

16 August 2011

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## Press release

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### **Legal Ombudsman takes solicitors to court**

A firm of solicitors has finally complied with a Legal Ombudsman decision - but only when faced with court action.

The enforcement case was one of two brought for the first time by the Ombudsman under the Legal Services Act 2007.

It was only after the action was launched that the firm paid out £2,650 compensation to a client, as the Ombudsman had ordered, plus interest. The client had complained after the firm paid money to a third party without authorisation.

A district judge sitting at Birmingham County Court yesterday (Monday 15 August) ordered the firm to pay the Ombudsman's costs of bringing the case of £1,215.

A second case at the same court was adjourned to allow a different firm to comply with an Ombudsman's decision.

In that case the firm had mismanaged work for a property owner and the Ombudsman had ordered them to pay their client £5,704 compensation. When the firm failed to comply, the Ombudsman issued proceedings for the court's permission to enforce the decision as if it were a court judgement.

The firm initially tried to argue that the decision was defective but, when the Ombudsman produced the relevant legal materials, at the eleventh hour agreed to settle the matter and pay the Ombudsman's costs of £1,000. The hearing was adjourned for 28 days for this to be done.

Adam Sampson, the Chief Legal Ombudsman, said: "These are the first such enforcement proceedings we've brought under the Legal Services Act 2007. It's regrettable that we had to take these steps, and that the firms didn't act more promptly to bring matters to a close for the complainants.

"The cases are a reminder that Ombudsman decisions, once accepted by complainants, are binding. Lawyers need to remember that our

decisions are enforceable through the courts and that failure to comply promptly can mean an unnecessary expense.

“Those who don’t comply are likely to have to pay costs ordered by the courts, and risk being referred by us on conduct grounds to their regulatory body.”

Ends

### Notes for editors

1. The Legal Ombudsman service was established in October 2010. Its remit is to make sure legal complaints are “resolved quickly and with minimum formality by an independent person” (Legal Services Act). It deals with complaints about a broad cross-section of legal professionals, including barristers, law costs draftsmen, legal executives, licensed conveyancers, notaries, patent attorneys, probate practitioners, registered European lawyers, solicitors and trademark attorneys
2. The Legal Ombudsman is a free service for consumers. It is funded by a levy on the legal profession, but with Government controls to ensure it is independent and free from influence when it comes to resolving complaints. There is no cost to the taxpayer
3. The Ombudsman uses technology to ensure that it resolves complaints quickly and at less cost than previous arrangements. It operates within a budget of £19.9m. The old system cost £32.5m, according to independent analysis commissioned by the Ministry of Justice
4. Chief Ombudsman Adam Sampson: Following a period as Junior Dean at Brasenose College, Oxford, he worked as a probation officer in London until being appointed Deputy Director of the Prison Reform Trust in 1989. He became Assistant Prisons Ombudsman in 1994, returning to the voluntary sector as Chief Executive of national drugs charity RAPt from 1997-2002. He spent seven years as Chief Executive of Shelter, the country’s leading housing and homelessness charity. He is also on the board of a number of non-Governmental bodies, chair of a new social housing enterprise, and a commissioner of the UK Drugs Policy Commission
5. Press release issued by Neil Spencer, tel 0121 245 3482