



Sent by email only to consultations@legalombudsman.org.uk

9 September 2026

Changes to Scheme Rules, case fees, and publication of ombudsman decisions

The Legal Services Consumer Panel (the Panel) welcomes this consultation and the opportunity to comment on proposed changes to the Legal Ombudsman's (LeO) Scheme Rules, case fee structure and publication policy. We recognise the scale of the demand pressures LeO is managing and support a package of reform that genuinely improves outcomes for consumers, provided access to justice is protected throughout.

Summary

- **Scheme Rules:** we support the overall direction of travel, in particular the sharper focus on genuine detriment and the drive to resolve more complaints earlier and with less formality. We ask the OLC to strengthen the safeguards around the mandatory online complaint form, the detriment threshold and the unacceptable behaviour ground, so that consumers who are vulnerable, digitally excluded or simply struggling to articulate their complaint are not shut out.
- **Case fees:** we support the principle that providers generating the greatest demand on LeO's resources, and those who fail to engage properly at first tier, should bear a fairer share of the cost. We particularly welcome the proposed fee for providers who fail to issue a final response within eight weeks. We ask LeO to monitor closely for any perverse incentives created by the new fee structure.
- **Publication of decisions:** we strongly support the principle that all ombudsman final decisions should be considered for publication. This is a step the Panel has been calling for since 2010.¹ However, we are concerned that the proposal as drafted addresses only the anonymisation of the complainant and is silent on whether the legal provider will be named. Naming providers, as the Financial Ombudsman Service and other comparable schemes already do², is in our view

¹ [LeO PublishingDecisions_Dec2010](#)

²Financial Ombudsman Service, ombudsman decisions database, which publishes final decisions naming the business and anonymising the consumer. <https://www.financial-ombudsman.org.uk/decisions-case-studies/ombudsman-decisions>

essential if the reform is to deliver the consumer choice and market improvement benefits the OLC itself identifies.

We set out our detailed answers to each consultation question below

The Panel's Previous Engagement on these issues

The Panel has engaged with LeO and the OLC on Scheme Rules, case fees and transparency since the scheme was first established, and this response builds directly on that record. In particular, we draw on:

- Our responses to the OLC's original Draft Scheme Rules (December 2009)³ and Case Fee consultation (November 2009)⁴, submitted before LeO began operating.
- Our responses to LeO's first⁵ and second⁶ stage consultations on publishing decisions (December 2010 and June 2011), and the AIMR research into consumer attitudes to identifying law firms subject to complaints, which we commissioned jointly with the Legal Ombudsman and which found strong public support for naming providers.⁷
- Our 2012 response to LeO's consultation on the review of the Scheme Rules and case fee structure.⁸
- Our jointly commissioned YouGov research with LeO into consumer experience of complaint handling (2012), covering first tier complainants' experience of complaining to their lawyer and the drivers of premature complaints to LeO.⁹

³Legal Services Consumer Panel, response to the Office for Legal Complaints on the Draft Scheme Rules, 2 December 2009, listed in the Panel's policy archive at <https://www.legalservicesconsumerpanel.org.uk/what-we-do/policy-work-and-briefings/complaints>

⁴Legal Services Consumer Panel, response to the Office for Legal Complaints on case fees, 13 November 2009, listed in the Panel's policy archive at <https://www.legalservicesconsumerpanel.org.uk/what-we-do/policy-work-and-briefings/complaints>

⁵Legal Services Consumer Panel, "LeO – Publishing Decisions", response to LeO's first stage consultation on publishing decisions, 21 December 2010, listed at <https://www.legalservicesconsumerpanel.org.uk/what-we-do/policy-work-and-briefings/complaints>

⁶Legal Services Consumer Panel, "LeO – Publishing our decisions", response to LeO's second stage consultation on publishing decisions, 28 June 2011, listed at <https://www.legalservicesconsumerpanel.org.uk/what-we-do/policy-work-and-briefings/complaints>

⁷"Identifying law firms subject to consumer complaints to the Legal Ombudsman", AIMR research jointly commissioned by the Legal Services Consumer Panel and the Legal Ombudsman, 24 February 2011. https://www.legalservicesconsumerpanel.org.uk/publications/research_and_reports/documents/AIMR_PublishingComplaintDecisions_Report.pdf

⁸Legal Services Consumer Panel, "Consumer Panel responds to LeO consultation on scheme rules", response to LeO's consultation on review of the scheme rules and case fee structure, 13 June 2012, listed at <https://www.legalservicesconsumerpanel.org.uk/what-we-do/policy-work-and-briefings/complaints>

⁹"Consumer Experience of Complaint Handling: First Tier Complainants" and "Consumer Experience of Complaint Handling: Premature Complainants", YouGov research jointly commissioned by the Legal Ombudsman and the Legal Services Consumer Panel, 11 October 2012, listed at <https://www.legalservicesconsumerpanel.org.uk/what-we-do/policy-work-and-briefings/complaints>

- Our 2012 report on third party complaints, and our September 2013 case studies of complaints LeO was unable to accept, which together led LeO to set up a steering group on widening access for third party, non client complainants.¹⁰
- Our response to LeO's 2020 Transparency Discussion Paper, continuing the case for greater transparency that we had set out in our earlier submissions.¹¹
- Our response to the OLC's Draft Business and Budget Plan 2026/27 (December 2025).¹²
- Our ongoing discussion with the sector about the distinction between access and assess in redress, namely the burden placed on consumers to work out whether their complaint is a service issue for LeO or a conduct issue for a regulator, which we have identified as a key point of consumer confusion.

Across this body of work, three themes recur, and they shape our answers below: complaints handling should be as simple and accessible as possible for consumers, especially those who are vulnerable; the cost of poor service should fall on the providers responsible for it, not be socialised across the whole profession; and transparency about individual provider performance, including naming providers in published decisions, is a proven driver of better consumer outcomes.

Changes to the Scheme Rules

Q1. Do you agree with the principles underpinning LeO's proposed changes to its Scheme Rules?

- **Addressing incoming levels of demand**
- **Ensuring LeO can focus on complaints where it can make a difference**
- **Ensuring LeO's process is proportionate, effective and efficient**
- **Encouraging resolution of complaints at the earliest appropriate opportunity**

Please explain why you've given that answer.

We agree with these principles in general terms and recognise that LeO cannot absorb a 37% year on year increase in demand without changing how it works. Proportionality and early resolution are principles the Panel has itself long championed.

Our support is conditional on a fifth principle being made explicit alongside the four listed: that any change which narrows the scope of what LeO will investigate, or changes how consumers must engage with LeO, is assessed for its impact on access to justice before it is implemented, with particular attention to vulnerable and digitally excluded consumers.

¹⁰Legal Services Consumer Panel, "Third party complaints", 7 June 2012, and "Third party complaints case studies", 24 September 2013, both listed at <https://www.legalservicesconsumerpanel.org.uk/what-we-do/policy-work-and-briefings/complaints>

¹¹Legal Services Consumer Panel, response to "The Legal Ombudsman's Transparency Discussion Paper", 31 January 2020, listed in the Panel's consultation responses archive at <https://www.legalservicesconsumerpanel.org.uk/what-we-do/consultation-responses>

¹²Legal Services Consumer Panel, response to the OLC's Consultation on Draft Business and Budget Plan 2026/27, 16 December 2025, listed at <https://www.legalservicesconsumerpanel.org.uk/what-we-do/consultation-responses>

Several of the specific proposals discussed below, notably the detriment threshold and the mandatory online form, carry a real risk of filtering out valid complaints from exactly the consumers who find it hardest to self-advocate. We ask the OLC to commission and publish an equality impact assessment covering the package, not rule by rule, before final approval.

Q2. Do you support the proposed substantive changes to the Scheme Rules? If not, or not fully, why – and what changes would you suggest?

We support the direction of most of the substantive changes, with the reservations set out below.

Rule 1.6 and 5.7(b): detriment threshold

We understand and accept the case for clarifying that LeO should focus its resources where there is genuine impact. However, our long-standing concern, reflected in our 2012 research into first tier and premature complainants¹³, is that consumers without professional or advisory support can struggle to articulate the impact of a service failing in the precise terms a scheme expects, even where real detriment exists. We ask the OLC to publish worked examples of what does and does not meet the new threshold, to require caseworkers to help complainants articulate impact rather than dismiss on the papers where the underlying facts suggest detriment may exist, and to monitor and publish the proportion of complaints dismissed under this ground, broken down by complainant vulnerability where that is recorded.

Rule 4.5: 12-year long-stop

A long-stop date brings welcome certainty for both parties and we support the proposal, particularly because the consultation describes the 12-year long-stop as running from awareness of a service failing. This would help ensure consumers are not disadvantaged in cases such as undiscovered conveyancing errors, where the problem may not reasonably be apparent at the time of the act or omission. We ask the OLC to confirm this interpretation in the final rules, and to set out clear transitional arrangements for complaints already in the pipeline when the change takes effect.

Rule 5.1: mandatory online complaint form

We support the efficiency case for standardising intake, but the current drafting relies on "exceptional circumstances" to trigger an alternative channel, which places the burden on the consumer to identify and justify their own need for an adjustment. Given LeO's own casework includes consumers experiencing bereavement, mental ill health, low digital literacy or lack of internet access, we ask that the rule instead guarantee accessible alternative channels as a matter of course for anyone who needs them, without requiring the consumer to first demonstrate exceptionality. We would welcome sight of the accessibility testing LeO has carried out on the online form itself.

Rule 5.7(r): unacceptable behaviour

¹³"Consumer Experience of Complaint Handling: First Tier Complainants" and "Consumer Experience of Complaint Handling: Premature Complainants", YouGov research jointly commissioned by the Legal Ombudsman and the Legal Services Consumer Panel, 11 October 2012, listed at <https://www.legalservicesconsumerpanel.org.uk/what-we-do/policy-work-and-briefings/complaints>

We support LeO's right to protect its staff from abusive or threatening behaviour and welcome the fact that unacceptable behaviour by a provider is treated as a conduct issue rather than grounds to close the complaint. Because behaviour that appears unreasonable can sometimes be a symptom of distress or a mental health crisis rather than genuine misconduct, we ask that any dismissal under this ground carry a documented right of review by a second, more senior member of staff before it becomes final, and that LeO's vulnerability policy be explicitly cross referenced in the rule.

Rules 5.19 to 5.21: resolving complaints on investigator findings

We support the proportionality principle behind these changes. The right to an ombudsman's final decision is an important safeguard and we ask the OLC to confirm that it will remain clearly and prominently signposted to both parties at the point investigator findings are shared, and that LeO will monitor and publish the proportion of cases where a request for a final decision is refused, so the Panel and other stakeholders can assess whether the new threshold is being applied consistently and fairly.

Q3. Do you support the proposed additional administrative changes to the Scheme Rules? If not, or not fully, why – and what changes would you suggest?

We have no objection in principle to the administrative changes summarised in the consultation, which largely correct drafting errors and clarify existing practice rather than change how LeO operates. We particularly welcome new Rule 2.11, which addresses a genuine gap for complainants such as clubs, charities and trusts that cease to exist mid complaint, an issue closely related to continuity concerns we raised in our earlier work on third party complaints¹⁴. Given the cumulative volume of changes across Appendix 1, we ask that LeO publish a single, plain English summary of what has changed for consumers and providers, distinct from the legally precise marked up rules in Appendix 2, so that neither group needs to parse tracked changes to understand what is different in practice.

2. Changes to LeO's case fees

Q4. Do you agree with the principles underpinning LeO's proposed changes to its case fee arrangements?

- **Encouraging better first-tier complaint handling**
- **Encouraging resolution of complaints at the earliest appropriate opportunity**
- **Ensuring a fair distribution of costs between providers according to demand on LeO's resource**

Please explain why you've given that answer.

We agree with all three principles. We are pleased that free access for consumers is retained throughout, which is a fundamental and non-negotiable feature of an ombudsman scheme and one the Panel would have opposed any move away from.

¹⁴Legal Services Consumer Panel, "Third party complaints", 7 June 2012, and "Third party complaints case studies", 24 September 2013, both listed at <https://www.legalservicesconsumerpanel.org.uk/what-we-do/policy-work-and-briefings/complaints>

Q5. Do you agree that legal providers who don't respond to complaints within prescribed eight weeks should pay an extra fee? If not, how do you think this issue should be addressed?

Yes. A financial consequence, applied regardless of the eventual outcome of the complaint, is a proportionate and direct response to a specific and measurable failure. We ask LeO to go further and publish, alongside its existing statistical transparency data, a regular breakdown of which providers are repeatedly failing to respond within eight weeks, so that both consumers and regulators can see where the problem is concentrated, and to refer providers showing a persistent pattern of non-response to their regulator as a conduct matter.

Q6. Do you agree that legal providers who make the most significant demands on LeO's resources should pay a bigger share of LeO's overall costs? Please explain why you've given that answer.

Yes, this is a fair and, in our view, overdue principle. A funding model in which providers who deliver a poor service and generate repeat, upheld complaints are subsidised by the levy contributions of providers who handle complaints well sends the wrong signal to the market. We ask that the underlying data on demand by provider be published in a form consumers and comparison services can use, so that this principle also supports informed consumer choice and not only LeO's own cost recovery.

Q7. Do you agree that all complaints within LeO's jurisdiction should be chargeable for case fee purposes, with a waiver applicable in certain circumstances? Please explain why you've given that answer.

We support this in principle, since dismissing or investigating a complaint uses LeO's resources regardless of the eventual outcome, and the current blanket exemption for Rule 5.7 dismissals does not reflect that. Our one concern is that removing the automatic exemption could, in a small number of cases, create a disincentive to dismiss quickly and cleanly where that is the fair and reasonable outcome, if that outcome now carries a fee risk for the provider. We ask LeO to publish clear, consistently applied waiver criteria and worked examples, and to monitor decision-making under this rule for any drift in dismissal rates once the new fee arrangements are in force.

Q8. Do you agree that the proposed levels of case fees incentivise better first-tier complaint handling and resolving complaints at the earliest possible stage? Please explain why you've given that answer.

The staged structure, rising from £200 for early resolution to £750 for investigation and £1,500 for an ombudsman's final decision, sets a clear financial signal in favour of earlier, more constructive engagement, and we support it in principle. Our one caution concerns the top of the scale. A fee of £1,500 must not become a reason, in practice, for either party to be steered away from a final decision that is genuinely needed to resolve a substantive dispute, particularly for unrepresented consumers. We ask LeO to monitor whether requests for a final decision fall after the new fees are introduced, and if they do, to establish whether that reflects genuinely earlier, fairer resolution or a chilling effect on access to the most formal stage of the process.

3. Changes to the publication of ombudsman decisions

Q9. Do you agree with the principles underpinning LeO's proposed change in policy on publishing ombudsman decisions? Please explain why you've given that answer.

Yes, strongly. The Panel has argued consistently since our first response to LeO's 2010 discussion paper on publishing decisions, and again in our 2011 response to LeO's second-stage consultation, that moving beyond aggregate statistics towards publication of individual decisions is essential to give consumers a genuine basis for choosing a provider, to give the sector real material to learn from, and to bring LeO into line with comparable ombudsman schemes. Our position was informed by survey research into public attitudes on this question, which we commissioned jointly with the Legal Ombudsman and which found clear public support for greater transparency about individual firms' complaint records. We note that the OLC's own consultation document acknowledges this history, describing the Panel as having been "a vocal advocate for full publication and the level of insight it would provide to both existing and prospective consumers of legal services." We are pleased that the OLC's own rationale in this consultation, consumer empowerment, sector-wide learning and alignment with best practice, echoes the case the Panel has been making for well over a decade.

Q10. Do you agree that all Ombudsman final decisions should be considered for publication, ensuring the consumer can't be identified? If not, what are your concerns, and how could they be overcome?

We support the principle that every final decision should be considered for publication, and we have never disputed that the complainant must be protected from identification. Our concern is with what the proposal does not say. As drafted, the safeguard in this consultation covers only the anonymisation of the consumer. It is silent on whether the legal provider will be named in published decisions.

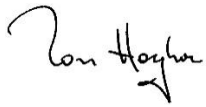
This distinction matters enormously for the benefits the OLC itself sets out. The Financial Ombudsman Service, the established comparator for a statutory ombudsman scheme of LeO's size, publishes final decisions in a searchable public database, anonymising the consumer while identifying the business. LeO's current publication policy already provides for publication of service-provider names in defined circumstances and quarterly publication of provider information for complaints resolved by an ombudsman decision. The issue for this consultation is therefore whether the proposed move towards considering every ombudsman final decision for full publication will retain provider naming as the default route wherever fairness and public-interest safeguards allow. Naming providers specifically is the model the Panel has consistently asked LeO to adopt since its earliest days. A decision that is published without the provider being named cannot support informed consumer choice, cannot function as a market signal that rewards good performers and exposes poor ones, and adds relatively little to what LeO's existing statistical publication already provides.

We ask the OLC to confirm explicitly, as part of its revised policy, that legal providers will be named in published decisions as a default position, consistent with the treatment of businesses under the Financial Ombudsman Service's model, subject only to a narrow and clearly defined public interest or fairness exception, rather than naming being treated as a separate question to be resolved later.

We also note that the timetable set out in this consultation, with full publication unlikely before 2027/28, extends a process the Panel first pressed LeO to begin in 2010. We ask the OLC to set out interim milestones for this work, rather than a single distant target date, and to report publicly against them, so that stakeholders can track progress rather than wait for a further announcement in due course.

The Panel would be glad to discuss any aspect of this response further. Should you have any questions pertaining to this consultation response, please contact Lola Bello, Head, Consumer Panel at lola.bello@legalservicesconsumerpanel.org.uk

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Tom Hayhoe', with a stylized flourish at the end.

Tom Hayhoe
Chair, Legal Services Consumer Panel