



Consultation response

Legal Ombudsman consultation: Model Complaints Resolution Procedure Call for Input

18 May 2026

Introduction

1. The Costs Lawyer Standards Board (“CLSB”) is the regulator of Costs Lawyers in England and Wales. We exist to serve the public interest by setting and maintaining the standards of professional conduct by which Costs Lawyers must abide. Our mission is to “provide effective, proportionate regulation of Costs Lawyers in a way that promotes consumer choice and understanding, and engenders justified public trust.”
2. The CLSB is pleased to respond to the Legal Ombudsman’s (LeO) call for input on its Model Complaints Resolution Procedure.

About Costs Lawyers

3. Costs Lawyers are regulated by the CLSB and must comply with our regulatory rules and professional standards at all times. They must also follow our Code of Conduct for ethical behaviour, including being covered by appropriate insurance and having a complaints procedure in place. Clients of Costs Lawyers have the right to escalate a service complaint to the Legal Ombudsman. The CLSB also has the power to take disciplinary action, through a fitness to practise regime, against Costs Lawyers who do not meet their professional obligations.
4. Under the Legal Services Act 2007, it is a requirement that a Costs Lawyer has effective procedures in place for the resolution of service and conduct complaints. The CLSB seeks to ensure that consumers of Costs Lawyers’ services have confidence that any complaints will be handled appropriately, and that a Costs Lawyer’s complaints procedures are fair, transparent and provide effective safeguards.
5. The CLSB’s primary requirements in relation to first-tier complaints procedures and complaint handling are contained in the Costs Lawyer Code of Conduct under Principle 3. Pursuant to the Code of Conduct, Costs Lawyers must provide for an effective first-tier complaints procedure which is simple and transparent, ensures that a complaint can be made by any reasonable means, and takes into account the individual needs of clients (in particular the needs of vulnerable clients).
6. Principle 3 of the Code of Conduct also requires Costs Lawyers to ensure their complaints procedure is in line with the CLSB’s [guidance on complaints procedures](#). The CLSB has its own [model complaints procedure](#) that Costs Lawyers can adopt. Our complaints guidance

and procedure takes account of LeO's existing guidance on complaints handling, costs and other topics, referring to this directly where appropriate.

7. Costs Lawyers (unless they work in a firm regulated by the SRA or in-house) are required to file their complaints procedure with their annual application for a practising certificate to the CLSB. This allows the CLSB to supervise compliance with the obligation to maintain an appropriate complaints procedure. We also carry out a full audit of a sample of complaints procedures annually. The CLSB collates information about the volume and type of complaints dealt with by individual Costs Lawyers, along with Costs Lawyers' complaints procedures, data sourced from the Legal Ombudsman, and data about complaints to the CLSB. This information informs our risk assessment process, enabling the CLSB to target its regulatory interventions in areas where consumer outcomes can most effectively be improved.

Call for Input: Questions

Overall views

1. Having reviewed the MCRP and supporting information, what are your overall views on the model as a framework for improving complaint handling across the sector?

- The CLSB appreciates the approach that LeO has taken in the development of the MCRP, engaging directly with regulators (including the CLSB) in writing and online to hear views and incorporate feedback. We appreciate the challenges inherent in developing a model complaints procedure that could be used across the profession, especially given the unique characteristics, and differences in the nature of the work, of each branch of the profession.
- We agree that ensuring complaints are resolved swiftly and effectively is paramount for consumer satisfaction and protection. We agree that a consistent approach to complaints would have benefits in terms of reducing consumer confusion and harmonising the sector. We also welcome the fact that the Call for Input and draft MCRP guidance makes clear that the MCRP does not replace an authorised person's existing regulatory obligations. However, we consider that it is equally important to maintain high standards and avoid duplication, and that any new procedures and guidance introduced must be at least as robust as those that regulators currently have in place.
- Having reviewed the MCRP and the draft guidance pack, the CLSB is of the view that our own complaints procedure and guidance remains the most appropriate model for Costs Lawyers. We are concerned that the MCRP as drafted is less robust than our current regulatory arrangements, and we want to maintain the high standards with which Costs Lawyers must comply. We have set out our concerns in more detail later in this response.
- While we would not actively prevent any Costs Lawyers using the MCRP if they wished to do so (assuming that the final version of the MCRP did not conflict with our regulatory requirements), and whilst we recognise that some Costs Lawyers may be required to

use the MCRP if they work in a firm that adopts it, we would **not** be able to recommend that Costs Lawyers use the MCRP in its current form instead of the CLSB's own complaints procedure.

- We consider that the MCRP as currently drafted risks creating inconsistency with regulatory arrangements, and consequently potential confusion. The CLSB's complaints procedures are tried and tested with the profession and have been shown to work well over many years. The CLSB is a small organisation and given the resource impact of adopting a new complaints procedure, we would need to be convinced that the MCRP would be at least as effective, if not more so, than our current procedures.
- In the interests of promoting consistency across the professions, we will review the CLSB's complaints guidance with a view to ensuring that it aligns with the final version of the MCRP as far as possible. We will also seek to incorporate any elements of the draft guidance pack that are not already covered by the CLSB's own guidance into our procedures, as we have done when LeO has previously published new guidance.

Adoption

If you are a legal services provider, you may wish to comment on whether you would adopt the MCRP and provide your reasons for that position. If you are responding from another perspective – such as a consumer, representative organisation, regulator, or other professional group – please tell us how you think the model could support effective complaint resolution across the sector.

2. If you are a legal service provider, to what extent would you consider adopting the MCRP?

a) Would you adopt it in full or in part?

b) If in part, which elements would you be most likely to adopt, and why?

- Please see our answer to question 1 above, and our answers to questions 3 to 5 below.

3. Are there any factors that would make it difficult for you, or the organisation you represent, to adopt the MCRP or elements of it? Please describe the practical, operational or cultural barriers you foresee, and what could be done to overcome them.

- A key thing that we believe is missing from the current draft of the MCRP is information about the relevant regulator. As far as Costs Lawyers are concerned, the CLSB handles significantly more second tier complaints than LeO. For this reason, if the MCRP is introduced, we believe it should be provided to authorised persons via the regulators, so that each can add the relevant information for its own regulated communities before making it available to authorised persons. If LeO make the MCRP available to authorised persons directly, there is a risk that it will be missing key regulatory information, or be out of date if a regulator's second tier complaints handling procedures or contact details change. Without this information there is a danger that consumers could be

confused about where to take a complaint, which could cause delays in conduct complaints reaching a regulator. For serious complaints, this could lead to public protection issues.

- For the benefit of consumers, regulators and authorised persons, the CLSB feels it is essential that the following information be added to the draft MCRP:
 - A reference to, and contact details for, the relevant regulatory body. The CLSB’s model procedure explains which type of complaint should go where, for the benefit of consumers.
 - A paragraph about referring to alternative dispute resolution where appropriate (paragraphs 44 to 46 of our guidance note on [Complaints Procedures](#) sets out when we would expect Costs Lawyers to do this). This is a requirement of consumer rights law;
 - A clear statement that there will be no charge for making a complaint; and
 - Stronger wording around the importance of consumers making complaints as soon as possible, and the timeframes for so doing.
- All of the above are requirements for Costs Lawyers, and set out in the CLSB’s model procedure. We would not be able to recommend use of the MCRP without these.
- The CLSB considers that the distinction between quick resolution within 10 days and full investigation within 8 weeks risks creating confusion for consumers and authorised persons. The concept of quick resolution may give complainants unrealistic expectations, and add to their ill feeling if unmet. Ten working days is not in line with LeO’s currently published guidance (which refers to 8 weeks), and is not in line with what we (and potentially other regulators) state in our Code of Conduct and our guidance. Similarly, the MCRP states that a compulsory complaint acknowledgment must be sent within 5 working days, which is also not in line with current regulatory arrangements. This creates serious potential for confusion and inconsistency, particularly as the Call for Input document states on page 10, “Importantly, regulatory requirements **must** continue to be met, including the window within which the whole process should complete.”
- The introduction of a new 10-day quick resolution procedure and a compulsory requirement to acknowledge complaints within 5 days would potentially require changes to regulatory rules – meaning consultation with the profession and LSB approval. A 10-day window also risks creating unrealistic expectations from clients that it should be possible to resolve complaints in 10 days – which may in itself result in further complaints if the matter is not resolved quickly.
- A 10-day window may also be unrealistic for sole practitioners and small firms, who may not have the capacity or resources to reach a resolution in a short space of time given other professional commitments (client meetings, court appearances etc) and personal commitments (such as annual leave, which is important as rest is vital for the

emotional resilience needed when responding to complaints). We feel it is important that the requirements of the MCRP align with legal regulators' strategies regarding promoting wellbeing in the profession.

- The CLSB considers it would better for the MCRP to emphasise responding to complaints as soon as possible without specifying a particular timescale. For example, “We will investigate your complaint and respond to you within 8 weeks, but will endeavour to respond sooner if possible,” and for regulators/LeO to emphasise that complaints should be resolved as soon as reasonably possible.
- Our comments above would also apply to the draft flowchart on page 10 of the Call for Input document. We also note that the draft flowchart does not make clear the circumstances that would dictate which arrow should be followed when there are multiple arrows from one box. To avoid confusion for consumers this should be revised to show a clear route through the stages, depending on circumstances.

4. A key feature of the MCRP is early resolution. What do you see as the benefits or potential challenges of placing greater emphasis on resolving complaints at an earlier stage?

- Please see our answer to question 3 above.

5. What additional guidance, information, or support could LeO provide to help promote and enable the early resolution of complaints?

- The CLSB found several elements of the draft guidance pack provided as part of the Call for Input helpful, in particular the list of features that make a complaint suitable for early resolution, the list of types of early resolution, and the use of examples throughout the guidance. The detailed guidance around what a full investigation should encompass is also useful.
- As set out above, the CLSB considers that the MCRP and related guidance needs to be clear that conduct complaints can go to the relevant regulator directly, or be referred to the regulator by LeO.
- The CLSB notes that page 8 of the draft guidance currently states, “Even if you have asked for additional information from the consumer, if it has not been provided, you should proceed to issue a response, making it clear that the response is provided on the basis of the information you have available.”
- We are concerned that this does not take account of the fact that there may be a good reason for the lack of response from the consumer (for example, serious illness or injury). We would suggest amending this aspect of the guidance to say that the provider may wish to issue an update, rather than a final response, if they are aware that a response to a request for additional information has been delayed for good reason.

6. Where early resolution is not possible or appropriate, the MCRP proposes simplifying the full investigation process into one final written response at the end of the Full Investigation stage. What do you consider are the benefits and challenges of this approach?

- The CLSB is concerned that, while this approach may have benefits for service providers by reducing the administration associated with managing complaints, those benefits may come at the expense of consumers being kept sufficiently informed of the progress of their complaint.
- The CLSB's guidance on complaints handling states at paragraph 28, "Complainants should be provided with regular updates on the progress of their complaint. They should also be informed promptly if there is delay or if more information is needed before further progress can be made with investigating their complaint."
- We think the MCRP should take a similar approach, emphasising the importance of keeping consumers informed throughout the process while still providing a final written response at the end of the process.
- We note that the key features of the final response listed on page 12 of the Call for Input do not include details of the appropriate regulatory body and would strongly recommend that this is added.

Supporting materials

7. What additional guidance, templates and tools would help you, or the organisations you represent, implement the MCRP more effectively? Are there specific resources that would make adoption easier and more attractive?

- The CLSB provides a model complaints procedure that Costs Lawyers can adapt for their use. Our model complaints procedure complies with our Complaints Handling guidance and can form the basis of Costs Lawyers' procedure to be published on their website and be provided to their clients. It is not mandatory to use the CLSB model complaints procedure; Costs Lawyers may use any procedure that complies with this guidance and the Code of Conduct. The advantage of using the CLSB model procedure is that Costs Lawyers can be assured that they are using a procedure that meets the requirements of our guidance.
- We note from the Call for Input that LeO prepared an information pack for service providers ahead of the pilot of the MCRP, and that this information pack included letter templates, guidance and a toolkit. The letter templates and toolkit have not been included in the draft guidance pack published as part of the Call for Input. Consequently it is not possible for the CLSB to provide a detailed answer about what additional guidance, templates and tools would be helpful. We would expect draft letters, guidance and toolkits to be made available for consultation at a later stage if the proposal to introduce the MCRP were to go ahead.

8. Based on the Pilot feedback (Annex A) and your own experience, are there any aspects of the MCRP that you feel may not work for certain types of organisations, consumers or those you represent? If so, what challenges do you foresee and how might they be overcome?

- CLSB data shows that Costs Lawyers receive very few instructions from lay clients (less than 1% of the total instructions to Costs Lawyers each year). The majority of Costs Lawyers are instructed by other legal professionals (most commonly solicitors or barristers) and such professional clients are more likely to have a clear understanding of how to address service or conduct complaints that may occur i.e. are more likely to be aware of LeO and the relevant regulatory bodies.
- We note that the MCRP pilot involved just 10 firms, not all of which received complaints during the pilot period. We also note that no consumers responded to the requests for feedback as part of the pilot, which is surprising and somewhat disappointing given that we understand over 600 complaints were received during the pilot.
- Based on the low number of firms taking part in the pilot and lack of consumer feedback, we would caution against drawing firm conclusions about the effectiveness, resilience or robustness of the proposed MCRP at this stage. We would suggest a larger pilot that includes direct engagement with consumers should be carried out to gather further data on the effectiveness of the proposed MCRP and how it might be improved before it is introduced across the sector.

Consumer facing guidance

9. What, in your view, are the most important factors that should be included in our guidance for consumers to ensure it is clear, accessible and effective?

- The CLSB notes from the Call for Input paper (page 13) that LeO has developed the following consumer-facing documents and tools:
 - A template letter for how to complain to your service provider.
 - Guidance on how to complain to your service provider, including what information to provide, and how to engage constructively.
 - Consumer guidance on the application and use of the MCRP, as well as guidance where a service provider is not using the MCRP.
- However, these documents were not made available for comment as part of the Call of Input. Without sight of the draft guidance, it is not possible for the CLSB to provide a fuller answer at this stage other than to say that the topics outlined in the bullet points above sound like sensible topics for inclusion in consumer guidance.
- More generally, the CLSB would recommend that guidance for consumers is provided in a range of different formats in the interests of accessibility and inclusion. For example, guidance should include videos as well as written information, flowcharts to illustrate the process, and be available in alternative formats.

10. Considering the MCRP and supporting materials through the consumer lens, is there any additional information or support that LeO should provide to service providers to ensure complaints handling meets the highest possible standard?

- Please see our answers above.

Any other comments or feedback

11. Do you have any other comments on, or feedback about, the MCRP that you would like to share with us?

- The CLSB would be happy to discuss its response to this Call for Input with LeO in more detail.