

First tier complaints 2019-2020

July 2020

Why did we carry out this analysis?

Solicitors have a duty to provide a good standard of service, as we set out in our mandatory Principles and as set out in the Legal Services Act. Complaints are an important indicator of service quality. We ask firms to report annually to us on the number of complaints:

- they receive from their clients
- they resolve.

Publishing year-on-year industry complaints data was one of the key commitments we made when we introduced our new transparency rules in December 2018.

This is our second annual report and is part of our commitment to improve information about legal services.

Sharing these findings will:

- **benefit people by raising awareness about complaint handling**
- help firms to use this information to improve their standards of service.

If properly contextualised, complaints data can be an important indicator of quality. This report is part of our wider work on quality indicators and we are carrying out further analysis to inform the development of our approach on this issue.

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Complaint process

When clients are dissatisfied with the service of a firm, they can raise complaints. These are known as a 'first-tier complaint' (FTC). Law firms have eight weeks after receiving an FTC to provide their final written response.

The outcome can be:

- resolved – firm resolves the complaint to the satisfaction of the client
- unresolved – firm is unable to resolve the complaint.

When a firm is unable to resolve the complaint, clients can contact the Legal Ombudsman (LeO).

Our report about [maintaining standards of service and reducing complaints](https://sra/research-publications/maintaining-standards-service-reducing-complaints/) [\[/sra/research-publications/maintaining-standards-service-reducing-complaints/\]](https://sra/research-publications/maintaining-standards-service-reducing-complaints/) highlights the business benefits of getting feedback from clients. Firms can use these findings to improve their complaint handling processes.

Number of complaints

The number of FTCs received has generally increased over time, rising from 26,583 in 2012 to over 30,000 in 2019.

Small, medium, and large firms receive proportionally more FTCs compared to their volume of work. Very large firms receive proportionally less FTCs compared to the volume of their work. This is likely to be because very large firms generate most of their turnover from large corporate clients who would not use the same FTC process as individual clients, as they have other routes to redress if there is poor service.

Proportion of complaints received by size of firm for 2019

Size	Proportion of number of all firms	Proportion of turnover of all firms	Proportion of all FTCs received
Small	57%	3%	5%
Medium	33%	12%	27%
Large	9%	29%	56%
Very large	1%	56%	12%

Most common complaints

The most common complaints received by firms are about:

- delay (18%)
- failure to advise (13%)
- excessive costs (12%)

This tends to have remained constant every year. Although 'other' complaints is one of the most common categories, we have no information about these complaints and are, therefore, unable to draw any conclusions from the data.

Resolving complaints

The number of complaints received and resolved is generally increasing. The number of resolved cases is increasing at a higher rate than the number of cases received. This suggests that a higher proportion of complaints are being resolved by law firms. The rate of resolution of complaints has risen from 72% in 2012 to 80% in 2019.

The proportion of complaints that are resolved within a firm varies by complaint type. For example, 50% of complaints about a failure to investigate a complaint were resolved compared to 90% of complaints about delays were resolved.

Firm size and location

Larger firms are more likely to resolve a complaint. This is likely to be because larger firms have dedicated resources to handle complaints.

Size	Proportion of complaints resolved
Small	64%
Medium	76%
Large	82%
Very large	88%

There is no relationship between the location of the firm and the number or types of complaints resolved.

Conclusion

Over the last eight years, firms have received an increasing number of FTCs. However, firms' reports to us show that they are also resolving a higher proportion of the complaints. In 2019 the proportion of resolved complaints was eight percentage points higher than in 2012, despite having received a higher number of complaints. Over the past year, there has been a slight increase in the number of complaints received as well as a slight decrease in the number of resolved complaints. In our view the numbers are not significant. From December 2018, we have required firms to publish details of how and when consumers can make a complaint and this may be the underlying cause of the change.

Firms can use this information 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
- benchmark themselves against this aggregate data and take action to improve their service and complaints process where needed.

Our [Risk Outlook](#) [/[sra/research-publications/risk-outlook-202122/](#)] and report about [Maintaining standards of service and reducing complaints](#) [/[sra/research-publications/maintaining-standards-service-reducing-complaints/](#)] give more information about the risk of a poor standard of service and the benefits of improving these standards. And see our [research about FTCs](#) [/[sra/how-we-work/reports/first-tier-complaints](#)] and our [Better Information work](#) [/[sra/consultations/consultation-listing/lttf-better-information-consultation/](#)] for more information about reducing complaints and improving the information given to the public.

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