

Bar Council response to the Office for Legal Complaints Consultation on Draft Business Plan and Budget 2026/27

- 1. This is the response of the General Council of the Bar of England and Wales (the Bar Council) to the Office for Legal Complaints Consultation on Draft Business Plan and Budget 2026/27.¹
- 2. The Bar Council is the voice of the barrister profession in England and Wales. Our nearly 18,000 members self-employed and employed barristers make up a united Bar that aims to be strong, inclusive, independent and influential. As well as championing the rule of law and access to justice, we lead, represent and support the Bar in the public interest through:
- Providing advice, guidance, services, training and events for our members to support career development and help maintain the highest standards of ethics and conduct
- Inspiring and supporting the next generation of barristers from all backgrounds
- Working to enhance diversity and inclusion at the Bar
- Encouraging a positive culture where wellbeing is prioritised and people can thrive in their careers
- Drawing on our members' expertise to influence policy and legislation that relates to the justice system and the rule of law
- Sharing barristers' vital contributions to society with the public, media and policymakers
- Developing career and business opportunities for barristers at home and abroad through promoting the Bar of England and Wales
- Engaging with national Bars and international Bar associations to facilitate the exchange of knowledge and the development of legal links and legal business overseas
- 3. To ensure joined-up support, we work within the wider ecosystem of the Bar alongside the Inns, circuits and specialist Bar associations, as well as with the Institute of Barristers' Clerks and the Legal Practice Management Association.
- 4. As the General Council of the Bar, we are the approved regulator for all practising barristers in England and Wales. We delegate our statutory regulatory functions to the

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¹ Consultation

operationally independent Bar Standards Board (the BSB) as required by the Legal Services Act 2007.

Projected demand in 2026/27

- 1. What insight can you share on the complaint volumes and trends LeO should expect to see in 2026/27 in the following areas of law?
 - Residential conveyancing
 - Wills and probate
 - Personal injury
 - Litigation
 - Family law
 - Property
 - Other areas of law (including immigration & asylum, employment & criminal)
- 5. As we have previously indicated in our responses to Legal Ombudsman (LeO) consultations, 'we expect that many of the volume of complaints in those areas of law will either not be relevant for the barrister profession or will take longer for the impact to be realised.'.² This is because barristers do not work across all of these areas. For example, they do not tend to do conveyancing work.
- 6. The Bar Standard's Board (BSB) is implementing rule changes in 2026 requiring barristers to report to the BSB about complaints they have received and how they have handled them. It is not clear at this stage what if any impact this requirement will have on the volume of complaints referred to LeO. On the one hand, lay and professional clients will receive more reminders of their right to complain, and this might lead to an increase in the number of complaints made. On the other hand, this new requirement could incentivise more effective complaints handling by chambers, barristers, and entities which could result in fewer complaints being referred to LeO.
- 2. What new or emerging issues might we see in 2026/27, and what impact do you think they would have on the volume of complaints LeO should prepare to receive?
- 7. We are supportive of LeO carrying out work to analyse issues which may affect the level of demand including the number and type of complaints made to it. This will help it to predict demand and plan accordingly. Our understanding from the recent stakeholder meeting is that the demand is driven by a variety of factors such as generative Artificial Intelligence (AI) generated complaints, increased complexity of legal work, and sector specific issues particularly motor finance claims.

² The Bar Council's response to the Office for Legal Complaints draft business plan and budget 2025/26 consultation.

3. Do you agree with our projection for the numbers of new customer complaints LeO should expect to receive in 2026/27?

If not, do you think our 'likely' and 'worst case' scenarios are too high, or too low?

8. We are not well placed to assess LeO's projections for the numbers of new customer complaints it might receive in 2026/27. It would be helpful to understand whether the uptick in complaints seen in the first half of 2025/26 is a reliable indicator of future demand, or whether it is merely a temporary increase as a result of a specific issue (e.g. motor finance).

Transforming the scheme to meet future challenges

- 4. Do you agree with the proposal that LeO should undertake a review of the type described to enable it to identify options for transforming the Scheme?
- 9. Whilst we are interested in regular review of the scheme rules and the exploration of the "polluter pays" principle in relation to the case fee, we are not inclined to support the proposal that LeO should undertake a full review of the Scheme as described. It will be too costly, at £186,372.94, and we are not convinced that this is the most effective use of LeO's resources at this time. Any review of the Scheme, should, in our view, concentrate on the core activity of complaint resolution and clearing the backlog. LeO must focus its limited resources on areas it is going to have the most gain in we think that reducing complaints is much more of an immediate concern than the other potential aims identified in the business plan.
- 10. The case fee level has been consulted on very recently, so it is surprising to us that this is now being described as a new area for review, as opposed to constituting a business-as-usual activity.
- 11. It would be helpful to understand the impact of changes LeO has made in recent years and the efficiencies generated by the various tools and solutions already deployed. LeO has initiated a number of changes in recent years, including changes to the Scheme Rules, introduction of the 'early resolution' process, and several digital transformations. Before considering a further costly transformation review, we would urge LeO to first consider the tools and solutions already at its disposal and consider whether there are further efficiencies that could be found.

Primary legislation

12. We agree that LeO should be an agile, efficient and effective organisation and that some changes to its processes and procedures may yet be required, however we are concerned that LeO is considering promoting a review of the Legal Services Act. Whilst we are not

opposed to limited legislative change around the Scheme Rules and case fees, we would not support LeO seeking wider legislative changes at this stage. It is unclear to us what "constraints imposed by the legislation" currently inhibit LeO's flexibility to adapt to demand, and we would need to know in detail what they are, and how their removal could assist in meeting demand, before we could consider this option.

13. A wholesale review of the way LeO is funded is likely to be resource intensive and we feel that this would divert resources away from the core business of handling complaints. Before requesting a review, LeO should first look further into the reform appetite of the Ministry of Justice and consider the limitations on the government's legislative time. Our understanding from the recent stakeholder meeting is that it is unlikely that the Ministry of Justice would have appetite for legislative change until 2027/28 at the earliest. Given this and the fact that amending primary legislation is not within LeO's power, as it recognises, we think it is unnecessary to propose a review of primary legislation, at least without any indication of what might be proposed, or what might be approved, and when.

Scheme rules

- 14. Before LeO considers reviewing the Scheme Rules, it would be helpful to see LeO carry out an analysis of the changes made in 2023 to understand the impact it has had on the scheme and whether its full potential has been realised.
- 15. We would like further information on how LeO has been monitoring the impact of the changes to the Scheme Rules on the volume and complexity of complaints, and outcomes. It appears that the changes made have not had the immediate effect of reducing complaints, as had been envisaged previously.
- 16. We are not in favour of LeO introducing a refundable up-front fee. LeO has clearly defined powers under the Legal Services Act 2007, the explanatory notes detail that 'the consumer is able to bring complaints to the ombudsman scheme free of charge'. LeO services are intended to be free to members of the public. The suggestion of a refundable up-front fee raises lots of questions, such as the purpose of the fee, who should pay it and when, and the circumstances where the fee would not be refunded. Even if any initial fee were presumptively refundable, if it were payable in the first instance by complainants, it would act as a barrier to consumers wishing to complain about the quality of legal services which they have received. We would encourage LeO to undertake further analysis and give further detail on this topic before progressing plans in this area.

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³ LSA 2007, Explanatory Notes, https://www.legislation.gov.uk/ukpga/2007/29/notes/division/7/6.

Case fees

- 17. In our response to the LeO's consultation on proposed changes to the case fee structure earlier this year, we were supportive of the case fee going from £400 to £600. We agreed that case fees could deliver in reducing the financial burden on the profession generally. We emphasised in our response to the case fees consultation that an increase could help mitigate the burden on barristers through the levy contribution.⁴
- 18. LeO has, it seems, decided to not pursue this increase to the case fee at this time in light of feedback it received; the results of its consultation is said to have indicated an appetite for a more radical review. We ask LeO to consider again the financial implications of undertaking any radical review, and to look for more immediate ways of funding and streamlining its processes for handling complaints within its existing framework.
- 19. We remain supportive of LeO bringing the case fee in line with inflationary increases over the last 14 years. Further, we broadly agree with the 'polluter pays' principle and would like further information on how this could work in practice. We would urge LeO to undertake a further consultation exercise on this topic before progressing plans in this area which exceed the prior proposal.

Transparency

- 20. We welcome LeO's assistance with the Bar Council's annual complaints handling webinar where it offers valuable insights to assist barristers in their complaints-handling. However, related work, such as publishing case decisions (with necessary redactions) is very resource intensive. We remain unconvinced that the significant resources and costs required to realise this aim are justified, particularly when it risks diverting resources away from the core business of handling complaints. We remain wholly unconvinced that publishing ombudsman decisions has had or will have any effect at all on reducing the number of complaints referred to LeO.
- 21. The proposal that LeO will redesign how it writes and formats decisions, using AI tools where possible, will require significant additional officer/investigator level resources, at considerable cost. Its aim to use generative AI to assist with this task is questionable, at best. LeO acknowledges that ombudsman decision are very detailed and complex in nature, and it is not clear that using generative AI tools would achieve efficiencies. An appropriately-trained human would always have to review the AI-generated material for accuracy. Further, as we have previously observed, ombudsman decisions, if they are to be published, require

⁴ The Bar Council's response to the Legal Ombudsman Consultation on proposed changes to the Legal Ombudsman's Case Fee Structure.

careful consideration and redaction, to avoid the release of sensitive and privileged information.

- 22. We would also like to understand the extent to which those decisions and other information LeO has already published are read. If the "Public Interest" decisions are not engaging a wide audience, publishing more ombudsman decisions still less all of them is most unlikely to be an effective use of resources. The increase in the complexity of case investigations creates additional challenges to ensuring that the decisions, and any lessons to be derived from them, are understood.
- 5. Which areas of LeO's legislative and Scheme Rules framework, policy approach or wider ways of working would you recommend we investigate during our proposed review? What changes would you like to see?
- 23. We would encourage LeO to consider again the resourcing of its General Enquiries function, the cost of which appears to be particularly high. We are concerned about the proposed rise in the allocated cost per contact from £168 to £185. Since 2023/24 the cost per contact has increased by 38%. We would encourage LeO to assess whether the time and resources allocated to each contact is both accurate and proportionate.
- 24. As we understand from previous stakeholder meetings for the last business plan, those contacts are not yet "customers" of LeO: a contact might represent merely a short and simple enquiry from a member of the public. We also heard that five full-time members of staff are employed to deal solely with these contacts. We consider this to be already too high. We understand that LeO is planning to recruit additional FTEs into this function; we do not support this.
- 25. We therefore consider the proposed allocation of a £208,496 increase in General Enquiries resources to manage the increase of demand to be too high. We would invite LeO to explore other ways of delivering information or responding to contacts, and to look for improvements in efficiency. We would suggest that LeO considers automated tools to filter out the queries which are out of scope, to reduce the number of calls received.

Budget options for 2026/27

6. Do you support LeO's recommended budget option for 2026/27 (Option 3)?

26. We cannot support the proposed 11.1% budget increase under option 3. LeO has sought and been awarded consecutive significant, and above inflation, budget increases in previous years (13% for 2021- 22, 5.8% for 2022-23, 9.6% for 2023-24, and 11.4% for 2024-25). LeO's work is primarily funded by way of the levy imposed on legal professionals. For

barristers, the cost is derived from the practising certificate fee. It is critical that LeO take all reasonable steps to prevent any above-inflation increase. The risk is that any increase is ultimately passed on to consumers by practitioners raising their fees.⁵ Noting that legal aid practitioners cannot raise their fees.

- 27. We remain concerned that part of the proposed budgetary increase is derived from LeO's commitment to deliver the second part of its strategic programme of learning and insight. Considering the scale of demand it is currently facing, we really do not consider LeO's carrying out further work in this workstream to be essential or a priority. The proposed budget increase would place a high burden on the legal professionals called upon to fund it. It is important that LeO focuses its efforts on providing effective and timely resolutions of complaints, and lowers the investigations pool to an acceptable level, before it considers again the usefulness of the various workstreams in its learning and insight programme.⁶
- 28. £26,424 is proposed for a new digital learning platform to share insight, guidance and training with the sector, and other subscriptions. We query whether this is a necessary cost for the 2026/27 budget.
- 29. Furthermore, £38,916 for external legal support and advice on complex casework appears to us to be high when compared to the previous budget (£11,000 in 2025/26), and we would like to understand the rationale for this increase.
- 7. Do you support the additional funding provision in the 2026/27 budget options to enable LeO to carry out its proposed Scheme Transformation Review?
- 30. Please see our comments in response to question 4 above. We do not support any additional funding that does not focus on the need to reduce the number of complaints waiting in the LeO pipeline. We would like further details of the cost breakdown that LeO has set out, and how the areas of expenditure align to the potential areas of review.
- 8. Do you have any comments on benefits or risks of the alternative budget options presented for 2026/27 (Options 1, 2 and 4)?
- 31. We do not support the budget increasing significantly above an inflationary-only increase.

⁶ Ibid.

⁵ Ibid.

Business plan activities for 2026/27

9. Do you support the activities we propose in 2026/27 to deliver our strategic objective for LeO's service?

Strategic objective for LeO's service: LeO resolves complaints fairly and effectively, providing an excellent customer experience

We will deliver an efficient and proportionate service

- 32. We remain of the view that resolving complaints fairly and effectively and providing an excellent customer experience is and should remain the key priority for LeO. It is encouraging that LeO has made progress in reducing the wait time by 22% from the previous year. We note that the average end-to-end customer journey time for cases of all complexities remains under 300 days (275 days), with around half of LeO's cases still taking 60 days or longer to resolve. But this is still a significant period of time for customers and service providers to wait to have their complaints resolved. It is unclear what period LeO considers an acceptable wait time, and it would be helpful if LeO could define this. We recognise that demand and level of complexity has increased, but LeO must continue to focus on reducing waiting times further.
- 33. We take the view that with the growing consumer demand it is important that LeO is adequately resourced to keep up with rising numbers of complaints. However, we question whether an increase of 26 FTE operational staff is proportionate. As previously noted, "simply employing further staff has not yet significantly reduced the number of complaints nor wait times".
- 34. It is welcoming that LeO has delivered an increase of over 10% in its in-depth investigator productivity. It would nonetheless be useful to see how many cases the current investigators are resolving per month, and how otherwise their levels of productivity is being measured. We understand that LeO will implement process changes as a result of the completed Lean review pilots. As the demand for investigations continues to increase, LeO says that it expects to receive 17.5% more in-depth investigations in 2026/27. Against this backdrop it is vital that LeO prioritises increasing investigator productivity.
- 35. We note that LeO aims to introduce front-end digital solutions to help mitigate the impact on LeO's General Enquiries team. We are interested to know what digital solutions are being considered, the estimated timescale, and what the cost of implementing digital solutions is. We would support a testing phase to ascertain the effectiveness of the digital solution before a larger commitment to expenditure is made.
- 36. LeO says it plans to implement AI via Copilot solutions to reduce administrative costs and deliver efficiencies. However, LeO acknowledges that cases are becoming more complex.

It is unclear how generative AI will work against this backdrop, how quality of work will be maintained, and whether there are any confidentiality-related risks to its use. (Members of the Bar have been advised to proceed with caution and understand the risks associated with using AI including the standard Microsoft 365 Copilot for that reason.)⁷ We are also interested to know the estimated timescale and costs associated with incorporating Copilot licences.

We will give fair, high-quality outcomes that make a difference

37. As we have stated in previous consultation responses,

"We agree with this aim as it feeds into the overall strategic objective of resolving complaints fairly and effectively, providing an excellent customer experience. We also agree that it is fundamental that every complaint receives a fair and reasonable outcome, and that all consumers and service providers feel that it is a fair decision. To this end, it makes sense to ensure that the quality assurance arrangements are proportionate and appropriate, and that customer feedback is drawn upon to inform improvements to the service."

38. We encourage LeO to ensure that outcomes remain fair and reasonable and that redress and/or reassurances to customers are appropriate. We welcome the plans to obtain feedback from both complainants and legal service providers. However it must be borne in mind that feedback from complainants on satisfaction levels might be influenced by the outcome of the Legal Ombudsman's decision on their complaint.

We will be accessible to everyone who needs us

39. We agree with the focus of this aim. We support the initiatives that help provide an accessible service to customers and welcome the initiatives in reviewing customer-facing policies, inclusive designs and a data driven focus.

10. On which topics, complaint themes or areas of law could LeO most usefully share learning and insight to help prevent drivers of demand at source?

40. It is useful that LeO continues to speak to barristers at the Bar Council's annual handling client complaints seminar. It is helpful to understand the most common reasons for consumer complaints about barristers to LeO, alongside insights on good service and effective complaints handling. We would be pleased to explore other opportunities for collaboration, for example, a blog or article discussing complaint themes that impact barristers.

⁷ https://www.barcouncilethics.co.uk/wp-content/uploads/2024/01/Considerations-when-using-ChatGPT-and-generative-artificial-intelligence-Nov-2025.pdf.

⁸ The Bar Council's response to the Office for Legal Complaints draft business plan and budget 2025/26 consultation.

11. Do you support the activities we propose in 2026/27 to deliver our strategic objective for LeO's impact?

Strategic objective for LeO's impact: LeO's independent voice and experience lead to improvements in legal services

41. We remain concerned about the appropriateness of pursuing the second part of LeO's strategic programme of learning and insight when unprecedented demand could reverse progress in reducing the backlog and be detrimental to LeO's primary objective. We reiterate our view that LeO's ultimate role, as laid down in statute, is to resolve complaints. LeO's core role is to manage and deal with cases efficiently and effectively. Whilst there are mounting pressures on LeO's services, we cannot support investment in this strategic objective.

We will build LeO's profile and impact as an independent voice for improvement

- 42. We are unclear to what extent the priorities arising from this aim will support LeO's focus of resolving complaints effectively and efficiently.
- 43. As an example, LeO wishes to strengthen its external communication channels by increasing its media presence and profile through building engagement on social media and through newsletters. This would be resource intensive and costly, yet it is unclear to what extent, if at all, this work will reduce the number of complaints being referred to it.
- 44. Similarly, it is not at all clear that LeO's publication of Public Interest Decisions has had or will have the desired effect of driving improvements in standards of service of complaints handling. Given that the first set of decisions was only being recently published, it would be interesting to see how many visits the relevant webpage has received, from whom, and whether it has had any positive impact on standards of service and complaints handling. The efficacy of these measures needs to be evaluated and if they are not having the desired effect, then the practice should be discontinued.

We will share learning and insights that lead to better legal services for consumers

45. We are supportive of LeO publishing data on the complaints it handles. But we are concerned that it is committing significant time and resources to this workstream when there is no evidence on whether the publications are helpful or not to improving legal services for consumers. For instance, it is proposing to publish the following: (i) 6 further editions of its *Spotlight* series, (ii) 40 new case studies, (iii) three sets of quarterly complaints reports and one annual complaints insight report. This does not take account of the other proposed publications, addressed in connection with LeO's other aims (Public Interest Decisions, annual report etc). The aim to publish more material will be resource intensive and costly, and it is not clear whether it will have any measurable benefit. Legal professionals and their

support staff are extremely busy and have little time to seek out and act on insights to be derived from these publications.

We will use our experience to help legal providers improve their complaints handling

- 46. We understand the rationale for LeO's sector-wide Model Complaints Resolution Procedure. However, we emphasise the diversity of the legal services sector and that best practice which may work for one part of the sector, may not work for another, or be irrelevant to yet another. The BSB has already published comprehensive guidance for the Bar about complaints handling. We believe that the BSB as the Bar's front-line regulator, which has specialist knowledge of the barristers' profession, is best placed to support barristers.
- 47. We would like to reiterate; the barrister profession consistently receives a relatively low number of complaints. Data supplied to us by LeO indicates that the representation of barristers in the complaints data has fallen slightly from 4.1% in 2023- 2024 period to 3.7% in the 2024 2025 period. The initiatives set out by LeO are unlikely to have significant benefit for the barristers' profession. The Bar already has many networks set up to share best practice on complaints handling, e.g. the Bar Council's Chambers Management Professional Working Group, Legal Practice Managers Association and Institute for Barristers' Clerks.
- 48. We would be interested to understand the purpose of expanding the reach and profile of LeO's digital learning platform.
- 49. We are supportive of LeO sharing learning and insights through bespoke webinars for the Bar, as is already the case. Our annual complaints handling webinar is consistently well attended and attracts a receptive group of attendees that have the power to effect change within chambers.
- 12. Do you have any other comments or feedback on this consultation and our proposed budget and business plan for 2026/27?

None than already discussed.

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⁹ Ibid.

¹⁰ https://www.barcouncil.org.uk/static/58fe0f5c-cacb-4aa7-98de8b2cb65bdc1d/Bar-Council-response-to-BSB-consultation-on-New-arrangements-and-rules-for-first-tier-complaints-handling.pdf.

Bar Council

December 2025

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