

Responses to the consultation on changes to CRL's requirements for first-tier complaints

The breakdown of the total of 34 responses by type of respondent was as follows:

Type of respondent	Number of responses
CILEX Authorised firms	14
CILEX-ACCA Probate firms	5
Regulated individual	14
Legal Ombudsman	1
Total	34

The Legal Ombudsman (LeO) summarised its response by welcoming CILEx Regulation's proposals to strengthen first-tier complaint handling. The proposed measures align closely to LeO's strategic focus. The full response is annexed.

LeO commented that the analysis of firms' complaint handling procedures outlined in CRL's consultation is consistent with LeO's experience and welcomed the emphasis on fostering a culture of continuous improvement in complaint handling.

They noted that their experience also shows that firms who treat complaints as opportunities for learning and respond positively to feedback are more likely to resolve issues effectively – reducing the likelihood of escalation or facilitating a resolution at an earlier stage in our process.

Our proposed requirement for senior management to endorse and regularly review complaint handling procedures are viewed as a positive and important step. LeO are supportive of both the focus outlined in our proposed complaints handling rules, and the associated proposal to develop supporting guidance to supplement those rules.

Our firms are encouraged to actively welcome feedback at appropriate points throughout the retainer rather than waiting until the very end. There are natural points earlier in the client journey, and an invitation for positive or negative feedback could be more effective. Our guidance will include information about feedback.

LeO welcomed the focus on ensuring complaints procedures are displayed prominently on a service provider's website. We addressed this in our change to our Transparency Rules (TR) in 2024. We extended out TR to all legal services provided by our firms to consumers and small businesses, thereby requiring all firms with a website to publish their complaints procedure and those without to provide a Consumer Information Leaflet with this information. We added to the TR the requirement that the transparency information is published "prominently in a clear and accessible format", defined as "in a way that stands out so as to be easily seen; noticeably or conspicuously" and using a "clear font and at least font size 12".

LeO fully supports us seeking views on the introduction of the MCRP. The development of a shared framework, which supports all legal service providers – regardless of size or structure – will help implement effective, fair and efficient complaint processes, which are rooted in the principle of early resolution.

We set out the **other consultation responses** in the table below.

The responses to our proposals were, on the whole, positive:

- 97% of respondents, and all respondents from CILEX Authorised firms and CILEX-ACCA Probate firms, agreed with our general approach to introduce Complaint Handling Rules, rather than changing the CILEX Code of Conduct.
- While 94% of all respondents (95% of firms) agreed with the introduction of guidance and monitoring, two responses questioned the need for increased monitoring of complaints, and one approved of this intention. We already collect data on complaints from our CILEX Authorised and CILEX-ACCA Probate firms. We will be increasing monitoring of complaints to better understand complaints, support our regulated community generally and specifically for firms where required to drive improvements for consumers and meet the LSB requirements. A regulated individual commented that this would be another layer of red tape for individuals working in firms regulated by another regulator. We set out in our consultation that where authorised persons are employed in a firm authorised by another regulator, the firm's complaint's policy will apply in accordance with [section 52\(4\) of the Legal Services Act 2007](#)¹.
- We have taken onboard the suggestions for information to be included in guidance for the new rules. We are providing information in our guidance about third-party complaints and assistance with use of appropriate clear language. Additionally, where necessary we will support firms with compliance through supervision during implementation. We will continue to signpost to LeO publications via our Newsletter and other comms.
- 91% of all respondents (84% of firms) would welcome a Model Complaints Resolution Procedure, citing greater consistency and clarity for both consumers and legal service providers. One firm commented that one-size will not fit all. We are currently working with the LeO and legal regulators exploring the feasibility of a Model Complaints Resolution Procedure.
- Overall, 72% of respondents did not foresee issues with interpretation and 73% with implementation of the new Complaint Handling Rules. Of firm respondents, 72% did not foresee issues with implementing and 68% with interpreting the new Complaint Handling Rules. Concerns related to possible different interpretation, incorrect applications and issues for sole practitioners. We have taken account of these views. For example, in our guidance we have included a section for sole practitioners and information for authorised persons working in firms regulated by other regulators.
- Of all respondents, 77% did not foresee issues with implementing and 84% with interpreting the changes to Regulation 13 in the CILEX-ACCA firm Handbook. Of respondents from firms, 79% did not foresee issues with implementing or interpreting the changes. The responses were considered outside of the scope of this consultation.

¹ [section 52\(4\) of the Legal Services Act 2007](#) provides that the regulatory arrangements of the entity regulator prevails over the regulatory arrangements of another regulator for an individual who is an employee or manager of the entity, where there is conflict between the two.

- Overall, 69% of respondents agreed with out assessment of our costs and benefits assessment. Of respondents from firms, 63% agreed. Respondents that did not agree pointed to increasing costs due to time required to change documents, the website and marketing information. We have acknowledged that there will likely be upfront costs to developing and implementing a new complaint handling procedure and have explained how we will look to minimise these costs as far as is possible and appropriate, including use of the annual return process to support firms in updating their policies if necessary.
- 84% of all respondents agreed with our assessment of the impact of our proposals on equality, diversity and inclusion. Of firm respondents, 89% agreed. A respondent that did not agree suggested that an EDI assessment drew awareness and segregated parts of society. However, is important to carry out an EDI assessment to understand if and how the proposed regulatory arrangement changes might differently impact people with diverse characteristics or backgrounds.

Questions	Responses		CRL response
	Yes	no	
	n = 33		
1. Do you agree with our general approach to introducing Complaint Handling Rules (rather than changing our Code)?	32 (97%) 14 CILEX Authorised firms and 5 CILEX-ACCA Probate firms (100%) 13 Regulated individual	1(3%) 1 Regulated individual	
	CILEX Authorised firms: The Code does not need to be amended. Supplemental support needs to be provided to individuals and firms to help implement standardised complaint handling across the board. A separate Complaints Handling Rules document would be useful. I don't believe a change to the Code of Conduct is required, but a separate Complaints Handling Rules document would be useful. Rules can be amended without the need for a full reform. CILEX-ACCA Probate firms: Agree it should be updated and meets the LSB requirements. Code already sets requirements no need overhaul.	Regulated individuals: *Legal service providers are already governed by LSB rules. Provide firms with guidance as per a "code" so these can be adapted to meet individual firm requirements rather than prescriptive rules.	*Our current approach to setting complaint handling expectations is based on a high level, outcomes based Code. There are many areas of good practice among the firms we regulate, but even so, there is scope for improvement ten years after the introduction of the current Code Bringing in Complaint Handling Rules will drive better complaint handling and service provision for consumers and the improvements for consumers required by the LSB.

	<p>Regulated individuals: Rules:</p> <ul style="list-style-type: none"> • create clear understanding of expectations • provide agility for change, which is harder to do with the code • provide an expectation of compliance with sanctions for breach. Guidance steers but does not bind members • Standardise a complaints handling policy setting out obligations on the practitioner and rights of the client. 		<p>We will publish guidance to support the Complaint Handling Rules.</p>
2. Do you agree with our intention to introduce guidance and bolster our monitoring of complaints?	<p>31 (94%) 13 CILEX Authorised firms and 5 CILEX-ACCA Probate firms (95%) 13 Regulated individual</p>	<p>2 (6%) 1 CILEX Authorised firms (5%) 1 Regulated individual</p>	
	<p>CILEX Authorised firms: Practical guidance and training would benefit all firms. Rules alone are not helpful.</p> <p>**Guidance but not necessarily bolstering monitoring.</p> <p>Appreciate CRL needs to monitor complaints.</p> <p>Clients will have better access to firms complaints procedure.</p> <p>***It's important that the process remains accessible to all parties, including vulnerable clients. Clear guidance, plain language, and</p>	<p>Regulated individuals: *Most CILEX work in SRA/CLC firms, so another layer red tape for them.</p>	<p>*We set out in our consultation and for the avoidance of doubt, we propose that where authorised persons are employed in a firm authorised by another regulator, the firm's complaint's policy will apply. In instances where regulated persons fall within the remit of more than one regulator, section 52(4) of the Legal Services Act 2007 provides that the regulatory arrangements of the entity regulator prevail over the regulatory arrangements of another regulator for an individual who is an employee or manager of the entity, where there is conflict between the two.</p> <p>**We already collect data on complaints from our CILEX Authorised and CILEX-ACCA Probate firms. We will be increasing monitoring of complaints to better understand complaints, support our regulated community generally and specifically for firms where required to drive improvements for consumers and meet the LSB requirements.</p> <p>***We will publish guidance to support the Complaint Handling Rules.</p>

	<p>empathetic communication should be central to any revised framework.</p> <p>CILEX-ACCA Probate firms: It will enhance uniformity across all stakeholders.</p> <p>A positive move, it may encourage people to complain where previously they would not have.</p> <p>Regulated individuals: Monitoring should be stepped up with provision of information to CRL about complaints received and their resolution.</p> <p>Guidance will help.</p> <p>Guidance will make the Rules transparent and can be followed without misinterpretation.</p> <p>If rules effective less need guidance. Step up monitoring.</p>		
3. What information would you welcome in guidance to support you to implement the new Complaint Handling Rules/amended Regulation 13?	<p>CILEX Authorised firms suggestions included:</p> <ul style="list-style-type: none"> • practical training course • clarification on any change • working examples to allow firms to adopt the new rules and amend policies appropriately • precedent complaint handling procedure • clarification required on the difference between clients firms provide a service for and from individuals that aren't actual clients. • *Complaint Handling Rules/amended Regulation 13 clarify obligations of authorized persons to cooperate with LeO, including complying with their determinations. This should also provide Sanctions in failure to comply with the new 		<p>We have taken onboard these suggestions, and are providing information in our guidance to support the changes required in the new rules, third-party complaint information, and assistance with use of appropriate clear language. We will continue to work with LeO and other legal regulators exploring the feasibility of a Model Complaints Resolution Procedure. Additionally, where necessary we will support firms with compliance through supervision during implementation. We will continue to signpost to LeO publications via our Newsletter and other comms.</p> <p>*Paragraph 4 of the CILEX Code of Conduct sets out the obligation to “deal with regulators and ombudsmen openly, promptly and co-operatively”. Sanctions for non-compliance with regulatory</p>

	<p>regulation. The document must be reader friendly.</p> <ul style="list-style-type: none"> Assistance in using effective communication and language when dealing with complaints and in supporting clients with vulnerabilities. Remedies deemed appropriate for levels of complaint. <p>CILEX-ACCA Probate firm: Emphasis on how a client can avoid prematurely escalating to LeO</p> <p>Regulated individuals:</p> <ul style="list-style-type: none"> Webinar / clear examples. A clear set of provisions with cross reference to the Rules. Set out what a complaints handling process should contain. Both Rules and Guidance should be one size fits all to avoid confusion and separate processes which may cause issues. 		<p>requirements are currently set out in our Enforcement Rules.</p>
	n = 32		
4. Would you welcome a model complaints resolution procedure that has been developed in conjunction with other regulators and LeO?	<p>29 (91%) 11 CILEX Authorised firms and 5 CILEX-ACCA Probate firms (84%) 13 Regulated individual</p>	<p>3 (9%) 3 CILEX Authorised firms (16%)</p>	
	<p>CILEX Authorised firms: A standard model across the industry will benefit all.</p> <p>Removing scope for firm discretion and providing a clear procedure then firms should have no issue adopting.</p> <p>This can provide greater consistency and clarity for both consumers and legal service providers. This approach can reduce the need for matters escalating to the ombudsman.</p> <p>This will allow responses to be consistent and to be given with confidence.</p>	<p>CILEX Authorised firm: I don't think that there is a one size fits all procedure for all areas of legal practice.</p>	<p>We are currently working with LeO and legal regulators exploring the feasibility of a Model Complaints Resolution Procedure.</p>

	<p>CILEX-ACCA Probate firms: It would provide uniformity and clarity for all involved.</p> <p>Regulated individuals: A more consistent approach to dealing with complaints will help consumers of legal services better access this.</p> <p>Consistency between firms.</p> <p>It is important that this be standardised.</p>		
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Questions	Foresee an issue with interpretation?		Foresee an issue with implementation?		CRL Response
	No	Yes	No	Yes	
	n = 32		n = 33		
5. and 6. Do you foresee any issues with the interpretation/ implementation of the new Complaint Handling Rules?	23 (72%) 8 CILEX Authorised firms and 5 CILEX-ACCA Probate firms (72%) 10 Regulated individual	9 (28%) 5 CILEX Authorised firms and 0 CILEX-ACCA Probate firms (28%) 4 Regulated individual	24 (73%) 8 CILEX Authorised firms and 5 CILEX-ACCA Probate firms (68%) 11 Regulated individual	9 (27%) 6 CILEX Authorised firms and 0 CILEX-ACCA Probate firms (32%) 3 Regulated individual	
	CILEX Authorised firms: Not if the rules are rolled out in the correct manner with the right support and guidance. If a model procedure has been developed, there should be minimal scope for interpretation. Not with proper guidance *Requirements to log and retain complaint data could raise questions about GDPR compliance, especially for sole	CILEX Authorised firms: Personal feelings can affect the assessing of fairness, proportionality, and what would be a part of positive complaint handling culture. Language needs to be clarified to avoid ambiguity and avoid different interpretation along with incorrect applications. Cross regulation could cause confusion but the consultation paper has set out how this is to be	CILEX Authorised firms: Not if the rules are rolled out in the correct manner with the right support and guidance. I welcome the guidance in the consultation which allows firms plenty of time to implement the procedure without a tight deadline. CILEX-ACCA Probate firms: It is already part of our annual renewal requirements.	CILEX Authorised firms: Possible inconsistent requests through the process. Possible delays. There may be some issues with the system being new but once implemented it should achieve consistency and ensure firms are aware of the expectation and how complaints should be handled. Sole practitioners may need clearer, scaled-down examples that reflect real-world constraints.	We have taken account of these views. For example, in our guidance we have included a section for sole practitioners and information for authorised persons working in firms regulated by other regulators. <

	<p>practitioners without dedicated systems.</p> <p>CILEX-ACCA Probate firms: It is in clear language and includes glossary of interpretations to wordings.</p> <p>Anything that simplifies and provides uniformity and clarity in the complaints process is to be applauded.</p> <p>Regulated individuals: **It is all fairly straightforward. The only thing I do not think we as a firm do currently is advising of the complaints policy when we close the file. I am not sure this is actually necessary.</p> <p>Not if the Rules are unambiguous/clear guidance.</p>	<p>interpreted and which Regulator prevails.</p> <p>Regulated individuals: Unless it is made clear across the board of what is expected some may not interpret it correctly. Examples would help those who have difficulty interpreting, this would make it clear as to what is expected.</p>	<p>Regulated individuals: Complaints policy is linked to in our client care letters at the outset of a case, expression of dissatisfaction at any time (whether it is a complaint). Not at the end of a case. I think this is overkill.</p> <p>It would be helpful to issue guidance on the new rules and a help line</p>	<p>Regulated individuals: Delays in creating the new process should be minimised.</p>	<p>**We will be retaining the requirement to provide complaints information and LeO details at the end of a case because research evidence has pointed to the need for provision at this point to support better outcomes for clients; and to meet the LSB's s112 requirements.</p>
	n = 31		n = 32		
7. and 8. Do you foresee any issues with the interpretation/ implementation of the amended Regulation 13 in the CILEX-ACCA firm Handbook?	<p>24 (77%) 10 CILEX Authorised firms and 5 CILEX-ACCA Probate firms (79%) 9 Regulated individual</p>	<p>7 (23%) 4 CILEX Authorised firms and 0 CILEX-ACCA Probate firms (21%) 3 Regulated individual</p>	<p>27 (84%) 10 CILEX Authorised firms and 5 CILEX-ACCA Probate firms (79%) 12 Regulated individual</p>	<p>5 (16%) 4 CILEX Authorised firms and 0 CILEX-ACCA Probate firms (21%) 1 Regulated individual</p>	
	<p>CILEX Authorised firms: Not if the rules are rolled out in the correct manner with the right support and guidance.</p> <p>CILEX-ACCA Probate firms:</p>	<p>CILEX Authorised firms: *Clients may struggle to understand why two separate entities are involved in what feels like a single service. The existence of distinct regulatory regimes and</p>	<p>CILEX Authorised firms: Not if the rules are rolled out in the correct manner with the right support and guidance.</p> <p>CILEX-ACCA Probate firms:</p>	<p>CILEX Authorised firms: *The requirement to separate probate work into a distinct legal entity arguably conflicts with the Legal Services Act's goal of enabling integrated, multidisciplinary services.</p>	<p>*It is a firm's responsibility to ensure that they are clear to clients and that clients understand who to complain to and how to do this. The regulatory regime has LSB approval.</p>

	<p>It is already being practiced by members.</p> <p>Absolutely no reason why this should cause any issues whatsoever.</p>	<p>registers could create a perception of a two-tier system, undermining confidence and clarity.</p>	<p>Referred to comments for Q7.</p> <p>Regulated individuals: This is very straight forward and basically exactly the same as I already do in an SRA regulated firm.</p>	<p>This could weaken consumer protection and reduce efficiency.</p> <p>**One issue which I have notice is Pricing. Each matter is different to one. Firms should be allowed to provide an approximate fee which will occur or stage by stage process. To determine the exact fee for as matter could be difficult as some matters can resolve earlier and some can run all the way to trial.</p>	<p>**This is considered outside of the scope of this consultation.</p>
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Questions	Responses		CRL response
	Yes	no	
	n = 32		
9. Do you agree with our assessment of the costs and benefits of introducing new complaint handling rules?	22 (69%) 9 CILEX Authorised firms and 3 CILEX-ACCA Probate firms (63%) 10 Regulated individual	10 (31%) 5 CILEX Authorised firms and 2 CILEX-ACCA Probate firms (37%) 3 Regulated individual	
	CILEX Authorised firms: Consumer satisfaction and a stronger professional reputation may outweigh these costs in the long run. CILEX-ACCA Probate firms: Simplification and clarification are a small price to pay. Regulated individuals: It is far better to have a decent complaints handling process in place so that clients with a complaint feel listened to and understood and that there has been a fair and objective review of any complaint, rather than dealing with any complaint badly. I would take the view that any costs are an investment in client care.	CILEX Authorised firms: *Every change in regulation increases costs. This comes from a time perspective of amending our individual company policy documents, updating websites and marketing booklets and then dealing with issues - granted if complaints were lower time would be saved - I do not believe clients will ever feel that their complaints are investigated properly at the first stage as this investigation is by the firm making the complaint. If it's not broken, it doesn't need fixing. Benefits yes shall not involve much cost.	*We appreciate that there will likely be upfront costs to developing and implementing a new complaint handling procedure. We will look to minimise these costs as far as is possible and appropriate. We will encourage early compliance with these proposals and propose to use the annual return process to support firms in updating their policies if necessary (we know that some firms will likely have complied with these proposals ahead of their annual return). We propose not to enforce the proposed complaint handling rules at the first annual return post-implementation, allowing regulated entities a proportionate period of time to adjust to the proposed requirements.

	<p>Dealing with complaints in a friendly, respectful and efficient manner. It is only right that the member or entity should bear the costs unless the complainant is vexatious in which case the member/firm should be able to refer the complainant to CILEX.</p> <p>Dealing with complaints in a fair timely and transparent manner must be good for both practitioners and clients alike.</p>	<p>CILEX-ACCA Probate firms: These things always take far longer than regulatory bodies suggest.</p> <p>It appears to cover areas.</p>	
	n=32		
10. Do you agree with our assessment of our proposals impacts on equality, diversity and inclusion?	<p>27 (84%) 13 CILEX Authorised firms and 4 CILEX-ACCA Probate firms (89%) 10 Regulated individual</p>	<p>5 (16%) 1 CILEX Authorised firms and 1 CILEX-ACCA Probate firms (11%) 3 Regulated individual</p>	
	<p>CILEX Authorised firms: Can offer an alternative route to qualification, increases access to legal services in certain areas. CILEX members may bring a wider range of experiences and perspectives to the legal profession. Drawbacks can be that some people CILEX qualifications as lower in status than traditional solicitor qualifications. Higher rights require additional assessment and authorisation processes. Costs still can be an issue for some individuals.</p> <p>CILEX-ACCA Probate firms:</p> <p>It makes a lot of sense to have considered it to meet the public interest benefits and expectations management.</p> <p>The impacts are all positive - proportional and fair and encourage equality, diversion and inclusion.</p> <p>Regulated individuals:</p> <p>Only insofar as the proposals are designed to benefit everyone, so really i think it is more of a neutral position.</p>	<p>CILEX-ACCA Probate firms: By making these a thing you draw awareness and segregate parts of society.</p>	<p>It is important to carry out an EDI assessment to understand if and how the proposed regulatory arrangement changes might differently impact people with diverse characteristics or backgrounds.</p>

	E,D & I are very important and is another reason why there should be a standard response.		
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