

First Tier Complaints Report 2023

23 May 2024

Why did we carry out this analysis?

Solicitors have a duty to provide a good standard of service, as we set out in our [Principles](https://guidance.sra.org.uk/solicitors/standards-regulations/principles/1) 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 complaints data is part of our commitment to improve information about legal services.

Please note that, due to technical issues which impacted the quality of data available, we were not able to publish any information relating to 2020.

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](https://guidance.sra.org.uk/sra/research-publications/quality-indicators-legal-services-report/) and we are carrying out further analysis to inform the development of our approach on this issue.

Complaints process

When clients are dissatisfied with the service of a firm, they can raise complaints. These are known as 'first-tier complaints' (FTCs). 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).

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Number of complaints 2023

The number of FTCs received has generally increased over time, rising from 25,689 in 2013 to 36,887 in 2023.

Reasons for this increase may be the correlation between the growth of the solicitor practising population in the same period (rising from approximately 127,000 to more than 160,000). Another reason could be that, over this time period, consumers feel more comfortable to complain and challenge when not satisfied with the service they receive.

In 2018, [we introduced our Transparency Rules](https://guidance.sra.org.uk/solicitors/standards-regulations/transparency-rules/) [https://guidance.sra.org.uk/solicitors/standards-regulations/transparency-rules/]. Under these rules, law firms must publish information on how they handle complaints and details on how and when a complaint can be made to us and to LeO. This rule change could also have led to an increase in complaints.

The drop from 2019 to 2021 is likely to be because of the effects of the Covid pandemic and the subsequent lockdowns. As fewer transactions took place while law firms adjusted to the new socio-economic landscape during the pandemic, fewer complaints will have been made as a result.

Year Amount received

2013 25,689
 2014 27,900
 2015 27,729
 2016 27,672
 2017 28,460
 2018 28,254
 2019 30,836
 2020 No data available
 2021 22,964
 2022 33,715
 2023 36,887

Proportion of complaints received by size of firm

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. They will typically have other routes to redress if there is poor service.

Size	Proportion of number of all firms 2023	Proportion of turnover of all firms 2023	Proportion of all FTCs received 2023
Small	54%	2%	3%
Medium	35%	11%	20%
Large	9%	28%	64%
Very large	1%	59%	12%

Please note, totals may not add up to 100% due to rounding.

Most common complaints

The most common complaints received by firms in 2023 were about:

- delay (20%)
- failure to keep informed (17%)
- failure to progress (12%)
- failure to advise (10%)
- excessive costs (9%).

These most common reasons for complaint tend to be the same each 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.

Number of complaints received and resolved by year

Year	Received	Resolved
2013	25,689	18,272
2014	27,900	20,265
2015	27,729	21,771
2016	27,672	21,964
2017	28,460	22,305
2018	28,254	22,847
2019	30,836	24,776
2020	No data available	No data available
2021	22,964	18,025
2022	33,715	27,354
2023	36,887	29,835

Resolving complaints

The number of complaints received and resolved has generally increased over the past 10 years. 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 71% in 2013 to 81% in 2023.

Proportion of complaints resolved

Year	Proportion Resolved (%)
2013	71%
2014	73%
2015	78%
2016	79%
2017	78%
2018	81%
2019	80%
2020	No data available
2021	78%
2022	81%
2023	81%

Proportion of complaints resolved by firms by complaint type 2021 to 2023

The proportion of complaints that are resolved varies by complaint type. For example, in 2023, 74% of complaints about a failure to keep the client/customer informed were resolved. This is compared to 89% concerning a failure to progress a

matter. In both categories, the numbers received and resolved were in their thousands.

2023 data - proportion of complaints resolved by firms by complaint type

Complaint category	FTC received	FTC resolved	Resolved (%)
Conduct	2,699	2,104	78%
Costs excessive	3,314	2,462	74%
Costs information deficient	855	683	80%
Criminal activity	13	13	100%
Data protection/breach of confidentiality	564	503	89%
Delay	7,529	6,455	86%
Discrimination	54	50	93%
Failure to advise	3,660	2,760	75%
Failure to comply with agreed remedy	70	54	77%
Failure to follow instructions	1,899	1,489	78%
Failure to investigate complaint internally	82	68	83%
Failure to keep informed	6,226	4,618	74%
Failure to keep papers safe	189	147	78%
Failure to progress	4,300	3,821	89%
Other	5,433	4,608	85%

2022 data - proportion of complaints resolved by firms by complaint type

Complaint category	FTC received	FTC resolved	Resolved (%)
Conduct	2,529	1,880	74%
Costs excessive	2,669	1,938	73%
Costs information deficient	865	645	75%
Criminal activity	11	8	73%
Data protection/breach of confidentiality	606	471	78%
Delay	8,579	7,132	83%
Discrimination	71	49	69%
Failure to advise	3,574	2,589	72%
Failure to comply with agreed remedy	96	79	82%
Failure to follow instructions	1,684	1,329	79%
Failure to investigate complaint internally	105	76	72%
Failure to keep informed	5,463	4,914	90%
Failure to keep papers safe	259	212	82%
Failure to progress	3,239	2,725	84%
Other	4,160	3,461	83%

2021 data - proportion of complaints resolved by firms by complaint type

Complaint category	FTC received	FTC resolved	resolved (%)
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Conduct	1,939	1,491	77%
Costs excessive	1,996	1,443	72%
Costs information deficient	645	512	79%
Criminal activity	11	10	91%
Data protection/breach of confidentiality	375	312	83%
Delay	5,941	4,905	83%
Discrimination	69	49	71%
Failure to advise	2,797	2,025	72%
Failure to comply with agreed remedy	40	33	83%
Failure to investigate complaint internally	352	199	57%
Failure to keep informed	2,326	1,925	83%
Failure to keep papers safe	179	140	78%
Failure to progress	1,933	1,583	82%
Failure to follow instructions	1,214	903	74%
Other	3,197	2,509	78%

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.

	Small	Medium	Large	Very large
Received 2021	1,205	5,651	13,646	2,462
Resolved 2021	828	4,353	10,975	1,869
Proportion resolved 2021(%)	69%	77%	80%	76%
Received 2022	2,167	8,197	18,366	4,985
Resolved 2022	1,840	6,258	14,939	4,317
Proportion resolved 2022(%)	85%	76%	81%	87%
Received 2023	1,043	7,443	23,549	4,576
Resolved 2023	711	5,881	18,588	4,496
Proportion resolved 2023 (%)	68%	79%	79%	98%

Conclusion

Over the past 10 years firms have received an increasing number of FTCs. As mentioned, this could be due to a number of factors. These include the growth of the UK legal market and population.

As part of our Transparency Rules, first introduced in December 2018, firms must publish details of how and when consumers can make a complaint. This may have also contributed to the change. The exception to this was the number of complaints firms received in 2021. As previously mentioned, this is likely to be because of the pandemic, the subsequent lockdown, and a fall in the number of legal transactions taking place in that period.

However, firms' reports to us show that they are also resolving a higher proportion of complaints. In 2023, the proportion of resolved complaints was 81%, the same as in 2022.

When comparing 2023 to 2019, firms have seen an approximate 20% increase in both the number of complaints they received and resolved. The proportion of

complaints that are resolved internally has remained relatively constant, increasing a small amount from 80% to 81%. This matches the longer-term trend of firms receiving and dealing with more complaints.

Firms can use this information to:

- Help improve their standards of service by encouraging an open culture of complaints within their businesses. This 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 three-year evaluation of the Transparency Rules also provides a wider evaluation of the rules' introduction. \[https://guidance.sra.org.uk/sra/news/press/2023-press-releases/3-year-transparency-review/#:~:text=The%20transparency%20rules%20require%20all,not%20have%20a%20web%20presence.\]](https://guidance.sra.org.uk/sra/news/press/2023-press-releases/3-year-transparency-review/#:~:text=The%20transparency%20rules%20require%20all,not%20have%20a%20web%20presence.)