

LEGAL  
OMBUDSMAN

Information pack  
Claims management  
industry

# Contents

<b>Introduction.....</b>	<b>2</b>
<b>How the Legal Ombudsman can help you .....</b>	<b>2</b>
<b>A few key things you should be aware of first: .....</b>	<b>3</b>
Redress.....	3
Case fees.....	3
Publishing our decisions .....	3
<b>How the Legal Ombudsman deals with complaints.....</b>	<b>4</b>
<b>When you first receive a complaint.....</b>	<b>4</b>
<b>If the complainant contacts us .....</b>	<b>5</b>
<b>Investigating and resolving complaints.....</b>	<b>5</b>
<b>Ombudsman’s decisions .....</b>	<b>6</b>
<b>What can you do to prepare? .....</b>	<b>7</b>
<b>A quick checklist: what will be new and what will stay the same .....</b>	<b>8</b>
What will be new .....	8
What will stay the same .....	8
<b>Feeding back to the profession .....</b>	<b>9</b>
Research.....	9

---

## Introduction

---

The Legal Ombudsman is an independent organisation with formal powers to investigate and resolve complaints about legal services provided in England and Wales.

**From 28 January 2015, the Legal Ombudsman have been able to deal with complaints about claims management companies.** We have produced this pack to help your business by explaining how we work and what you can expect if we receive a complaint about you.

We only deal with service complaints, so any complaints about conduct will be referred to your Regulator. Any decision we make does not prevent the Regulator taking action. We have [scheme rules](#) which set out our timelimits and who can complain to us, these rules also set out the framework for how we resolve complaints.

---

## How the Legal Ombudsman can help you

---

We are committed to working together with you and the Regulator to help improve standards across the claims management industry.

We are keen to help you get better at dealing with complaints at first tier, and to help do this we'll share the knowledge we gain from handling complaints against claims management companies and let you know about any thematic issues we see in our work. We're producing a range of webinars and courses so you can learn more about our system and how we can work together to improve standards.

If, by working together we are successful at improving complaints handling at first tier, then less of your customers will bring their complaints to the Legal Ombudsman, which will help to reduce the number of case fees that you have to pay.

The research we commissioned last year on the business case for good complaints handling may be of interest to you and is available [here](#).

---

## A few key things you should be aware of first:

---

---

### Redress

---

The Legal Ombudsman has a wide range of powers to put things right. The Ombudsman may direct you to:

- apologise;
- return documents;
- put things right if more work can correct what went wrong;
- refund or reduce your fees; and/or
- pay compensation if we agree that the complainant - the person making the complaint - has lost out or been badly treated. (**we can award compensation up to £50,000**). This may be in addition to any reduction in fees.

---

### Case fees

---

The Legal Ombudsman charges a fee of **£400 for each case** to you - the claims management company. Our service is free for consumers. In some circumstances the case fee may be waived: for example if we find that there has been no poor service and that your business has acted reasonably in trying to resolve the complaint.

---

### Publishing our decisions

---

We gather data about all complaints where a formal ombudsman decision has been made. This is published quarterly on our website. The number of complaints, their outcomes and the regulated claim sector concerned is shown for each company name. More information about this can be found in the [FAQs](#) on our website.

---

## How the Legal Ombudsman deals with complaints

---

The law requires us to resolve complaints quickly and with minimum formality. We prefer to resolve complaints by informal agreement wherever possible. This section provides a brief explanation of what to expect if a complaint is made to us about your business. Complainants will be expected to have gone through your complaints handling process before coming to us.

---

## When you first receive a complaint

---

We expect that you would acknowledge each complaint, ideally within **two business days** of receipt.

You should investigate the complaint so that you can respond to it and offer redress where appropriate. You must send a final response within **eight weeks**, which also refers the complainant to the Legal Ombudsman. This final response needs to include the Legal Ombudsman's contact details, and an explanation that the complainant has six months in which to raise their complaint with us.

However, if you fail to refer to the Legal Ombudsman, provide our complaint details or advise the complainant that they have six months to complain; **the six month rule will not apply** and we would consider accepting complaints made outside of this time period.

If you do not respond within eight weeks or fail to resolve matters, the complainant can contact us.

---

## If the complainant contacts us

---

Complaints and enquiries are received and checked to make sure that:

- the complaint has been made to your business;
- the complaint concerns a business that falls within our jurisdiction; and
- the person making the complaint falls within our jurisdiction.

---

## Investigating and resolving complaints

---

Our aim is to resolve complaints quickly and informally via an agreement between both you and the complainant - although obviously some cases do go to an ombudsman for a final decision.

Some points about our investigations:

- Our recommendations and decisions about how to resolve complaints are based on whether the service provided was fair and reasonable.
- Our investigator will expect you to provide documentary evidence.
  - You will always be asked to provide a copy of the complaint letter that your customer has sent to you and your response to that letter.

If you have these available and ready to send to us as soon as you are aware that a complaint against your company has been brought to the Legal Ombudsman, it will help to ensure that the complaint is resolved as quickly as possible.

- We may also ask for additional evidence to include: the initial contract or letter; records or notes of meetings; and/ or conversations and copies of correspondence relating to the complaint.

If you cooperate with us fully throughout the investigation, it will help to ensure that complaints are handled quickly and with minimal formality, which is beneficial to everyone involved.

- We will base our decisions on whatever evidence is available, but where it is unclear we will make a decision based on what is more likely than not to have happened.

- **You must cooperate with our investigations, including providing documents and / or information when asked.** We have the same powers as the High Court when it comes to evidence, and if you don't cooperate then you may be found in contempt of court and we will refer you to the Regulator.

If an informal resolution is not possible, a formal decision will be made.

We also maintain strong links with the Regulator and refer any conduct matters to them, as well as providing them with intelligence on a regular basis, to assist in their regulatory role.

---

## Ombudsman's decisions

---

If a complaint is passed to an ombudsman for a decision, they will have access to all of the evidence on the file.

When an ombudsman makes a decision, they send it to both parties. If the complainant accepts it, it becomes final and binding on you both.

**Your business must do what a final and binding ombudsman's decision says** – if not, then enforcement action in court can be taken to make sure that you do. There is no appeal against an ombudsman's decision.

---

## What can you do to prepare?

---

- **Make sure that you have a clear and accessible complaints process in place** so that you can deal more effectively with complaints.
  - Our guide 'Listen, Inform, Respond: A guide to good complaints handling' gives helpful advice and is available on our website.
- **Keep your records up to date and in good order.**
  - It will make things easier when we ask for information.
- **Make sure you have arrangements in place for letting your customers know about the Legal Ombudsman.**
  - For example you should update your website, complaints procedure, and refer to us in your initial correspondence with your customers. At the next available opportunity tell your existing customers.
- **Sign up for our LeO News updates** so that we can tell you about developments.

---

## A quick checklist: what will be new and what will stay the same

---

---

### What will be new

---

- Customers will be able to complain to the Legal Ombudsman about the service you provide.
- If we decide your service was unreasonable, we will be able to direct your business to:
  - apologise;
  - return documents;
  - put things right if more work can correct what went wrong;
  - refund or reduce your fees; and/or
  - pay compensation of up to £50,000.
- The Legal Ombudsman's decisions will be enforceable in court.
- Your business will usually have to pay a case fee for each complaint the Legal Ombudsman deals with.
- The outcome of complaints about your business may be published on our website.

---

### What will stay the same

---

- You will still need to comply with the Regulator's rules.
- The Regulator will still deal with complaints that relate to your business not being run in line with the conditions of its authorisation.
- The Regulator will still be able to take action against your business, such as the variation, suspension, or cancellation of your authorisation.

---

## Feeding back to the profession

---

---

### Research

---

The Legal Ombudsman has commissioned a number of pieces of research, which are available on our [website](#).

We will look at commissioning specific research for claims management companies and will let you know further details in LeO News and on our website.

One piece of research which may be useful to you now is by Economic Insight who assessed whether there is a [business case for good complaint handling](#). This research, which was developed for the legal sector, highlights that improving first tier complaints handling is likely to increase profitability.

The research is intended to stimulate discussion and debate about the importance – including from a commercial perspective – of good complaints handling. The findings provide an outline business case for claims management companies to improve complaint handling and to avoid the need for intervention by the Ombudsman.

- Visit our website <http://www.legalombudsman.org.uk> for news and research.
- Check out our publications such as thematic reports, guidance and consultations, which are available on our website.
- Connect with us on social media such as [Facebook](#), [LinkedIn](#) and [Twitter](#) @Legal\_Ombudsman.
- Watch our [webinar guides](#) – available on our website.
- Sign up to our [complaints handling courses](#) and LeO News.