

Legal Ombudsman and Legal Services Consumer Panel Memorandum of Understanding

Introduction

1. This Memorandum of Understanding (MoU) provides a framework for the relationship between the Legal Ombudsman and the Legal Services Consumer Panel (the Consumer Panel). It sets out how we will work together in order to carry out our independent and separate functions in accordance with the Legal Services Act 2007 (the Act).
2. The purpose of this MoU is to put in place clear arrangements and practices that will foster an effective and cooperative working relationship between the Legal Ombudsman and the Consumer Panel.
3. In agreeing this MoU, the Legal Ombudsman and the Consumer Panel agree that in working together, each will have regard to the need to promote effective systems of regulation and redress for consumers of legal services, improve access to redress for consumers and use the intelligence contained within complaints to help raise standards amongst lawyers and firms who provide legal services to consumers.
4. The Legal Ombudsman and the Consumer Panel are committed to cooperating and sharing knowledge and expertise to benefit consumers of legal services and the regulation of the legal profession.

Roles of the Legal Ombudsman and the Legal Services Consumer Panel

5. The Legal Ombudsman is administered by the Office for Legal Complaints under the Act. The Legal Ombudsman is an independent and impartial service that users of legal services can access to resolve complaints about the service provided by their lawyer or firm. Its statutory objective is to resolve disputes quickly and with minimum formality on the basis of what is fair and reasonable in the circumstances. The scheme has a statutory jurisdiction and a voluntary jurisdiction.
6. The Consumer Panel is established by the Legal Services Board (the LSB) under the Act. Its role is to represent the interests of consumers, by advising the LSB on matters of legal services policy and by scrutinising the effectiveness of the LSB's work on behalf of consumers. The Consumer Panel's terms of reference, include a role to advise the Legal Ombudsman.

Consultation and advice

7. The Legal Ombudsman and the Consumer Panel will work together to make sure that consumers have access to effective redress. The Act gives the Consumer Panel a key role in relation to the Legal Ombudsman:
 - the Consumer Panel and the ombudsman scheme must be independent of each other - the Consumer Panel must not include a person who is a member of the Office for Legal Complaints, an ombudsman appointed by it or any other member of its staff;
 - the Consumer Panel will advise the Legal Ombudsman if it believes the jurisdiction of the Legal Ombudsman should be changed – the Consumer Panel is an “interested body” which may, at any time, recommend to the Lord Chancellor to: add parties falling within the jurisdiction of the Legal Ombudsman; to alter the maximum compensation limit, currently set at £30,000; or to introduce a voluntary jurisdiction to the Legal Ombudsman.
8. The Legal Ombudsman may seek the Consumer Panel’s advice on areas of its policies and practices that impact on consumers. This will include but is not confined, to the following areas:
 - the Consumer Panel’s statutory responsibilities in relation to the Legal Ombudsman as set out in paragraph 7 of this MoU
 - the Legal Ombudsman’s scheme rules
 - the processes that the Legal Ombudsman uses to resolve complaints
 - information provided to consumers by the Legal Ombudsman about the operation of its dispute resolution service
 - the emergence of new areas of service delivery or other changes which may impact on consumers’ access to redress
 - ways of approaching similar complaints from numerous consumers, where regulatory intervention or other responses might be appropriate
9. The Legal Ombudsman and the Consumer Panel will give each other early notice of any issue that might emerge to give both the Panel and its executive, as well as the executive of the Legal Ombudsman and its Board, time to consider and work together on any issue, particularly to ensure that if there is disagreement the reasons why are clearly understood by both.
10. The Legal Ombudsman and the Consumer Panel expect to engage early and often on any issues that may arise and which are a cause for concern in the regulation of legal services and the provision of effective dispute resolution and agree to equip

each other with sufficient knowledge of respective policies, statements, positions and advice in advance of their reaching the public domain.

11. The Legal Ombudsman and the Consumer Panel will give each other the opportunity to make suggestions about the content of their respective forward work programmes, before these are issued for public consultation.

Information sharing

12. The Legal Ombudsman will inform the Consumer Panel of trends in relation to the content of cases that appear likely to have significant policy implications. The Legal Ombudsman will consider reasonable requests by the Consumer Panel (subject to resource constraints) for relevant information on specific areas that will assist with its investigations into policy issues that affect consumers.
13. The Consumer Panel will inform the Legal Ombudsman about emerging areas of consumer detriment that is aware of that might give rise to complaints.
14. The Legal Ombudsman and the Consumer Panel will seek to make sure consumers, legal services providers and others understand and are not confused about our different roles.
15. The Legal Ombudsman and the Consumer Panel will respect the confidentiality of all information, making clear when information should be treated as confidential.

Collaboration and resources

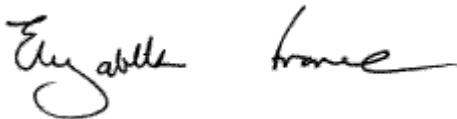
16. The Legal Ombudsman and the Consumer Panel may undertake projects jointly including, where appropriate, by pooling resources including finances.
17. The Legal Ombudsman and the Consumer Panel will ensure that all requests made of the other are necessary and proportionate, and will respect each other's right to decide the most appropriate use of their resources.
18. The Legal Ombudsman and the Consumer Panel will share agendas in advance of our respective Board and Panel meetings as required to facilitate pre-discussion about issues of mutual interest. The Chair or Chief Executive of the Legal Ombudsman will attend meetings of the Consumer Panel at least once a year for a general discussion of emerging trends and issues, and the Chair of the Consumer Panel will attend Board meetings of the Legal Ombudsman at least once a year on a similar basis. More generally, the Chairs will inform their respective Board/Panel of key issues relating to the other.

19. The Head of External Affairs at the Legal Ombudsman will take responsibility for its relationship with the Consumer Panel. The Consumer Panel Manager will be responsible for managing its relationship with the Legal Ombudsman.

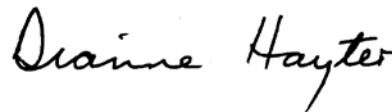
Review and distribution

20. This Memorandum of Understanding was signed on 26 February 2010. The Legal Ombudsman and the Legal Services Consumer Panel will keep this agreement under review. Either party may suggest amendments to the Memorandum.

21. This Memorandum shall be published online and made available in hard copy on request.



Elizabeth France
Chair, Office for Legal Complaints



Dianne Hayter
Chair, Legal Services Consumer Panel