1,600	1,604	(4)	
Legal Fees	331,236	59,906	271,330	**3**
Professional Service Fees	-	5,499	(5,499)	
Fees - Miscellaneous	40,000	25,812	14,188	
Fees - Administrative	7,428	13,640	(6,212)	
Interpreters	7,500	4,822	2,678	
Cleaning	50,000	27,186	22,813	
Car Parking	14,000	13,788	213	
Entertainment - No FBT	800	-	800	
Medical Fees & Supplies	2,060	45	2,015	
General Expenses	14,159	382	13,777	
Postage	22,000	14,296	7,704	
Courier	150	31	119	
Printing	15,000	3,367	11,633	**4**
Property Rental	717,127	557,952	159,175	**5**
Books & Publications	10,000	3,777	6,223	
Staff Amenities	1,100	716	384	
Stationery,Consumables	6,000	1,377	4,623	
Minor P&E Non Capital	-	326	(326)	
Telephone	62,044	34,989	27,055	**6**
Travel Domestic	18,178	9,037	9,140	
Rates	36,126	14,941	21,186	
Electricity	12,000	3,711	8,289	
Recruitment	500	1,591	(1,091)	
Training	20,000	2,794	17,206	
Professional Membership Fees	25,000	16,748	8,252	
Conference Expenses	22,000	15,455	6,545	
OTHER OPERATING EXPENSES	**1,609,416**	**900,324**	**709,092**	
FINANCE COSTS	**4,792**	**-**	**4,792**	
DEPRECIATION & AMORTISATION	**-**	**475**	**(475)**	
TOTAL EXPENSES	**6,676,546**	**5,264,933**	**1,411,614**	
Net Cost of Services	**34,574**	**(872,427)**	**907,002**	

Notes supporting the 2024-2025 Financial Statement

Employee Related Expenses

1. **Employee Related Payments:** This expenditure item includes expense accounts covering monthly provision of *Salaries and Wages* for both ongoing and casual staff members, *Payroll Tax*, *Leave Entitlements, Superannuation, Workers Compensation and Crown Liabilities*.

   The ERE budget of $5,062,339 approved for 2024-2025 contained funding forecast for the salaries and on-costs of additional roles to be added to the OLSC establishment during the course of the financial year. The unavoidable length of time required to create and fill each new role resulted in salary funding underutilised at the close of the financial year, and a positive variance for ERE of $698,205. All envisaged new roles have now been created and added to the OLSC Establishment, with recruitment to fill the final role vacancies expected to conclude early in FY26.

   The OLSC will closely monitor ERE expenditure during 2025-2026 with the expectation that performance of this budget item closely aligns with full year forecasting.

Other Operating Expenses

2. **Software Support:** The OLSC's *Software Support* budget provides for payment of maintenance and support costs associated with the OLSC Complaints Management System (CMS), including application hosting, Dynamics 365 licence fees for users, security certificates, and storage. During October 2024 the Commissioner authorised the decommissioning of the Legal Practice Management and Audit System (LPMAS), formerly an integral part of the OLSC suite of case management applications. LPMAS had been superseded by CMS upon its rollout to staff in late 2020, and its use as a backup repository of legacy data was finally deemed excess to requirements. The decommissioning of LPMAS brought with it the cessation of related maintenance and support costs, resulting in significant savings to our FY25 *Software Support* budget.

3. **Legal Fees:** The OLSC's *Legal Fees* budget maintains funds for various types of legal expenditure, primarily litigation costs incurred in bringing matters before the NSW Civil and Administrative Tribunal (NCAT) and the Courts. The *Legal Fees* budget also meets the cost of defending the OLSC against legal action brought by lawyers and complainants challenging the Commissioner's decisions. Due to the inherently unpredictable nature of litigation frequency within any given financial year, the accurate forecasting of court-related legal expenditure remains impracticable. Consequently, the OLSC adopts a budgeting approach that aligns with the highest historical expenditure year as a prudent benchmark.

   In the 2024–2025 financial year, actual legal fee outlays were moderate, and the year-end variance analysis confirms that the allocated budget for this category was not at risk of being exceeded. This outcome underscores the adequacy of the current budgetary provision, even in the absence of significant litigation activity.

4. **Printing:** The adoption by the OLSC of its electronic Case Management System (CMS), and the increasing use of email rather than physical correspondence has significantly reduced the need for printing. Many formerly essential stationery items printed for the OLSC are no longer required. The only significant printing still commissioned by the OLSC is a small number of physical copies of its annual report. As a result of the decrease in printing requirements, the OLSC *Printing* budget was reduced from $25,787 to $15,000 during previous budget preparations.

   The current end of year variance of $11,633 indicates there is still an excess of funding for this budget item. The OLSC will closely monitor and assess all printing requirements and expenditure during FY26. If full year printing actuals maintain the same low level of expenditure, the *Printing* forecast will be further reduced during FY27 budget preparations.

5. **Property Rental:** The OLSC incurs a monthly rental expense for leased office space in the Sydney CBD. Expenses relating to the lease of our office space include rent, cleaning, building management fees, and the leasing of a parking space at our CBD location.

   A new two-year lease agreement commenced in January 2025. At the time of FY25 budget forecasting, full details of the new lease arrangement were not yet available. As a result, the forecast did not account for a rental incentive of $361,376 which is being applied evenly across the whole term of the lease. The impact of the applied incentive has led to actual expenditure being lower than forecast, resulting in a positive end-of-year variance of $159,175 in the *Property Rental* budget.

6. **Telephone:** The OLSC's *Telephone* budget includes provision for monthly telephone rental expenses and metered call costs in addition to data service charges in connection with the fibre communications network. The OLSC *Telephone* budget for 2024-2025 shows a favourable variance of $27,055. This variance is due to stabilisation of telephone related costs imposed by IDS in comparison to the previous financial year, upon which FY25 budget forecasting was based. It is expected that telephone expenses will remain stable during FY26, allowing for a reduction of our budget application for this item during the subsequent fiscal year.

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