



Maintaining standards of service and reducing complaints

July 2019

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Executive summary

The standard of legal services and the actions of solicitors and firms has an impact on public confidence in the rule of law and the overall effectiveness of the operation of the legal system.

The solicitors and firms we regulate have a duty to maintain high standards of behaviour and competence. We continue to receive reports about poor standards and firms continue to receive complaints about their service, some of which are investigated by the Legal Ombudsman (LeO). Therefore 'Standards of service' remains one of our priority risks in our [Risk Outlook](#).

This report takes a close look at that risk. It draws on a range of our research and that of third parties to:

- highlight the benefits of high standards of service
- examine how firms can maintain service standards and so limit the complaints they receive
- identify the risks involved if clients are not given the appropriate standard of service.

It also outlines how we support firms and the action we take where firms fail to uphold the standards expected of them.

We looked at areas such as:

- the importance of communicating with clients so they know what they can expect and how much it is likely to cost
- making sure solicitors are capable of carrying out the work they are assigned to do
- dealing properly with any complaints that arise.

Key findings

- The majority of clients are satisfied with the service they receive and believe it represents value for money.
- Solicitors need to be more aware of their clients' expectations – while 48% of the public said they highly value being given a clear explanation of a legal process by their solicitor, only 23% of the profession thought this would be highly valued.
- There has been an increase in complaints to firms.
- There has also been a significant increase in firms resolving those complaints, up from 72% in 2012 to 81% in 2018.
- Most complaints are about delay, advice and costs.
- There are fewer 'silent sufferers' – those that are unhappy with the service received but did not make a complaint – down from 49% in 2017 to 35% in 2018.
- Over half of firms (55%) say it is important to train staff to respond to dissatisfied clients before they make complaints.
- 40% of solicitors have increased their learning and development activities in the last two years. And 39% felt that our changes to continuing competence had improved the competence of solicitors.
- Nearly four out of five of people we surveyed said they would feel more confident in using services from a firm that displayed the new SRA clickable logo on its website.



It is important that people can have confidence and trust in the services they receive from solicitors and law firms, and have protections if things go wrong.

People look for solicitors that are efficient and give clear information. And people trust solicitors to look after their best interests and will often choose a solicitor that has been recommended to them.

Providing a good service makes business sense, as building and maintaining a good reputation is important for success.¹ Understanding the needs of each client means that the right service can be given to each person and clients are more likely to be satisfied with the service.

The main business benefits of high standards are:

- retaining clients
- increased recommendations
- fewer complaints.

What we are doing

Shining a light on key risks is part of our work to make sure that proper standards are maintained – this report contributes to that.

We are publishing an annual summary of our data on first tier complaints - complaints that go to law firms. Firms have to report their data on these to us. Publishing an analysis of what is happening will help the profession to understand what are the most common causes of complaints, so they can take action to address any areas of weakness in their firms.

Where firms fall short of the standards the public should expect of them, we can and do continue to take action against them.

Delivering high standard services which are accessible to as many people as possible is one of the driving objectives behind our current reform programme.

Our Transparency Rules, introduced in 2018, require firms to publish price and service information across certain common legal services. They also require all firms to publish information on their website about their complaints procedures. We have checked, and will continue to check, firms' compliance with these rules.

Our new Standards and Regulations introduce two Codes of Conduct, for solicitors and firms, in November 2019. The Codes have a greater focus on professional and ethical standards, rather than on compliance with prescriptive rules. This will also help people understand the standards they can expect from solicitors.

November 2019 also sees the online display of the 'SRA regulated' clickable logo becoming a mandatory requirement for those we regulate. Around a quarter of firms already use it on a voluntary basis. This study shows that people place more confidence in a firm that uses the logo, which will help them to see what protections are in place.

Introduction

It is important that people can have confidence and trust in the services they receive from solicitors and law firms, and have protections if things go wrong.

People look for solicitors that are efficient and give clear information. And people trust solicitors to look after their best interests and will often choose a solicitor that has been recommended to them.

One of the professional principles set out in the Legal Services Act is that solicitors “should maintain proper standards of work”. Firms that give a good standard of service are helping to meet the regulatory objectives.

The solicitors and firms we regulate therefore have a duty to maintain high standards of behaviour and competence. We continue to receive reports about poor standards. And firms continue to receive complaints about their service, some of which are investigated by the Legal Ombudsman (LeO). Therefore ‘Standards of service’ remains one of our priority risks in our [Risk Outlook](#).

Poor standards of service can impact people in many ways. For example, it can mean that people might not get the help they need and their life, liberty and finances can be affected. This has a greater impact when someone is vulnerable or in a vulnerable situation. People can be or become vulnerable because of a stressful situation or if they are at risk of harm. This could be due to personal characteristics such as age, health or cultural and

language barriers. But even the most sophisticated and empowered clients might be vulnerable when they are dealing with critical, often life-changing and distressing circumstances.

The standard of legal services and the actions of solicitors and firms also has an impact on:

- public confidence in the rule of law
- the overall effectiveness of the operation of the legal system
- third parties, such as those involved in a dispute with the direct consumers of legal services.

We expect solicitors and firms to meet the standards in our [Principles](#), [Code of Conduct](#) and [Statement of Solicitor Competence](#). In November 2019, our Standards and Regulations will replace our Handbook. These are shorter and more accessible, with a sharp focus on the high standards we and the public expect.

Most solicitors meet these high standards and uphold the rule of law and administration of justice. When we have evidence that there has been a serious breach of our standards and requirements, we will take appropriate action. Concerns about poor service can also be looked at by LeO, which can help people seeking redress for service they have received.

This paper highlights the benefits of high standards and how firms can maintain these. For example, having an open learning culture encourages solicitors to reflect on their work and develop their competence and client care skills. It also sets out how we support firms, for example with resources including our annual first tier complaints report.

The regulatory objectives: a summary

- Protecting and promoting the interests of the public and people who use legal services.
- Supporting the constitutional principle of the rule of law.
- Improving access to justice.
- Promoting competition in the provision of services.
- Increasing public understanding of their legal rights and duties.
- Promoting and maintaining adherence to the professional principles.²

Current standards of service

We continue to receive reports about concerns with standards of service. It can be difficult for people using services to know whether the quality of the service and the advice they receive is of the standard they should expect. It is therefore useful to consider:

- people's expectations of the service standards from solicitors and firms
- people's satisfaction levels when using legal services
- the complaints that are made to LeO when people are dissatisfied with the service
- the concerns that are reported to us about solicitors' and firms' client care, conduct and competence.

Expectations of service standards

Expectations when choosing legal services

Most people choose a legal service provider for their specialism. And when choosing a provider, most people will focus on the:

- price
- speed of delivery
- reputation of the provider.³

Our [independent research](#) found that only 15% of

people looking for conveyancing services could find price information on a firm's website. The Legal Service Board's research found that only 12% of firms with a website had price information online.⁴

People's type of legal need affects their priorities when looking for a legal services provider. For example:

- Around half of people needing wills and probate services will choose someone they have used in the past, compared to only one fifth of people that need personal injury and criminal law services.
- Having access to an online service to track progress of work is important for over half of those needing immigration and asylum services and around a third of those needing conveyancing, personal injury, family law and criminal law services. But only one fifth of those needing wills and probate services would find this useful.⁵

Different legal needs can therefore lead people to find and choose a legal services provider in different ways. In some areas of work people are more likely to have used a relevant provider before. Our independent research into people's [experiences of conveyancing services](#) found that:

- Over half of people buying or selling a house relied on recommendations to choose their

solicitor, mostly from estate agents and friends, family or colleagues. First-time buyers and sellers were more likely to have found their solicitor through recommendations (64% compared to 51% with previous experience).

- Four out of ten people were aware of comparison websites for legal services providers. Of these, approximately one in three people used one to compare conveyancing providers.
- There was little understanding of regulation in the legal services market. Some people were unaware if their solicitor was regulated when they chose them.

Research that tested [how people understand and use information about regulatory protections](#) found that:

- Presenting information about regulatory protections increased people's awareness of these and people used the information to make decisions.
- When choosing a provider in the research tests, those with an SRA-regulated clickable logo on their website were chosen by more people. And 79% felt more confident in buying services from those with the logo.
- Over half of people were willing to pay more for certain regulatory protections.

Expectations when using legal services

People value solicitors that:

- understand their particular needs and treat them fairly
- are efficient and progress the work in a timely way
- keep them informed and give clear information about costs.⁶

Our [independent research](#) showed that solicitors might not be fully aware of people's expectations. For example, 48% of people highly value a clear explanation of the legal process but only 23% of firms think this will be valued.

Solicitors must give information to their clients, in writing, about the work to be completed and the estimated or actual cost of the work. This must be updated at appropriate times.

Satisfaction levels when using legal services

Most (88%) people using a solicitor are satisfied with the service they receive.⁷ And 65% of people think that the overall service and advice from their solicitor is good value for money. People are most satisfied with the way their legal adviser explained things in an understandable way. However this was below average for people needing:

- conveyancing
- personal injury

- immigration and asylum services.⁸

Over three-quarters of people in all areas of law, except personal injury, were also satisfied with the:

- clarity of information on the service to be provided
- quality of the advice.⁹

Our conveyancing research found that people were dissatisfied when they felt that their solicitor:

- was inefficient (37%)
- communicated poorly and did not keep them updated (22%)
- made mistakes (17%).

Complaints about poor service

When a firm is instructed they must tell their client in writing about:

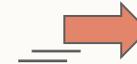
- their right to complain about the services and charges
- how a complaint can be made
- the rights they have to make a complaint to LeO and when they can make this complaint.

Firms must deal with complaints promptly, fairly and free of charge. They must also publish their complaints procedure and details of how to complain to LeO and us on their website.

When choosing legal services most people will focus on ...



Price



Speed of delivery



Reputation



Satisfied with the service received from their solicitor



Think service from their solicitor is **good value for money**

Over
75%
were satisfied with ...



clarity of information



quality of the advice

Dissatisfaction with service

When people are dissatisfied with the service provided by their solicitor and want redress, they must first complain to the law firm. This is known as a 'first tier complaint' (FTC). However one in three people do not know that they have to complain to the law firm to start the complaints process.¹⁰ And we found that 37% said that they were [not told about the complaints procedure](#).

People who are vulnerable are more likely to be distressed and harmed if the service is poor. For example, many people needing help with mental health tribunals were dissatisfied with delays and were distressed because there was little information about timescales and their rights following a tribunal decision. And those that used a solicitor were not always able to know or make sure that they were receiving a good standard of advice and representation.¹¹ In addition, our research found that disabled people are more likely to be dissatisfied with the outcome of their complaint and less likely to understand the complaints procedure or know how to complain.

People who are dissatisfied with a service but do not make a complaint are known as 'silent sufferers'. There has been a decrease in the proportion of 'silent sufferers' in legal services from 49% in 2017 to 35% in 2018.¹² This suggests that more people feel confident about complaining to their solicitor than in previous years. However, our [conveyancing research](#) found that only 26% of those that had been dissatisfied with the conveyancing service

had complained to the firm. This low rate could be because less than a third remembered having had information on how to complain.

Our conveyancing research also found that when people had complained:

- Three quarters of people were happy with the remedy given by their solicitor, including:
 - ◇ committing to progress the work (27%)
 - ◇ an explanation to relieve concerns (24%)
 - ◇ an apology (23%).
- 14% did not receive a response. This issue was also identified in our previous research into solicitors' FTC processes, where 20% of people making a complaint reported not receiving a response.

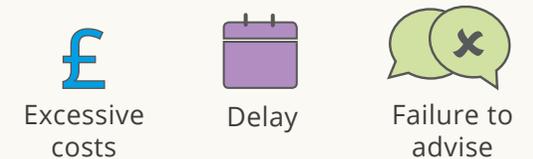
First tier complaints data

Firms have to tell us about their FTCs when they renew their solicitors' practising certificates each year. As part of our [Better Information](#) work, we now publish an annual report about this information. Firms have to report their data to us and publishing an analysis of what is happening will help the profession to understand the most common causes of complaints, so they can take action to address any areas of weakness in their firms.

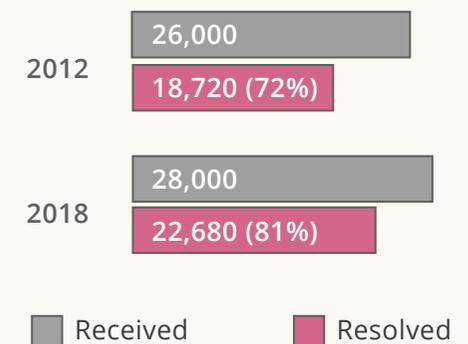
1 in 3 

people do not know that to start the process they have to first complain to the law firm

Most common reasons



Complaints to firms



The number of FTCs recorded by firms has increased over the last seven years from around 26,000 in 2012 to around 28,000 in 2018. About seven in ten firms did not receive any complaints and those that did had, on average, about seven complaints each. FTCs are most commonly about:

- delay
- failure to advise
- excessive costs.

Firms are now resolving 81% of the complaints they receive, which has increased since 2012 from 72%.

Firms can also use our FTC annual report to help improve their standards of service by encouraging an open culture of complaints within their businesses which can improve the way complaints are handled and how individuals learn from complaints. Some firms learn from their own complaints to change the way that they communicate with people and manage their expectations.

Complaints to LeO

If people are not happy with the response from the law firm, they can ask LeO to look at their complaint about the solicitor's service, or they might be able to use an alternative dispute resolution (ADR) service. This is known as the 'second tier'. LeO can provide redress for clients who had a poor service from their solicitor.

Alternatively, people can bring a court case against a solicitor if, for example, they think that the solicitor has been negligent.

When a complaint has not been resolved to the client's satisfaction within eight weeks of a complaint being made the firm must tell them, in writing:

- of their right to complain to LeO, the timeframe for doing so and full details of how to contact LeO
- details of an ADR approved body which would be competent to deal with the complaint and whether the firm agrees to use them.

Firms are not obliged to use an ADR body, but they must cooperate with LeO. LeO found that 54% of firms did not signpost people correctly at the end of the FTC process.¹³

High standards must be achieved by all solicitors practising in all areas. However, certain areas of law consistently attract more complaints to LeO, such as:

- conveyancing
- personal injury
- family law
- wills and probate.

Over six in ten of the complaints to LeO are from these four areas of law, which is likely to simply reflect the high volume of work for private clients in these areas. Other areas of law also involve people in vulnerable situations, such as those in the criminal justice or welfare systems or those making asylum applications. And some people in vulnerable situations are less likely to complain.



We use information from complaints to improve our service systems and complaints process by continually trying to seek innovative ways of getting the clients to read the information that we provide them.

Solicitor interviewed for our FTC research

The proportion of complaints to LeO about poor communication and delay has increased slightly over the last few years and the proportion of complaints about costs have reduced slightly.¹⁴ Our research found that communication gaps can lead to mismanaged expectations about timescales and costs, which can then lead to complaints.¹⁵ For example, 37% of people and firms reported that 'failure to keep informed' was a key reason for dissatisfaction.

LeO can tell a firm how to remedy a complaint if there has been evidence of poor service and that the original complaint was not handled properly. LeO's most common remedies for poor service are to tell a firm to do one or more of the following:

- pay compensation for the emotional impact and/or disruption caused
- refund fees already paid
- waive unpaid fees
- apologise.

They can also tell a firm to put things right in other ways, such as to give back documents and do more work. They make balanced decisions based on the evidence and in one third of cases LeO find that no remedy is needed. This happens when, for example, LeO are satisfied with the remedy already offered by a firm or when there has been no detriment to the person making the complaint.

LeO supports solicitors and firms to improve service delivery and complaints handling with their online resources and guidance. This includes information about signposting and good complaints handling, understanding how LeO decide on poor service, and appropriate remedies.



Whether you agree with a complaint or not, they often provide a unique perspective on how a customer has experienced your service, so it is important to respond to them correctly and take the time to learn from them. I would encourage firms to use the guidance that we share on our website to help you get your complaint handling right first time and to prevent complaints happening in the first place.

Rebecca Marsh
Chief Ombudsman, LeO



Concerns reported to us about service standards and competence

People with serious concerns about a solicitor or law firm can also tell us about possible misconduct and/or make a negligence claim on the firm's insurance policy.

Around 1,700 of the 12,000 reports to us are about a solicitor or firm's lack of competence and inadequate client care. This has remained the same over the last three years and is a large proportion compared to other types of reports.

We also receive reports about:

- poor cost information
- failing to release papers to clients

- failing to deal with a complaint.

About 65% of these reports are from the public and 25% are from solicitors. Many of these reports are about conveyancing and probate work.

We look at the risks to clients and the public from solicitors who are not competent and safe to practise. Even if LeO, an ADR process or the courts have been involved with looking at a solicitor's service or negligence claim, we take action where negligence, service or competence issues are particularly serious or suggest multiple failures or repeat and persistent poor conduct.¹⁶

We find that we do not have to take serious action for most (about 95%) of the reports to us. And we refer about a quarter of the reports to us to LeO for them to look at whether there is any poor service for which people should receive redress. Our data shows that service standards reports about immigration, conveyancing and probate work are most likely to lead to disciplinary action, such as a rebuke, a limit on where people can work, a fine or a referral to the Solicitors Disciplinary Tribunal.



What we are doing

Firms have professional responsibilities to all clients. We require solicitors to take extra qualifications to be a [higher courts advocate](#) or a [police station representative](#), as an additional safeguard for this work.

We are working to improve advocacy and criminal litigation standards by:

- Making sure higher rights of audience (HRA) standards reflect the requirements of modern practice and are robustly and consistently assessed.
- Supporting all solicitors doing advocacy work with resources to help meet our standards.
- Taking action where we identify a risk.

We will continue to work with the BSB and the Chartered Institute of Legal Executives Regulation to promote high professional standards for all advocates.

We will explain best practice to both solicitors and the public. We will support people to help them recognise what they should expect from their solicitor, so they will be better equipped to report their concerns to us where they see that solicitors are not meeting our standards. We are also working with stakeholder groups, such as judges, to encourage appropriate reporting. This means that we can make sure standards are met and take targeted action where they fall short.



Spotlight on advocacy and criminal litigation

A fair and effective justice system relies on good quality legal advisers and advocates who make sure that justice is properly administered and the rule of law is supported.

We know that most solicitor advocates provide a good service, but we do receive some reports of concerns about the standard of advocacy of some solicitors. Poor standards of service in criminal practice can lead to significant harm which cannot be put right by financial redress, including loss of basic rights and freedoms and possible miscarriages of justice. Also many people in the criminal justice system might be vulnerable. For these reasons, we are particularly concerned about poor standards of service in this practice area.

We jointly commissioned, with the Bar Standards Board (BSB), [independent research](#) with judges which found that advocates' skills in dealing with young and vulnerable witnesses is improving. But judges said that there is room for improvement in:

- advocacy training and opportunities to gain experience
- standards of case preparation
- advocates' ability to ask focused questions of witnesses and defendants.

Training and resources such as [The Advocate's Gateway](#) and our [youth court resources](#) help to raise awareness of people's vulnerabilities and how to approach them.



What we are doing

Our [youth court resources](#) can help to improve standards in this area of work and help solicitors build trust with young people from all backgrounds. For example, our [easy-to-read leaflet](#) tells young people what to expect from solicitors. More than 12,000 of these leaflets have been requested by solicitors, law firms, police stations, youth offender teams and charities across England and Wales.

These resources also help solicitors to:

- reflect on the quality of their practice and help address any learning and development needs, in line with our continuing competence requirements
- address the challenges of practising in the youth court
- deliver a high standard of service to young people and children.

We have developed these resources with a wide range of stakeholders, young people and children in the criminal justice system. We will continue to add to these resources over time.

Spotlight on youth court work

Practising solicitors have full rights of audience in the lower courts, which includes the youth courts. However, the youth courts now hear all cases involving children, except for murder and manslaughter. Solicitors without a HRA qualification can represent child defendants in youth court cases, even for those offences which would be heard in the Crown Court if the defendant was an adult defendant.

Working in the youth court can sometimes be more challenging for solicitors than other areas of practice because it involves children and young people who might:

- be intimidated by the legal process, lawyers and judges
- have emotional and behavioural issues
- have specific communication needs.

One of the recommendations from the Lammy Review is that stakeholders, including government bodies, should experiment with different approaches to explaining legal rights and options to people. The review found there was disproportionality in the criminal justice system, as 40% of those in custody are from Black, Asian and minority ethnic backgrounds.¹⁷ We are working with others to support solicitors and other stakeholders in this area.

How firms can maintain high standards

Meeting the competences set out in the [Competence Statement](#) is integral to giving a proper standard of service. Our Competence Statement explains that:

- giving a proper standard of service, of client care and of work includes exercising competence, skill and diligence
- solicitors must take people's individual needs and circumstances into account.

Firms can maintain high standards by having a workplace culture that aims to continuously improve both their competence and their client care.

Solicitors and firms should tell us when they see that the standards of service or competency of a solicitor or law firm could be a serious breach of our requirements.

Continuing competence

Solicitors must reflect on their practice and keep their core technical, ethical and legal skills and knowledge up to date through regular learning and development.

Solicitors and firms:

- Can find out more about the [continuing competence requirements](#) and other ways to [identify learning and development needs](#).

- Should [plan](#) and [address their learning and development needs](#).
- Should [record and evaluate their learning and development](#) so that, if we need to make contact on a regulatory matter or where we have evidence of a competence risk, they can show the steps taken to make sure of their ongoing competence.
- Must make an [annual declaration](#) to us to confirm this has been completed.

In 2016 we introduced a new approach to [continuing competence](#). We reviewed what firms and solicitors thought about the new approach and found that:

- 40% of solicitors said they have increased their learning and development activities in the last two years.
- Solicitors said they find it easier to identify their learning and development needs and that learning and development is more relevant and targeted.
- There is greater variety in how firms and solicitors address their learning and development needs. As a result, most firms said they have reduced the cost of learning and development activities.
- Solicitors and firms do not think that the quality of solicitors' work has reduced since the removal of the 16-hour requirement. In fact, 39% felt that our changes had improved the competence of solicitors.

- Some firms comprehensively recorded how their learning and development needs were identified, addressed and whether more was needed. However, others only recorded training taken and did not show how learning and development was identified or addressed.

While record keeping is not mandatory, it is a useful tool for maintaining competence. It shows to us that appropriate steps have been taken to stay competent and up to date. We recommend that solicitors not using a learning and development record or those that contain basic information consider how they can improve their current learning and development recording arrangements.

We will engage with the solicitors who have returned a negative annual declaration. If we find that there has been wilful non-compliance, or that learning and development needs have not been addressed, we can take regulatory action.

Many firms build learning and development into their day to day work, for example, through regular discussions with colleagues and gathering feedback from clients and colleagues. Many organise seminars or training within their firm or jointly with other firms. Legal webinars and professional associations are also useful sources of technical training to help to stay up to date with all relevant legislation and regulations. Our [warning notices](#) are also useful sources of information about high risk areas of work.



Improving service standards by learning and developing

A medium-sized firm focuses on helping their solicitors develop a variety of skills that will benefit them, their clients and the firm. They explained that:

“[We] identify and address development areas with the lawyers on more generic issues which are equally important such as leadership, stress management and case management skills and personal projection (with clients and at court). This addresses important core skills and is in addition to the essential requirement for ensuring that lawyers are given access to webinars, seminars, conferences, etc. which relate to updating legal knowledge.”

Solicitor interviewed for our continuing competence review

Other solicitors report that training tailored to them gives them the confidence needed to perform their jobs well, whether it is from internal or external experts. For example, one said:

“By reflecting on and targeting gaps I’m becoming a better solicitor and can now purposefully work towards excelling in the future.”

Solicitor interviewed for our continuing competence review

Improving client care

Many complaints are about communication issues, such as solicitors not keeping people informed about the progress or costs of the work. Solicitors and firms can therefore improve their service by:

- setting out information clearly, for example under headings and in plain language, to make it easier for people to understand and refer to important points
- giving information in different formats suitable to people's different needs, for example, in a different language or in 'easy read' format
- giving clear, concise and accessible information throughout the work about the:
 - ◇ costs, which should be updated when the cost is likely to change
 - ◇ legal work, which could be repeated at times when people need the information most
 - ◇ progress of the work
 - ◇ complaints processes, LeO and ADR services.

Firms could help people better understand their rights and the legal process by telling people about [Legal Choices](#), perhaps by linking to their website or when someone contacts or instructs them. Legal Choices gives people independent and factual information that can help them to make decisions about their legal needs.

Under the new Standards and Regulations, firms must display the '[SRA regulated' clickable logo](#) on their website. The logo shows online visitors that a firm is regulated by us and gives information on the protections this provides. And displaying the badge helps firms to stand out from unregulated providers. Our [resources about the Transparency Rules](#) and our [guidance](#) have more detail about being transparent with information about prices and services.



Firms can improve service with sensitive and clear information dissemination, laying out the process e.g. short videos that different people can understand, providing opportunity to revisit information, parceling out information in a usable way.

Stakeholder interviewed for our FTC research



Using technology to keep people informed

Some firms are using technology to keep their clients regularly informed about their legal work. This can reduce stress for people wanting to know how the work is progressing and reduce the queries and complaints to firms about progress updates.

For example, [our conveyancing research](#) found that some firms are using online portals to allow their clients to check the progress of their house purchase or sale. People saw the benefits of digitisation and automation for conveyancing transactions and were open to the prospect of more technology being introduced. They thought it could 'de-mystify' the process for first timer buyers in particular.

People also identified several risks with this technology, including cybercrime and fraud. Information security and protecting client money are two of our [priority risks](#) that we are committed to helping firms identify and manage.

Another option is to use text messaging to send progress updates and appointment reminders. Firms have experienced increased client retention, satisfaction and attendance for appointments. It also saves them the time of making several phone calls. And there are systems for sending messages to multiple recipients at once to make further resource savings.

Firms should encourage a culture of learning to improve standards in client care, for example they could:

- support staff training and development in communication and complaint handling skills, as well as core skills and knowledge
- identify ways that technology can improve their processes and services
- get feedback from clients about the service and information they received
- monitor their online presence, including reviews and social media
- encourage an open culture about complaints and avoid placing blame on fee earners so they can respond in a productive way and share how they have learned from complaints.¹⁸

Over half of firms (55%) say it is important to train staff to respond to dissatisfied clients before they make complaints, and two fifths of firms (44%) believe in the importance of training on how to identify and manage complaints.¹⁹



No-one likes receiving a complaint or negative feedback, but training and regular reminders to the fee-earning teams tells them that long-term relationships need open communication - so they learn to welcome feedback... There is a 'no blame' culture...we want to use [feedback] as a 'learning event'.

Solicitor interviewed for our FTC research

What firms can do to improve standards of service

Encourage culture of learning



Plan development needs



Record and evaluate



Support staff training

Improve communications



Clear and concise information



Offer different formats



Clear complaints process

Provide information



Help people understand their rights



Display the SRA regulated clickable logo

The business benefits of high standards

Providing a good service makes business sense, as building and maintaining a good reputation is important for success.²⁰ Understanding the needs of each client means that the right service can be given to each person and clients are more likely to be satisfied with the service.

The main business benefits of high standards are:

- retaining clients
- increased recommendations
- fewer complaints.

Satisfied customers also improve the working conditions for staff, as they are more likely to see the value in their work and have more positive interactions with people. That might mean better staff retention, reducing recruitment costs and increasing the firm's knowledge base.

Retaining clients

Higher customer satisfaction helps firms to retain business. People often choose a legal services provider they have used before.²¹ Retention is cost-effective, as it can cost six to seven times more to get a new client than to keep one.²²

In all sectors, satisfied customers are more likely to be repeat customers and to buy other services from a firm. Companies with high quality service have more loyal customers and better business

growth.²³ These tend to invest in learning about customer needs and then translate those insights into innovations that continuously improve their services.

Increased recommendations

Solicitors with satisfied customers will build a good reputation. People share their good and bad experiences with other people. This is important in the legal sector, as reputation is the most important factor when choosing a solicitor.²⁴

In 2018, 46% of people chose their solicitor because of recommendations from family and friends or because it was a solicitor who they or a family member had used before.²⁵ And maintaining a good reputation is especially important when considering how social media and review websites can impact a business either positively or negatively.

Keeping clients satisfied is **cost effective**



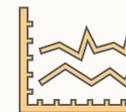
It costs **6 x more** to get a new client

A good **reputation** wins business



46% of people chose their solicitor because of family and friend recommendations

Good complaint handling can improve service standards



93% of firms say there are **business benefits** of complaints

Fewer complaints

When people are satisfied with the service, they are less likely to complain. Handling complaints costs time and money, although they can offer opportunities to learn about how a service could be improved.

Our independent research about [solicitors' complaints processes](#) found that:

- firms could reduce complaints by better managing people's expectations with clear and timely information
- when firms respond well to people's informal expressions of dissatisfaction the situation is less likely to escalate into a formal complaint
- good complaint handling can help to improve service standards.

Firms can learn from complaints, and can ask for feedback in other ways, to help them understand people's needs. This better understanding can help to improve service standards which will increase people's satisfaction, retain clients and reduce complaints.



All clients, on closing their file, get provided with a questionnaire and an online link - we've got star reviews on Google and Yell.com - that is really good client feedback. We get so much good feedback that it drowns out any negative stuff.

Medium firm surveyed for our FTC research



Do a good job and someone will tell their neighbour, do a bad job and they'll tell their whole street.

Medium-sized firm surveyed for our FTC research



Learning from complaints leads to business benefits

Firms of all sizes share their learning from complaints and other feedback across their business. This has helped them to improve their service and how they handle complaints. For example:

"We use real complaint situations, without identifying the client, in training sessions to analyse what went wrong and how things can be done differently to avoid the same issues arising again. This helps us better understand client's expectations and improve service delivery."

Small firm surveyed for our FTC research

"Often it is a learning opportunity for the individual fee earner, who is always involved in the process. We have, though, changed systems and policies as a result of complaints. My complaints register has a column for 'action taken', which is reviewed at partnership level."

Large firm surveyed for our FTC research

How we are working to improve standards of service

Professional standards

We are introducing two Codes of Conduct, for solicitors and firms. The Codes will have a greater focus on professional and ethical standards, rather than on compliance with prescriptive rules. This will also help people understand the standards they can expect from solicitors.

We [warn solicitors and firms](#) about high risk areas, such as money laundering and offensive communications. And our [guidance](#) helps solicitors and firms comply with the required standards, including how to:

- [publish complaints procedures](#)
- be [transparent about prices and services](#)
- [engage with online reviews](#).

We also work with other regulators and organisations to make sure our work is aligned where appropriate. For example:

- We have produced a [leaflet with LeO](#) telling people where they should report their concerns about standards of service.
- We are working with the other money laundering supervisors in the UK to share relevant information and data.

We are introducing the [Solicitors Qualifying Examination \(SQE\)](#) to make sure the solicitors of tomorrow have the required skills and competencies. This centralised assessment will mean all new solicitors meet the same high standards, helping people from every background to join the profession and provide the high standards of service needed by communities.

We encourage law firms to consider disability and mental health in their workforce. We continue to participate in the Legal Professions Wellbeing Taskforce to support good mental health and wellbeing to enable everyone to maintain high standards. Our [wellbeing resources](#) have more information about the support available.

Our [continuing competence resources](#) give useful information to help solicitors reflect on the quality of their practice. We will be adding more templates and case studies to support solicitors' competence.

Proportionate action

We focus our resources on high risk areas of work, such as advocacy, immigration and conveyancing, and on solicitors and firms where there is evidence of misconduct.

We can investigate a solicitor or firm where there is a pattern of concerns about poor service standards, in line with our [enforcement strategy](#). For example, several reports about a firm failing to reply to their clients can indicate an abandoned firm. We will take action where appropriate.



Solicitors Disciplinary Tribunal fine a firm for their poor service

The Solicitors Disciplinary Tribunal decided that a firm had failed to provide a good service to the clients affected by allegations against one of their solicitor. The solicitor was struck off because they failed to:

- attend a Judicial Mediation and a preliminary hearing
- comply with an order made by the Employment Tribunal as a result of which a claim was struck out
- provide the advice required to a client.

The firm were fined £7,500 for their conduct in this.



Poor information about ground rents

Our enforcement strategy [topic guide on standards of service](#) sets out the differences between what we investigate and what LeO investigate. It also explains when we will impose sanctions on firms and individuals when there is misconduct. For example, we are more likely to take action where:

- a solicitor's behaviour is reckless
- a solicitor acts outside their competence
- serious harm is caused
- there is a pattern of poor service.

We have [checked whether firms are complying](#) with our Transparency Rules. We are writing to all firms whose websites were not fully compliant explaining the changes they need to make. For example, we found that 52% of the firms were not displaying any complaints information on their website. For firms that do not fully comply we will consider what further regulatory action, including potential enforcement action, is required. We will continue to check firms' websites and to raise awareness with the public.

In 2018 we [reviewed 59 firms](#) that carry out trust and company service provider work, as this is an area at high risk of exploitation by criminals for laundering money. Breaches of the Money Laundering Regulations (MLR) 2017 and poor training or processes could mean firms are unwittingly assisting money launderers. We were concerned with some firms' risk assessments and appropriate customer due diligence.

Our [conveyancing research](#) found that 20% of those who had bought a leasehold property did not remember being provided with any information on length of lease, service charges and other payments such as ground rent. And other research found that some leasehold residents discovered their ground rents were going to double after a certain time.²⁶

Failing to give information about ground rents and lengths of leasehold agreements cost people money and lead to transactions falling through. And the number of claims from buyers of leasehold properties seeking compensation for ground rent charges which they say they were never told about has increased.²⁷

Our recent '[Residential Conveyancing Thematic Review](#)' found that many solicitors are not doing enough to make sure buyers understand any potential contractual obligations. This included that in nearly a quarter (23%) of leasehold purchases solicitors were not explaining the difference between freehold and leasehold models of ownership, instead relying on their client to get this information from elsewhere.

The Government are concerned about the transparency and fairness of selling leasehold houses, and about the level of ground rents.²⁸ Their Housing White Paper highlighted their aim to improve choice and fairness in the leasehold sector and commitment to consult on a range of measures to tackle unfair and unreasonable abuses of leasehold.²⁹ The Competition and Markets Authority (CMA) therefore launched an investigation of potential breaches of consumer protection law in the leasehold housing market.

It is important that solicitors give people buying leasehold properties clear and adequate information about the nature and implications of the lease.

We have investigated a small number of complaints about solicitors not giving people the right information and we take action where needed. We have also responded to the Government on this issue and added information to [Legal Choices](#) to support people buying leasehold properties. At the time of publication, we await the Government's response to their consultation before taking further action.



Our next steps are that we:

- are working closely with these firms to make sure appropriate changes are made to promptly reduce and mitigate the risks of money laundering
- have [reminded the profession](#) of their obligations, particularly in relation to firm risk assessments
- are reviewing another 400 firms to check their compliance with the MLR 2017
- will take strong action against firms where we have serious concerns that they could be enabling money laundering and those who fail to address our concerns promptly.

Research

Our independent research about solicitors' [FTC processes](#), as well as the research into people's [experiences of conveyancing services](#), and [presenting information](#) about costs and regulatory protections, supports the CMA's findings about the lack of clear information about price, service, complaints and quality in the legal services market.³⁰

The FTC research found that disabled people are more likely to be dissatisfied with the outcome of their complaint and less likely to understand the complaints procedure or know how to complain. We are following this up with a research project to explore the experiences of disabled people when choosing and using legal services. The findings from this research will help us support solicitors to improve their service for all groups of people.

Our regulatory reforms, such as our new [transparency requirements](#), have been informed by our research. And our annual publication of firms' FTC data gives market-level information about the complaints received by firms.

SRA resources

Our [Principles, Code of Conduct](#) and [Statement of Solicitor Competence](#)

[Our guidance and warning notices](#)

[Standards of Service](#) topic guide with our [Enforcement Strategy](#) - Sets out the differences between what we investigate and what LeO investigate, and when we will impose sanctions on firms and individuals when there is misconduct.

Better Information [consultation](#) and [transparency resources](#)

[Continuing competence resources](#)

[Understanding consumer experiences of conveyancing legal services](#), IFF for the SRA, 2018

[Residential conveyancing thematic review](#)

[Research into the experiences and effectiveness of solicitors' first tier complaints handling processes](#), London Economics and YouGov for the SRA, 2017

[Research into Client Care Letters](#), Optimisa Research for the legal regulators and the Legal Services Consumer Panel, 2016

[Price transparency in the legal services market](#) research findings

Useful reports

[The Lammy Review](#) – An independent review into the treatment of, and outcomes for, Black, Asian and Minority Ethnic individuals in the Criminal Justice System, 2017

[Legal services market study](#), Competition and Markets Authority, 2016

Notes

1. [Research into the experiences and effectiveness of solicitors' first tier complaints handling processes](#), London Economics and YouGov for the SRA and the Legal Ombudsman, 2017
2. [Legal Services Act 2007, section 1](#)
3. [Tracker survey 2018](#), Legal Services Consumer Panel, 2018. And our conveyancing research found that cost (87%) and being a conveyancing specialist (81%) were the most important factors that influenced which solicitor people chose.
4. [Prices of Individual Consumer Legal Services](#), OMB Research for the Legal Services Board, 2016. The research found that 16% of solicitor firms advertised price online, but 4% did not have a website. Therefore around 12% with a website were advertising price online.
5. [Tracker survey 2018](#), Legal Services Consumer Panel, 2018
6. Bellwether 2016 and Bellwether Race to Evolve, and [Research into the experiences and effectiveness of solicitors' first tier complaints handling processes](#), London Economics and YouGov for the SRA and LeO, 2017
7. [Tracker survey 2018](#), Legal Services Consumer Panel, 2018
8. [Tracker survey 2018](#), Legal Services Consumer Panel, 2018
9. [Tracker survey 2018](#), Legal Services Consumer Panel, 2018
10. [Tracker survey 2018](#), Legal Services Consumer Panel, 2018
11. Patients' experiences of the First-tier Tribunal (Mental Health), Administrative Justice and Tribunals Council and the Care Quality Commission, 2011; [Modernising the Mental Health Act – final report from the independent review](#), Gov.uk, 2018

12. [Tracker survey 2018](#), Legal Services Consumer Panel, 2018
13. [LeO News 15](#): Leo links, Legal Ombudsman, 2016
14. [Annual report 2017/18](#), Legal Ombudsman, 2018
15. [Research into the experiences and effectiveness of solicitors' first tier complaints handling processes](#), London Economics and YouGov for the SRA and LeO, 2017
16. [Topic guide: Competence and Standard of Service](#), SRA, 7 February 2019
17. [Lammy review: final report](#), An independent review into the treatment of, and outcomes for Black, Asian and Minority Ethnic individuals in the criminal justice system, 2017
18. [Understanding consumer experiences of conveyancing legal services](#), IFF for the SRA, 2018; [Research into the experiences and effectiveness of solicitors' first tier complaints handling processes](#), London Economics and YouGov for the SRA. 2017; [Research into Client Care Letters](#), Optimisa Research for the legal regulators and the Legal Services Consumer Panel, 2016; [The Language of Complaints](#), IFF Research for the Legal Ombudsman, 2017
19. [Research into the experiences and effectiveness of solicitors' first tier complaints handling processes](#), London Economics and YouGov for the SRA, 2017
20. [Research into the experiences and effectiveness of solicitors' first tier complaints handling processes](#), London Economics and YouGov for the SRA and the Legal Ombudsman, 2017
21. [Online survey of individuals' handling of legal issues in England and Wales 2015](#), Ipsos MORI for Legal Services Board and The Law Society, 2016
22. [Lessons for law firms: the client experience](#), Lawnet, 2015
23. [Balancing Customer Service and Satisfaction](#), Mark Kovac, Josh Chernoff, Jeff Denneen, and Pratap Mukharji, Harvard Business Review, March 2009
24. 82% of people reported that reputation is an important or very important factor when choosing a solicitor. [Tracker survey 2018](#), Legal Services Consumer Panel, 2018
25. In 2018 32% of people used a solicitor that they or a family member used before; and 14% had been recommended by a friend or family member. [Tracker survey 2018](#), Legal Services Consumer Panel, 2018
26. [The Leasehold Problem](#), Today's Conveyancer, 2017
27. [Firms brace for negligence flood over ground rent advice](#), The Law Society Gazette, 2017
28. [Tackling unfair practices in leasehold market](#), Department for Communities and Local Government, 2017
29. [Housing white paper](#), Ministry of Housing, Communities & Local Government, 2017; [Tackling unfair practices in leasehold market](#), Department for Communities and Local Government, 2017
30. [Legal services market study](#), Competition and Markets Authority, 2016