



Strengthening consumer redress in the housing market
Consultation from the Ministry of Housing, Communities & Local Government
Response by the Council for Licensed Conveyancers

April 2018

Summary

1. Redress in the housing market is overcomplicated by the numerous schemes which are confusing to consumers and may prevent them from making a complaint.
2. The CLC supports a streamlined approach to redress in housing and believes that a single ombudsman portal for housing related complaints could provide consumers with a simple and clear gateway to redress. This does not include issues relating to legal services around housing that are managed through the legal sector's own complaints and redress framework.

About the Council for Licensed Conveyancers (CLC)

3. The CLC was established by the Administration of Justice Act 1985 and is an Approved Regulator under the Legal Services Act 2007, subject to the oversight regulation of the Legal Services Board. It licenses and regulates licensed conveyancers and Practices in the provision of reserved legal activities, currently conveyancing, probate services and other non-reserved legal activities (including will writing). It is also a Licensing Authority authorised to license and regulate Alternative Business Structures (ABS). It has no representative function having always been an independent regulator.
4. The CLC's role is to safeguard the public interest and consumers by regulating providers to deliver high quality and accessible legal services. We are responding to this consultation because our experience of handling complaints and redress in the legal services sector may be helpful in considering new schemes in the housing sector. Our comments are brief and we have not followed the numbered questions in the consultation.

Response to consultation

5. The CLC believes that the main problems with redress in the housing market are i) the overlap between the numerous schemes and ii) the lack of clarity about how consumers are able to raise a complaint. This leads to confusion amongst consumers and may prevent some from seeking redress.

6. All of the solutions outlined in the consultation paper would help to improve redress in the housing sector. Implementing as many solutions as possible is likely to ensure greater efficiency and effectiveness in the redress process.
7. If a redress scheme were to publish decisions and the number of complaints relating to different providers, it would be important to ensure they are contextualised. It may be difficult to fully understand the information without knowing the background to the complaint/matter and potentially having some legal knowledge. On the other hand, publishing decisions may help to educate other professionals in the housing sector, such as estate agents and developers.
8. There are many ways that consumers can be supported in accessing a redress scheme. The Legal Choices website helps consumers with their decisions about legal issues and choosing a lawyer, and is a good example of a consumer-facing model that could be considered. It is also a good example of a number of independent regulators collaborating to educate consumers about how to access services, raise complaints and seek redress across the full breadth of a sector.
9. The CLC believes that freeholders of leasehold properties should be required to sign up to a redress scheme as we are seeing many difficulties in this area.
10. The CLC believes that one ombudsman portal for all housing related complaints and would be the most effective model in streamlining the redress provision in housing.
11. The portal could provide a simple and clear gateway to the relevant redress schemes for consumers but would need to provide fast and accurate triage if it is to succeed.
12. In the legal services sector we have a single complaints scheme covering all legal services. This has not delivered the efficiencies that might have been expected and so it is not clear that there is an advantage over the portal model.