
Final Decision

30 October 2024

Introduction

The background to this matter as I understand it, is that Ms Rosario-Sanchez instructed HCR Legal LLP (“the firm”) in September 2021 to represent her in a claim against a Student Union (“SU”).

The matter was funded from members of the public via a funding platform called ‘CrowdJustice.’ This means that donations are made by members of the public to fund legal action, and the funds are transferred directly from the funding platform to the firm. This means Ms Rosario-Sanchez never had access to the funds, and it was not her own money used to pay the firm’s fees.

Ms Rosario-Sanchez approached the firm with two other individuals to make a claim on behalf of their unincorporated association. However, only Ms Rosario-Sanchez has pursued a complaint against the firm with this office.

The retainer ended in April 2022 when Ms Rosario-Sanchez confirmed she had instructed a new firm to take over the matter.

Ms Rosario-Sanchez raised the following complaint issues which were investigated by this office:

- 1. The firm did not provide Ms Rosario-Sanchez with cost estimates when the work began, or throughout the work being completed.**
- 2. The firm did not provide Ms Rosario-Sanchez with a client care letter before the work began.**
- 3. The firm charged Ms Rosario-Sanchez for the work of two lawyers, that could have been done by one lawyer.**
- 4. The firm provided poor complaints handling and became aggressive with Ms Rosario-Sanchez.**
- 5. The firm only asked Ms Rosario-Sanchez for the outstanding fees, when there were three claimants liable to pay.**

- 6. The firm refused to promptly release Ms Rosario-Sanchez's file to her lawyer once she came back from maternity leave and moved law firms; and**
- 7. The firm refused to respond to direct questions about their service or cost estimates.**

I understand the firm issued proceedings against Ms Rosario-Sanchez to recover their outstanding legal fees, and that such proceedings have been stayed to await the outcome of this office's investigation.

The Case Decision dated 15 July 2024 concluded the firm acted unreasonably for complaint issues one, two, five and six, and recommended the firm:

- Waive their outstanding fees amounting to £8,414.31; and
- Pay Ms Rosario-Sanchez compensation of £400.

The firm accepted the Case Decision without further comment via email on 5 September 2024. However, Ms Rosario-Sanchez rejected the Case Decision via email on 28 July 2024 and has provided some brief comments explaining why. She has also asked that I review all evidence she sent in to my colleague previously.

Where appropriate to do so, I will address her comments throughout my decision. However, if a specific comment and/or document is not referred to, this does not mean it hasn't been considered.

I must note that in response to the Case Decision, Ms Rosario-Sanchez has not provided comments on any specific points, but rather on how the service has impacted her. I will therefore address her comments in the 'remedy' section of this decision.

She has however made a general comment that she would like the Ombudsman issuing the Final Decision to review all evidence she has sent as part of this process. Whilst I have reviewed what is on file, the purpose of a Final Decision is not to complete a reinvestigation. It is to consider the parties' comments in response to the Case Decision (as to what they disagree with), the Case Decision itself, and the evidence bundle. I can confirm I have access to all evidence on file, but I will only reference evidence that I have relied on to reach my conclusion.

Having reviewed the Case Decision, the parties' comments and the evidence, I agree with my colleague's conclusions and intend to fully endorse them as my own Final Decision. I will explain why below. I enclose a copy of the Case Decision for completeness.

My role as an ombudsman is to determine a complaint by reference to what is, in my opinion, fair and reasonable in all the circumstances of the case.

When determining what is 'fair and reasonable', I am expected to take into account (but I am not bound by) what decision a court might make, relevant regulatory rules and what I consider to be good practice.

I confirm that I have taken such factors into account, and the decision that I set out below, is what, in my opinion, I consider to be fair and reasonable in all the circumstances of this case.

Conclusions

Taking each point in turn:

1. The firm did not provide Ms Rosario-Sanchez with cost estimates when the work began, or throughout the work being completed.

- 1.1. The Case Decision concluded the firm acted unreasonably in this regard. Neither party has provided specific comments on this point.
- 1.2. I am therefore adopting my colleague's conclusion from her Case Decision as my Final Decision for this point, which is that the firm's service was unreasonable.
- 1.3. This is because the evidence shows that although the firm gave a very broadbrush estimate at the outset of the retainer in September 2021, they failed to provide more detailed estimates as matters progressed. At the outset of the retainer the firm explained:

£250 plus VAT. Your matter is funded by way of CrowdJustice and you have already reached your initial target of £10,000. I have already stated that the letter before action will cost up to £2,500 + VAT and then we need to issue the claim. We had discussed where we issue and the fees for doing so. I can confirm this in due course. We have agreed that the litigation as a whole will cost circa £50,000 - £75,000 + VAT with you (as a group being responsible for the other sides' costs if the claim is unsuccessful. If the current funding of £10,000 is exhausted and there are no further funds available to support the claim we shall have to cease acting. On
- 1.4. Ms Rosario-Sanchez was aware of this broad estimate as seen in her email of 13 September. The evidence outlined in the Case Decision also shows the firm did provide estimates for the barrister's fees, which has not been disputed by either party.

- 1.5. However, I agree with my colleague that the firm ought to have provided further costs information after their first invoice dated 9 November, because by this point, they had already exceeded their initial estimate of £10,000.
- 1.6. I appreciate firms cannot always give detailed estimates at the outset as they do not know how the matter will progress, and the course of litigation can change quickly as matters progress. However, as time went on, I would've expected the firm to have provided more detailed cost estimates for their own fees, particularly as their initial estimate of £10,000 was exceeded by the time they issued their first invoice.
- 1.7. It was important for the firm to give the best possible cost information to Ms Rosario-Sanchez throughout the retainer, as although this was being funded by a funding platform, if donations stopped or were not enough to cover the legal fees incurred, Ms Rosario-Sanchez would be liable to pay those fees.
- 1.8. The firm's email of 4 February 2022 supports that Ms Rosario-Sanchez was only provided retrospective updates about costs. This is not sufficient as by this point the costs had already been incurred.
- 1.9. I do however note that the firm's total costs of £36,548 did fall within the firm's very broad estimate of £50,000 to £75,000.
- 1.10. On balance though, I conclude the firm acted unreasonably here. I will detail the impact and remedy I deem appropriate in the 'remedy' section of my decision.

2. The firm did not provide Ms Rosario-Sanchez with a client care letter before the work began.

- 2.1. The Case Decision concluded the firm acted unreasonably in this regard. Neither party has provided comments on this point.
- 2.2. I am therefore adopting my colleague's conclusion from her Case Decision as my Final Decision for this point, which is that the firm's service was unreasonable.
- 2.3. This is because the firm acknowledges there is no evidence to show that the client care letter dated 9 September 2021 was in fact sent to Ms Rosario-Sanchez and there is no evidence this letter was ever signed.

- 2.4. As the letter stated it was to be sent 'by email only' and the firm is unable to evidence it was indeed sent, I must infer that on the balance of probabilities, it likely wasn't sent.
- 2.5. This was unreasonable under the circumstances because it is important for a client to receive an initial letter outlining the scope of the work, who will work on the matter, costs and hourly rates, and any other pertinent information. I will detail the impact and remedy I deem appropriate in the 'remedy' section of this decision.

3. The firm charged Ms Rosario-Sanchez for the work of two lawyers, that could have been done by one lawyer.

- 3.1. The Case Decision concluded the firm acted reasonably in this regard. Neither party has provided comments on this point.
- 3.2. I am therefore adopting my colleague's conclusion from her Case Decision as my Final Decision for this point, which is that the firm's service was reasonable.
- 3.3. The firm were clear in their email dated 7 October 2021 as to why they required two solicitors' input, and if Ms Rosario-Sanchez was unhappy with this proposal it was open to her to find alternative representation. On 11 October, Ms Rosario-Sanchez emailed the firm asking for advice from both [AT] and [CM]. This shows she was aware that both solicitors were completing work and providing her with advice at the same time.
- 3.4. The firm also reduced their time spent to acknowledge there would have at times been some duplication, as per their email of 2 December.
- 3.5. I note Ms Rosario-Sanchez informed my colleague that in January 2022 both solicitors charged for attendance at a conference with counsel despite giving the same advice. I have seen no evidence to show they gave the same advice at the conference, and it would not be unusual for a firm to charge for each solicitor's attendance at a conference, given it was made clear to Ms Rosario-Sanchez that both solicitors would be involved in the case.
- 3.6. It is clear this matter was complex, which the firm believed warranted both employment and civil litigation expertise. This is why two solicitors were involved and provided advice throughout, and this was explained to Ms Rosario-Sanchez.

3.7. I agree with my colleague that there are clearly times (as outlined in the Case Decision) where the firm have charged for the work of two solicitors at the same time. However, I am satisfied that on balance this appears to have been reasonable as they were bringing different areas of expertise. Therefore, I am unable to say that the work could have been completed by one solicitor on their own or that the charges for both solicitors were unreasonable.

3.8. The firm's service was therefore reasonable here.

4. The firm provided poor complaints handling and became aggressive with Ms Rosario-Sanchez.

4.1. The Case Decision concluded the firm acted reasonably in this regard. Neither party has provided comments on this point.

4.2. I am therefore adopting my colleague's conclusion from her Case Decision as my Final Decision for this point, which is that the firm's service was reasonable.

4.3. It is worth noting that the tone someone adopts is a very subjective matter. What may appear aggressive to one person may not to another.

4.4. However, having reviewed the complaint responses of 12 August 2022 in response to Ms Rosario-Sanchez's complaint dated 15 July 2022, I am satisfied the firm did provide responses to the issues raised.

4.5. I understand Ms Rosario-Sanchez disagreed with the firm's responses, but that it is not the same as the firm failing to respond with their view on the complaint issues.

4.6. I cannot agree based on the firm's complaint response that they were aggressive towards Ms Rosario-Sanchez. The letter was polite and professional. It is true the firm did inform her they were intending to pursue her for outstanding fees, but this was after the retainer had ended and they were no longer providing her with a service. Therefore, I cannot consider this action as at that point it was no longer a client/firm relationship, but instead a claimant/defendant relationship.

4.7. On balance, I am satisfied the firm acted reasonably here.

5. The firm only asked Ms Rosario-Sanchez for the outstanding fees, when there were three claimants liable to pay.

- 5.1. The Case Decision concluded the firm acted unreasonably in this regard. Neither party has provided comments on this point.
- 5.2. I am therefore adopting my colleague's conclusion from her Case Decision as my Final Decision for this point, which is that the firm's service was unreasonable.
- 5.3. This is because the evidence suggests that although there were three individuals who were clients of the firm, the firm only corresponded with Ms Rosario-Sanchez about paying the outstanding fees and issuing proceedings to recover them, despite acknowledging that all clients were jointly and severally liable for the outstanding fees.
- 5.4. When Ms Rosario-Sanchez raised this as a concern, the firm explained that she was the main point of contact which is why they had corresponded with her about this. Whilst a firm is entitled to pursue clients for any outstanding costs, I am not satisfied that it was reasonable of the firm to only correspond with Ms Rosario-Sanchez regarding this (especially when she raised this as a concern) on the basis that she adopted the role of lead claimant, as she had clearly not been informed of the risks of doing so.
- 5.5. On balance, I am satisfied the firm's service was unreasonable here. I will detail the impact and remedy I deem appropriate in the 'remedy' section of this decision.

6. The firm refused to promptly release Ms Rosario-Sanchez's file to her lawyer once she came back from maternity leave and moved law firms.

- 6.1. The Case Decision concluded the firm acted unreasonably in this regard. Neither party has provided comments on this point.
- 6.2. I am therefore adopting my colleague's conclusion from her Case Decision as my Final Decision for this point, which is that the firm's service was unreasonable.
- 6.3. On 6 April 2022, Ms Rosario-Sanchez emailed the firm asking them to transfer the file to her new solicitor. The firm responded the same day stating

they would contact the new solicitor to arrange the transfer. This strongly indicates they were going to transfer the file.

- 6.4. On 26 April, the firm told the new solicitor many of the papers had been sent to a barrister, but that they could ask the firm if they needed something further from the file.
- 6.5. On 5 July, the new solicitor confirmed to Ms Rosario-Sanchez that the firm had not sent them the file. On 28 July, the new solicitor requested it from the firm. The firm responded stating they had never received any request for the file but that in light of the outstanding fees they had to check whether they were exercising a lien.
- 6.6. In my view based on the evidence, it is clear that the firm did infer they would transfer the file, based on the correspondence exchanged with both Ms Rosario-Sanchez and her new solicitor in April 2022.
- 6.7. I have not been provided with any evidence to show that the firm clearly explained they were intending to exercise a lien due to outstanding fees. Therefore, I can see why Ms Rosario-Sanchez and her new solicitor believed the firm were in the process of releasing the file and were unaware the firm was considering exercising a lien.
- 6.8. Deciding to exercise a lien due to outstanding costs or requiring written consent from all individual claimants to release the file are reasonable explanations for a firm not releasing a file. However, the firm failed to provide this as an explanation to Ms Rosario-Sanchez and her new firm between April and July 2022. They failed to do so and for this reason the firm's service was unreasonable on this point, as they failed to promptly release the file without a reasonable explanation.
- 6.9. I will detail the impact and remedy I deem appropriate in the 'remedy' section of this decision.

7. The firm refused to respond to direct questions about their service or cost estimates.

- 7.1. The Case Decision concluded the firm acted reasonably in this regard. Neither party has provided comments on this point.

- 7.2. I am therefore adopting my colleague's conclusion from her Case Decision as my Final Decision for this point, which is that the firm's service was reasonable.
- 7.3. Ms Rosario-Sanchez emailed to the firm on 29 April 2022 requesting a detailed breakdown of the costs incurred. The firm then responded to this request and provided a full breakdown of all fees charged during the retainer.
- 7.4. On 10 June Ms Rosario-Sanchez asked the firm to provide her with evidence to show that they had informed her of the fees they were going to incur before charging them. The firm then responded to this request on 14 July.
- 7.5. I understand Ms Rosario-Sanchez was unhappy with the firm's responses to her queries about costs and her complaints, and whilst I agree with her the firm's service has fallen short in some respects, the firm did still provide a response with their view. The fact Ms Rosario-Sanchez disagreed with the content does not mean that the firm failed to respond to the queries.
- 7.6. In the absence of evidence to show that Ms Rosario-Sanchez raised queries with the firm about their service or cost estimates which were not responded to, I must conclude the firm acted reasonably here.

Remedy

To summarise, I have concluded the firm acted unreasonably for complaint issues one, two, five and six.

My colleague recommended that the firm:

- Waive their outstanding fees amounting to £8,414.31; and
- Pay Ms Rosario-Sanchez compensation of £400.

The firm accepted this. Ms Rosario-Sanchez comments:

"I wont repeat myself too much other than to say that I have spent over two years repeating that there are serious concerns about HCR and that these need to be investigated. If there was no wrongdoing, HCR should have welcomed the investigation with open arms. Instead, they engaged in all manner if bad faith tactics to sabotage the investigation. This has been unnecessarily [sic] abusive, both of the court process and of me as an individual, which is extremely serious..."

The Legal Ombudsman scheme cannot work if members of the public like me are subjected to tactics meant to destroy our lives, just for daring to bring a complaint forward. I have spent the past two years of my life being threatened with bankruptcy [sic] and having bailiffs knocking at my door when I have done nothing wrong other than request an investigation. I am so grateful that you have always been patient and professional, but this process has been horrible and traumatic for me, unnecessarily [sic]. Any ordinary person would have (understandably) buckled under this pressure a long time ago, but I will not be intimidated.

Finally, as I mentioned in my last email, I have just lost two loves [sic] ones back to back and unexpectedly. I am currently supporting my family through bereavement and they are supporting me. This is to say that I don't have any time or patience for any more shenanigans from HCR. They have caused enough damage to me and I'm still in therapy for this. All I want is for this process to move forward to a final case decision at the LeO so that matters are investigated as thoroughly as possible..."

Most of these comments are about the impact of the firm issuing proceedings for outstanding fees. Whilst I fully appreciate this has clearly had a grave impact on Ms Rosario-Sanchez, I can only consider the impact of the complaint issues I have upheld. Those proceedings are separate to this investigation and do not relate to the time where the firm was acting for Ms Rosario-Sanchez, as explained earlier in this decision.

Cost reduction

My colleague directed the firm to waive their outstanding costs of £8,414.31 which was the outstanding balance of the firm's total fees. It is the equivalent of a 23% reduction of the firm's total fees which is a 'significant reduction' in line with this office's guidance. She explained this reflects the significant lack of cost information throughout the retainer and believes Ms Rosario-Sanchez should not have to pay the outstanding fees. I agree that this is a fair remedy under the circumstances.

Although the matter was not being funded by Ms Rosario-Sanchez, it would have been reasonable of the firm to have given her a better idea of the costs which would likely be incurred as the matter progressed, as there was the potential for her to end up being liable for the fees if there was not enough funding to cover them, which is what happened. The firm only gave a very broadbrush estimate at the outset which was insufficient.

I am satisfied that a higher cost reduction is not warranted for the reasons explained in my colleague's Case Decision. To ask the firm to reduce their costs further and issue a refund would put Ms Rosario-Sanchez in a position of betterment, because she did not pay the firm's fees. Neither party has provided comments on this aspect of the remedy.

Compensation

My colleague directed the firm also pay Ms Rosario-Sanchez £400 compensation to reflect the emotional impact caused.

Neither party has provided specific comments on this aspect of the remedy. I am satisfied that this is a fair amount of compensation for the reasons outlined in the Case Decision.

It takes into account that Ms Rosario-Sanchez would have experienced significant frustration, distress and upset at not having received a client care letter, at the firm not clearly explaining why they were not going to transfer the file, and the firm solely communicating with her about their outstanding fees.

I am satisfied that a higher award of compensation is not appropriate here because much of the impact has been absorbed by the significant reduction in legal fees. There is nothing to suggest that any long term or permanent impact was caused as a result of the upheld complaint issues. I have no doubt that the litigation matters themselves will have caused further stress, but it is important to separate the impact of this from the impact of the firm's unreasonable service.

Decision

Therefore, my final decision is that there has been unreasonable service that requires a remedy and direct that the firm:

- **Waive their outstanding legal fees of £8,414.31; and**
- **Pay Ms Rosario-Sanchez compensation of £400.**

I appreciate Ms Rosario-Sanchez will likely be disappointed with this decision. However, I believe it is fair and reasonable under the circumstances based on the evidence and comments this office has received.

If you decide to accept my decision, it will be binding on HCR Legal LLP and will be in full and final settlement of your complaint. This also means that you will not be able to take any further legal action on the same facts.

If you accept the decision, we will require HCR Legal LLP to take the actions I have directed within 10 working days of us informing them of your acceptance.

If the remedy includes a financial payment, HCR Legal LLP will either need to make this within 10 working days if they are able, or if they need any information from you in order to make the payment e.g., identification, bank details, to have requested this within 10 working days, and then make the payment within 10 working days of the information being received.

If you choose to reject this Final Decision, it is not binding in any way and you would be free to pursue the matter in any way you may choose.

Therefore please reply in writing by 13 November 2024 to let us know what you have decided.

If we do not hear from you by this date we will presume you reject this decision and the file will be closed without any further action.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Louisa Hughes', with a large, sweeping flourish at the end.

Louisa Hughes
Senior Ombudsman

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Private and Confidential

Ms R Rosario Sanchez



15 July 2024

File Reference: F147979

Dear Ms Rosario Sanchez

Your complaint about HCR Legal LLP

I have attached my case decision, which explains the outcome of my investigation. I have also attached, for your information, a copy of the evidence I have relied upon.

You have until 29 July 2024, to let me know whether you accept my case decision or not.

I have recommended that HCR Legal LLP take some action to resolve your complaint. If you both accept this, I will ask them to carry out that action within 14 days. Your complaint will then be closed.

If, however, either of you reject my case decision, I will pass your case to an ombudsman for a final decision. If you wish to reject my case decision, you must let me know by 24 July 2024 and explain briefly why. The ombudsman will have access


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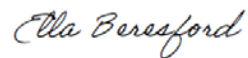
to all the information and comments that you and HCR Legal LLP have provided. The ombudsman is not bound in any way to follow my case decision.

If you do not respond by 29 July 2024, we will close your case as resolved by the case decision, and no further action will be taken by us. We would expect HCR Legal LLP to comply with any recommended remedy, please let us know if that does not happen. We will not normally consider reopening a case unless the circumstances are exceptional.

If you need any help understanding the options set out in this letter, please contact me straight away.

I look forward to hearing from you by 29 July 2024.

Yours sincerely



Ella Beresford
Ombudsman

Legal Ombudsman
www.legalombudsman.org.uk

Enc.

Case Decision
Supporting Evidence

Case Decision

15 July 2024

Introduction

Ms Rosario-Sanchez first approached HCR Legal LLP (“the firm”) in June 2021 in relation to representing her in a civil litigation matter. I understand that the matter was complex and fell under both employment law and civil litigation procedures. After some further correspondence, the firm were then formally instructed in October 2021.

It is important to note that Ms Rosario-Sanchez was one of three named claimants that instructed the firm in relation to the civil litigation matter. However, throughout the correspondence, it is clear that she was the primary contact for the firm. The matter was also funded by way of donations from the public via ‘CrowdJustice’ and so was not funded by any of the three named claimants.

Ms Rosario-Sanchez first raised concerns with the firm about their service in April 2022, and the firm provided an initial response on 14 July 2022. She then made her formal complaint to the firm on 15 July 2022, and they provided formal response on 12 August 2022. As she remained unhappy with their response, Ms Rosario-Sanchez brought her complaint to our office on 12 February 2023.

Initially, the following complaints were accepted for investigation:

1. The firm did not provide Ms Rosario Sanchez with cost estimates when the work began, or throughout the work being completed
2. The firm did not provide Ms Rosario Sanchez with a client care letter before the work began
3. The firm charged Ms Rosario Sanchez for the work of two lawyers, that could have been done by one lawyer
4. The firm provided poor complaints handling and became aggressive with Ms Rosario Sanchez
5. The firm only asked Ms Rosario Sanchez for the outstanding fees, when there were three claimants liable to pay

Following my initial conversation with Ms Rosario-Sanchez, she informed me that she wished to include four further complaint heads within the investigation, these were that:

1. The firm refused to promptly release Ms Rosario-Sanchez's file to her lawyer once she came back from maternity leave and moved law firms.

2. The firm refused to respond to direct questions about their service or cost estimates.
3. The case was poorly pleaded and managed throughout.
4. The firm sent Ms Rosario-Sanchez invoices/bills via email, without Ms Rosario-Sanchez's consent.

After I had informed the firm of the additional complaints, they raised a second challenge under 5.4 of our Scheme Rules, as they didn't think it was appropriate for our office to investigate any of the additional complaints.

The outcome of this challenge meant that complaints three and four from the list of additional complaints above were dismissed. Therefore, the final list of complaints that our office has investigated are that:

1. **The firm did not provide Ms Rosario Sanchez with cost estimates when the work began, or throughout the work being completed;**
2. **The firm did not provide Ms Rosario Sanchez with a client care letter before the work began;**
3. **The firm charged Ms Rosario Sanchez for the work of two lawyers, that could have been done by one lawyer;**
4. **The firm provided poor complaints handling and became aggressive with Ms Rosario Sanchez;**
5. **The firm only asked Ms Rosario Sanchez for the outstanding fees, when there were three claimants liable to pay.**
6. **The firm refused to promptly release Ms Rosario-Sanchez's file to her lawyer once she came back from maternity leave and moved law firms; and**
7. **The firm refused to respond to direct questions about their service or cost estimates.**

I also feel it is important to note that after the firm stopped working for her, they pursued her for their outstanding costs in the sum of £8,414.31. The parties are currently going through the court process in relation to this and the matter has been stayed by the courts in order for our investigation to conclude.

I have reviewed all of the evidence and comments received when investigating this case. For the purpose of this document, I will refer to some of this evidence, and explain the conclusions I have reached.

I should say at the outset that I believe the firm’s service has fallen below a reasonable standard and in order to put things right, I am recommending that the firm waive outstanding fees of £8,414.31 and pay Ms Rosario-Sanchez £400 as a compensation payment for the emotional impact their service has had on her.

Conclusions

1. The firm did not provide Ms Rosario Sanchez with cost estimates when work began, or throughout the work being completed

1.1 Ms Rosario-Sanchez says that because the firm failed to provide any costs information throughout the retainer. She says that as a result of this, the claimants were never in a position to agree to the costs being incurred as they were only ever informed of the costs after the fact.

1.2 She says that as the matter was funded by donations by the public to CrowdJustice, the firm would simply withdraw the funds they required to keep the matter funded as they had direct access to the CrowdJustice account. She says that the only time the firm provided them with costs information was in relation to the barrister’s fees.

1.3 The firm say that the likely cost of the matter was discussed between the initial handler and Ms Rosario-Sanchez at the beginning of the retainer. They say that it is clear they informed her that it would likely cost between £50,000 - £75,000. They also say that Ms Rosario-Sanchez was receiving emails from CrowdJustice when funds had been withdrawn.

1.4 In my letter dated 22 April 2024, I stated that:

“I would expect a service provider to give clear costs information both at the outset of the retainer and throughout. If the costs are going to be higher than initially anticipated, I would expect a service provider to have discussed this with their client to enable them to make informed decisions about how to proceed.

If the service provider can evidence that this was done, I am likely to conclude that the service was reasonable.”

1.5 In table one below I have summarised the key correspondence between Ms Rosario-Sanchez and the firm regarding costs information during the retainer.

Table one

Date of correspondence	Description
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14 September 2021	The firm provided information to Ms Rosario-Sanchez on how much the matter would roughly cost overall so that she could put it on the CrowdJustice site to help raise funds. The firm suggested the following wording: <i>"We are initially raising £10,000 to get the case off the ground, and this will cover a thorough legal case assessment, the Letter Before Claim, the lodging of the claim and the initial costs of the litigation. Following that, we will need to do prepare the case itself including disclosure and witness statements. Cases like this can cost up to £50,000 - £75,000 and we need to raise enough money to ensure we can pay for the BSU legal costs in case we are not successful."</i>
20 September 2021	The firm received an email from the CrowdJustice website stating that the claimants' initial target of £10,000 had been reached. It stated that the claimants had then moved the target to £50,000.
7 October 2021	The firm emailed Ms Rosario-Sanchez with concerns that they had not raised enough via the Crowd Justice website to support the costs of the matter. The firm stated: <i>"The concern we have is that although the amount raised to date through crowd funding is significant, it will not be enough to pay your own costs in bringing a claim as well as BSU's costs if the claim is unsuccessful. You would then be personally liable for BSU's costs. If you are happy to accept that risk then that is of course fine, but you will appreciate that we have to warn you of that risk and any other named claimant would also need to confirm that she is happy to take that risk."</i>
21 October 2021	The firm sought assistance from a barrister and told Ms Rosario Sanchez that the barrister's fee would be £5,000 + VAT. She confirmed agreement to this fee on the same day.

2 December 2021	The firm emailed Ms Rosario-Sanchez with invoices of work completed to date. They stated: <i>“As you will appreciate a lot of work has been undertaken to reach the stage where proceedings have been issued and served and I would anticipate that far less work will now be required over the coming months”</i>
25 March 2022	Ms Rosario-Sanchez stated that the claimants wished to instruct a different barrister as they were unhappy with the quality of the previous barrister’s work. She stated in this email that they wished for the firm to request fees for a new barrister she had found and wanted them to remind him that the claimants were cost conscious and were funded by the public. Therefore, they didn’t have an infinite amount of money. The firm stated that they were concerned that they wouldn’t have the funds to pay the barrister.
11 April 2022	Ms Rosario-Sanchez asked the firm how much the barrister was likely to cost as well as everything else. The firm responded and stated that: <i>“With regard to the amount required, it is difficult to estimate accurately at present. However, given the fee estimate for the first stage of the work required, I think [S]’s fees are likely to be £8,000 plus VAT overall if we also ask him to deal with the defendant’s application (once listed). We also have some costs to bill for the last month and there will inevitably be further costs incurred in attending conference, preparation for the hearing etc. There is also [A]’s outstanding fee note, although that is not huge. I would therefore estimate that we will need at least £15,000 to get past the hearing of the defendant’s application, perhaps a bit more. Therefore, I would suggest a range of £15,000 to £20,000.”</i>

1.6 I have also included below a table of invoices provided to Ms Rosario-Sanchez by the firm during the course of the retainer:

Table two

Date of invoice	Amount billed (excluding VAT)	VAT	Disbursements	Total value of invoice
9/11/2021	£9,251	£1,850.20	£332	£11,433.20
29/11/2021	£5,689	£1,137.80	£6,000	£12,826.80
11/1/2022	£1,015	£203		£1,218
26/1/2022	£2,465	£493		£2,958
24/2/2022	£1,450	£290		£1,740
29/3/2022	£3,161	£632.20		£3,793.20
27/4/2022	£899	£179.80	£1,500	£2,578.80
			Total:	£36,548 (£28,889.20 in the firm's fees and £7,832 in disbursements)

- 1.7 Having considered the evidence summarised in table one above, I can see that the firm did provide Ms Rosario-Sanchez with an initial estimate of £10,000 and then went on to stating that the matter may end up costing between £50,000 - £75,000.
- 1.8 However, the invoices as shown above show that the firm had exceeded the initial estimate of £10,000 by 9 November 2021. At this point, I would have expected the firm to provide a further estimate of costs to the claimants so that they were in an informed position about how much they needed to fundraise for the next step of the matter.
- 1.9 Again, on 2 December 2021 the firm emailed Ms Rosario-Sanchez with an invoice. In this email, they stated that:
- “As you will appreciate a lot of work has been undertaken to reach the stage where proceedings have been issued and served and I would anticipate that far less work will now be required over the coming months”*
- 1.10 At this point, I again would have expected the firm to have provided better costs information to the claimants rather than stating that less work would need to be completed over the coming months as this is not a clear indication of the likely costs they were going to incur.
- 1.11 There is also an email that the firm sent in response to Ms Rosario-Sanchez's email dated 6 December 2021. It is unclear to me from the evidence provided what the date of the firm's response was. However, I am satisfied it is in direct response to her email of 6 December. In her email on 6 December, Ms Rosario-Sanchez states that she is continuing to push their CrowdJustice funding. The firm responded to this email and stated that:

"I would not anticipate that we will incur any significant costs in connection with this case over the next month or two."

- 1.12 Again, the firm had an opportunity at this point to clarify the likely cost for the next stage of the litigation and they failed to do so. It is clear from Ms Rosario-Sanchez's email dated 6 December that she was simply attempting to raise funds without a specific goal in mind. She was also therefore unsure as to whether the amount she had raised was enough to cover the firm's fees for each stage of the litigation.
- 1.13 Further, when the new handlers took over conduct of the matter around October 2021, I would have expected the firm to have provided updated costs information of the handlers' hourly rates. I have not seen any evidence to suggest that the firm did provide this updated cost information and when I shared views with the firm on 18 June 2024, they did not suggest to me that this information was ever provided to Ms Rosario-Sanchez. Therefore, I am satisfied that this information was not provided.
- 1.14 I do agree with the firm that they provided costs information to Ms Rosario-Sanchez in relation to the barrister's fees on 21 October 2021 as they informed her that the fees would be £5,000 + VAT. Ms Rosario-Sanchez confirmed that they were in agreement with these fees as I can see that the amount of £6,000 was charged as a disbursement in the invoice dated 29 November 2021.
- 1.15 I also accept that the firm attempted to provide an overall likely cost of £50,000 - £75,000 and gave an estimate of £10,000 for the initial works. I also note that the firm's total costs were £36,548 and therefore didn't exceed the firm's overall estimate. Therefore, there was some attempt from the firm to provide cost information
- 1.16 However, I am not satisfied that the firm have provided the best possible cost information overall. As I stated earlier in my decision, I would have expected the firm to have provided further costs information after their first invoice dated 9 November 2021 as they had already exceeded their initial estimate of £10,000 at this point and revised estimates for each stage of the litigation from that point onwards.
- 1.17 The firm then provided vague information to Ms Rosario-Sanchez about the likely work to be completed. I do not accept the firm's explanation that because the claimants were receiving updates from CrowdJustice that this meant that their cost information was reasonable.
- 1.18 As Ms Rosario-Sanchez stated, by the time they had received any notification from CrowdJustice, the firm had already withdrawn the funds from the account and therefore I agree that she was not in an informed position to agree to the costs as she was only informed of any withdrawals after the fact. This is evidenced by the firm's email to Ms Rosario-Sanchez on 4 February 2022 whereby they state:

“On behalf of [A] and for your kind attention I attach invoice and related timesheet for work undertaken during January 2022.

Please note that this provided to you for your information only; we have allocated monies on account to payment of the attached and the monies outstanding to us is nil.”

- 1.19 Even though the matter was funded by public donations, I would still expect the firm to have provided the same level of costs information to Ms Rosario-Sanchez as if they were funding the matter themselves. The firm failed to do this and therefore their service on this point was unreasonable.
- 2. The firm did not provide Ms Rosario Sanchez with a client care letter before the work began.**
- 2.1 Ms Rosario-Sanchez says that the firm never provided her or the other two named claimants with a client care letter when the work began. She says that the implications of this were that if they had won their litigation case, they would have been unable to recover their costs from the defendant due to the fact they did not have a written retainer in place.
- 2.2 Ms Rosario-Sanchez also stated that as there was no written retainer in place between the claimants and the firm, then she should not be held liable for the costs owed to the firm as there is no evidence of an agreement.
- 2.3 The firm say that a client care letter was generated on their system, but they have no evidence of this being sent to Ms Rosario-Sanchez. They say that they are now unable to ask the handler that would have been responsible for sending this as she has left the firm.
- 2.4 The firm say that they asked Ms Rosario-Sanchez to confirm to them whether or not she received a client care letter in their formal complaint response dated 12 August 202, but she did not provide them with any clarity. They also stated that they would not be able to evidence if it had been posted to her.
- 2.5 In my letter dated 22 April 2024, I stated that:
- “As a reasonable service I would expect a service provider to provide a client with a client care letter at the beginning of a retainer. If the service provider can show that they provided a client care letter to their client at the beginning of the retainer, then I am likely to find that the service was reasonable.”*
- 2.6 The client care letter provided by the firm is dated 9 September 2021. I understand that the firm have stated that they would be unable to evidence if the client care

letter was sent via post and I would not have expected them to have kept any receipt of this. However, the client care letter provided by the firm states “*by email only*”.

- 2.7 Given the client care letter states “*by email only*”, I would therefore have expected it to be sent to Ms Rosario-Sanchez by email given that these were the instructions. In order for the firm to have posted this to her, they would have needed to amend the letter to include her address and I have not been provided with a client care letter by the firm that includes a postal address.
- 2.8 As the firm are unable to evidence that the client care letter was attached to an email and sent to Ms Rosario-Sanchez despite the fact that the letter only allowed for it to be sent via email, on the balance of probabilities, I am not satisfied that a client care letter was sent to her.
- 2.9 I have also seen evidence to show that the other two claimants have stated they did not receive a client care letter from the firm. Given that the firm have not provided me with any evidence to show that a client care letter was provided to either of the other two claimants instead of Ms Rosario-Sanchez, I am satisfied that they did not receive one either.
- 2.10 I appreciate that the Law Society does not state that a document labelled ‘client care letter’ has to be sent, but the Law Society practice note 15 clearly says what information must be given to clients at the beginning of the retainer.
- 2.11 This information includes things such as how complainants can complaint, the costing of the matter, and how they will communicate. The guidance states that the most traditional way of providing this information is via a client care letter. “Client information requirements” - <https://www.lawsociety.org.uk/topics/client-care/client-information-requirements>.
- 2.12 In the absence of any evidence to show that the firm sent the generated client care letter by email, or that they provided the information required of them as stated in the above practice note then on the balance of probabilities, I am not satisfied that the firm provided Ms Rosario-Sanchez with the information they were required to and therefore their service was unreasonable on this point.
- 2.13 When I shared views with Ms Rosario-Sanchez, she stated that she felt that in the absence of a written retainer the invoices issued by the firm should be void and a full refund of all the funds used by the firm should be given.
- 2.14 I explained to Ms Rosario-Sanchez during our sharing views call that although the firm have failed to evidence that a client care letter/the relevant information had been provided to her, it was still clear to me that she intended to instruct the firm and that the firm had completed work for her.

2.15 Specifically, I refer to the firm's response dated 14 July 2022 whereby they explained to her that:

2.16 *"In the absence of a written retainer (which would normally take the form of a signed client care letter), a retainer will be implied where a relationship of solicitor and client existed. It is clear from the correspondence between you and [L], and subsequently between you, [C] and myself, that you intended to instruct this firm to act as your solicitors and this is also clear from your Crow Justice page. It clearly cannot be disputed that a retainer was in existence"*

2.17 I agree with the firm's explanation on this issue and therefore will not be recommending that the firm refund *all* of the funds they had used. However, overall, I am satisfied that the firm's service on this point was unreasonable.

3. The firm charged Ms Rosario Sanchez for the work of two lawyers, that could have been done by one lawyer.

3.1 Ms Rosario-Sanchez says that she was informed that when the initial handler went on maternity leave that two other handlers at the firm would be taking over. She says that the initial handler said it was so that someone was always available. However, when the two new handlers took the file over Ms Rosario-Sanchez says that it was because one handler was experienced in employment matters, and one was experienced in civil litigation.

3.2 Ms Rosario-Sanchez says that this resulted in the firm charging for the work of two handlers that could have been done by one. For example, both handlers were giving advice at the same meeting and charging for both attendances.

3.3 The firm say that the difficulty was that, whilst the matter was a discrimination case brought under the Equality Act 2010, it was not an employment matter within the jurisdiction of the Employment Tribunal, which is the area where [A] predominantly specialises. [CM] was the only other person in the team who was comfortable litigating in the County or High Court and so it was decided that both partners would assist on the matter. They say this was discussed and agreed with Ms Rosario-Sanchez.

3.4 In my letter dated 22 April 2024, I stated that:

"I acknowledge that for some instructions, it is necessary for more than one individual to work on a matter and firms use their professional judgement to determine when this is necessary. Should this be the case, I would expect the firm to clearly explain this to their client."

I would also expect the firm to ensure that the charges incurred for the work of two individuals were necessary.”

3.5 I understand that during the retainer, the initial handler responsible for the matter left the firm to go on maternity leave. The firm then appointed two new handlers to take over the matter. On 7 October 2021, the firm emailed Ms Rosario-Sanchez and stated:

“By means of introduction I should mention that, much like [L], I am predominantly an employment lawyer. Therefore, whilst I regularly advise on Equality Act issues, I mainly practice in the Employment Tribunal rather than the civil arena and I have not practised civil litigation for many years. For this reason, I will be supported by [CM] who you will see copied into some of the emails. [C] is also a partner in the Employment Team, but has a mixed practice and frequently undertakes civil litigation alongside his Tribunal work. If that causes any difficulty then please let me know.”

3.6 Although Ms Rosario-Sanchez has stated that she was told by the firm that the reason they had assigned two handlers to her case was so that if one was unavailable, she would always have a point of contact, she has not provided me with any evidence to show that this was the case.

3.7 Further, I can see that on 11 October 2021, Ms Rosario-Sanchez email the firm asking for advice from both [AT] and [CM]. This shows to me that she was aware that both handlers were completing work and providing her with advice at the same time.

3.8 On 2 December 2021 the firm emailed Ms Rosario-Sanchez with some invoices for the work they had completed on the matter to date. In this email, the firm stated that:

“I have also made some reduction in my time to reflect the fact that there is inevitably some duplication between myself and [C].”

3.9 In response to this, Ms Rosario-Sanchez emailed the firm on 6 December 2021 thanking them for sending the bills and did not raise any issues with the fact that both handlers had been working on the matter at the same time until she made her formal complaint to the firm on 15 July 2022. This is something I would have expected to see sooner had she been told that only one handler would be working on the matter at any given time.

3.10 Having considered the invoices provided by the firm, there are instances that show both handlers have charged for attending the same meetings or reviewing an email together such as both handlers attending a conference with counsel on 25 January 2022.

3.11 I can also see charges for both handlers engaging in discussions between themselves regarding issues such as budgets or tactics. However, I am convinced by the firm's

explanation that given the complexity of the matter, it may have been necessary for both of them to provide advice and work together given that it fell under the Equality Act but ultimately, it was a civil litigation matter.

- 3.12 Ms Rosario-Sanchez was receiving invoices regularly that clearly stated that both handlers were charging for working on the matter simultaneously. I have not been provided with any evidence to show this wasn't necessary as the two handlers were likely providing different areas of expertise to the matter.
- 3.13 Ms Rosario-Sanchez raised the point in our sharing views call that the initial handler was going to deal with the matter by herself. However, I do not consider it the fault of the firm that the initial handler left shortly after being instructed and that they did then not have a handler available that had the mixture of expertise required to deal with the complex nature of the litigation.
- 3.14 The firm were clear with her in their email dated 7 October why they required two handlers, and if Ms Rosario-Sanchez was unhappy with this proposal it was open to her to find alternative representation. The firm explained that in any event, it would have been likely that [L] would have required assistance from [CM] as she was also predominantly an employment law specialist.
- 3.15 Although I have stated that there are clearly times that the firm have charged for the work of two handlers at the same time, I am satisfied that this appears to have been reasonable as they were bringing different areas of knowledge to the matter. Therefore, I am unable to say that the work could have been completed by one handler alone or that the charges for both handlers were unreasonable.
- 3.16 For the reasons explained above, I am satisfied that the firm's service on this point was reasonable.

4. The firm provided poor complaints handling and became aggressive with Ms Rosario Sanchez

- 4.1 Ms Rosario-Sanchez says that the complaints handling process was unreasonable because the firm failed to answer her queries as to why they were pursuing her for the outstanding costs and not the other claimants. She also says that the firm never addressed her requests for cost estimates.
- 4.2 The firm say that they did not become aggressive with Ms Rosario-Sanchez during the complaints handling process, and that their complaints handling was reasonable.
- 4.3 In my letter dated 22 April 2024, I stated that:

“I would expect a service provider to provide adequate complaints handling in line with their customer service principals and the SRA Code of Conduct. I would also expect a service provider to ensure that they remain polite and professional when a client has raised a complaint.

If the service provider can show that they have provided adequate complaints handling in line with their customer service principles and the SRA Code of Conduct and can show that they remained polite and professional then I am likely to find that the service was reasonable.”

- 4.4 In the table below I have summarised the issues raised by Ms Rosario-Sanchez and have recorded whether or not the firm have addressed in in their complaint responses on either 14 July 2022 or 12 August 2022.

Issues raised by Ms Rosario-Sanchez	Addressed by firm
Failure to provide cost estimates	Yes – complaint response 12 August 2022
Costs were excessive	Yes – complaint response 12 August 2022
Failure to provide a client care letter	Yes – complaint response 12 August 2022
Two lawyers working	Yes – complaint response 12 August 2022
Pursuing her for costs incurred	Yes – initial response 14 July 2022

- 4.5 From the table above, I am satisfied that the firm have addressed the issues raised by Ms Rosario-Sanchez in either their complaint response on 14 July or 12 August 2022.
- 4.6 When I shared views with Ms Rosario-Sanchez, she stated that she did not feel that the firm had adequately responded to the issue she raised about the lack of cost estimates as the firm had still not provided her with any. I explained to her that although the firm have not provided her with any costs estimates, they did address this issue in their response dated 12 August 2022.
- 4.7 I explained under complaint one that I was not satisfied that the firm provided adequate cost information to her, and I do note that they did not provide her with any cost estimates following her request in her formal complaint, likely because as I have concluded, the firm did not provide her with cost estimates during the retainer.
- 4.8 However, the firm did still address this issue in their response and as I explained to Ms Rosario-Sanchez, just because they have been unable to provide the cost estimates she has requested does not mean that they have failed to address her concerns in their response.

- 4.9 Further, I have not been provided with any evidence to show that the firm became aggressive with her during the complaints handling process. I can see that the firm did not uphold any of her complaints, but I am satisfied that their response was still polite and professional and was provided to her within a timely manner.
- 4.10 Ms Rosario-Sanchez stated that the firm became aggressive with her before, during, and after the complaints handling process. However, I have not been provided with any evidence to show that this was the case.
- 4.11 I do understand that Ms Rosario-Sanchez may be referring to the fact she feels the firm were aggressive with her in relation to the outstanding fees the firm were requesting after they stopped working for her, as much of the evidence she has provided in support of this head of complaint relates to the firm's actions whilst they were attempting to recover their outstanding fees.
- 4.12 However, I have explained to her previously that the firm's actions after they stopped working for her are not something I can consider within this investigation as at this point, they were no longer providing her with a service.
- 4.13 At this point, the parties were claimant and defendant in legal proceedings and therefore it would not be appropriate for me to comment further in relation to the firm's actions during this time.
- 4.14 For the reasons explained above, I am satisfied that the firm's service was reasonable on this point.
- 5. The firm only asked Ms Rosario Sanchez for the outstanding fees, when there were three claimants liable to pay.**
- 5.1 Ms Rosario-Sanchez says that the firm should have pursued all three claimants listed on the proceedings but chose to make her personally liable for them instead. She says that the firm were clearly aware that there were three claimants and that they singled her out and pursued her for outstanding costs in the sum of £8,414.31.
- 5.2 The firm say that Ms Rosario-Sanchez was the main point of contact for all three claimants and whilst the other two claimants may have been copied into correspondence throughout the retainer, the instructions came predominantly from Ms Rosario-Sanchez.
- 5.3 They say that the costs were 'joint and several' and therefore any three of the complainants could have been pursued for the costs.
- 5.4 In my letter dated 22 April 2024, I stated that:

“If there are multiple individuals responsible for paying the service provider’s outstanding fees, as a reasonable service I would expect a service provider to ensure that they are requesting the outstanding fees from all individuals that are liable for paying rather than one individual in particular.

If the service provider can show that they have requested the outstanding fees from all liable individuals, then I am likely to find that the service was reasonable.”

- 5.5 I feel it is important to note for this head of complaint that I will only be considering the firm’s service prior to the commencement of legal proceedings for the outstanding costs, and that I am not commenting on the firm’s decision to begin legal proceedings solely against Ms Rosario-Sanchez.
- 5.6 I have seen emails from the firm to Ms Rosario-Sanchez dated 18 May and 7 June 2022, providing her with a statement of account for their outstanding fees. On 10 June 2022, she responded to the firm asking why she was personally liable for the fees rather than all three claimants.
- 5.7 The firm responded to this query on 14 July 2022 and stated that:
- “With regard to your query as to whether you are personally liable for the outstanding bills, you adopted the role of lead claimant and were our main point of contact.*
- However proceedings were also issued on behalf of [D] and [A], who expressly agreed that they should also be named as claimants. Proceedings were also issued in the name of Women Talk Back, an unincorporated association. We are therefore of the view that liability for costs would be joint and several, so could be enforced against all or any one of you.”*
- 5.8 I have seen the notice of hearing dated 22 April 2022 that clearly lists all three claimants in the proceedings.
- 5.9 Whilst I acknowledge from the evidence provided that the firm were primarily correspondence with Ms Rosario-Sanchez and that she did appear to adopt the role of lead claimant, I am not satisfied that this means that she should have been responsible for the outstanding costs alone.
- 5.10 If the firm’s intentions were that adopting the role of primary contact meant that she would be liable individually for any outstanding costs, then I would have expected this to have been clearly explained to her. I have not been provided with any evidence to show that the firm explained the implications of adopting the role of lead claimant, and I am therefore not satisfied that Ms Rosario-Sanchez was in an informed position when she became the firm’s primary source of contact.

5.11 Whilst I am aware that the firm are entitled to pursue clients for any outstanding costs, I am not satisfied that it was reasonable of the firm to hold Ms Rosario-Sanchez responsible for this on the basis that she adopted the role of lead claimant, as she had clearly not been informed of the risks of doing so.

5.12 For the reasons explained above, I am satisfied that the firm’s service was unreasonable on this point.

6. The firm refused to promptly release Ms Rosario-Sanchez’s file to her lawyer once she came back from maternity leave and moved law firms

6.1 Ms Rosario-Sanchez says that she found out that the initial handler had returned from her maternity leave and had joined a new firm. She wanted the initial handler to handle the matter again and therefore asked the firm to send her file to her new solicitors. She says that the firm didn’t send her file to them within a reasonable timeframe.

6.2 The firm said that they never received a written request to release the file or written authority from the complainants to release it and therefore it would have been inappropriate for them to send it to the new solicitors.

6.3 In my letter dated 22 April 2024, I stated that:

“As a reasonable service I would expect a service provider to provide the client with a copy of their file within a` reasonable timeframe if requested. I understand that in some circumstances a service provider may exercise a lien over their client’s file where there are outstanding costs to be paid. If this is the case, I would expect a service provider to clearly explain this to their client.

If the service provider can show that they did provide their client with a copy of their file in a reasonable timeframe, or clearly explained why they were unable to do so, I am likely to find that the service was reasonable.”

6.4 In the table below I have summarised the key correspondence between the firm, Ms Rosario-Sanchez and the new firm in relation to the release of her file.

Table three

Date	Description of correspondence
6 April 2022	The firm emailed Ms Rosario-Sanchez and informed her that the initial handler had returned from maternity leave but that she had joined a new firm of solicitors The firm asked her if she wished to follow the initial handler to the new solicitors
6 April 2022	Ms Rosario-Sanchez responded and stated that she was following the initial handler to the new solicitors. She asked if

	the firm could forward the file to them, or if the initial handler could request it from them the following Monday.
19 April 2022	The firm emailed the new solicitors and stated that they needed confirmation from them that they were happy for them to send the file over. They said they needed an email from them by way of request.
21 April 2022	The new solicitors emailed the firm and confirmed they are happy to take on the instruction.
26 April 2022	The firm emailed the new solicitors and stated that the handler had sent most of the papers to the barrister when requesting a fee and therefore the barrister had most of the papers. The firm stated that the new solicitors could request the papers from the barrister.
4 July 2022	The new solicitors emailed Ms Rosario-Sanchez and stated that they were missing a document they required as it was still with the firm. The new solicitors asked the claimants to locate the document for her.
5 July 2022	The new solicitors emailed Ms Rosario-Sanchez and stated that the firm never released the file to them.
7 July 2022	Ms Rosario-Sanchez responded to the new solicitors and asked if it was normal for them to not release the file. The new solicitors responded and explained that it was likely because there were outstanding costs that the new solicitors were not willing to indemnify.
28 July 2022	The new solicitors emailed the firm and asked for a copy of the file as a matter of urgency.
29 July 2022	The firm responded and stated that they never received a written request from the new firm or written authority from the three claimants for the file to be released. The firm also stated that they were going to seek clarification from their compliance team as to whether they were going to exercise a lien over the file for the unpaid fees.
29 July 2022	The new solicitors emailed the claimants asking for their written authority to release the file.

- 6.5 From the table above, it is not clear to me whether the firm did not release the file due to them exercising a lien, or whether it was because they had not received written authority from the claimants. I acknowledge that either of these explanations could be considered reasonable however, I am not satisfied that the firm clearly explained this to Ms Rosario-Sanchez.
- 6.6 As a reasonable service, I would have expected the firm to clearly explain to Ms Rosario-Sanchez in April 2022 what they required in order to release her file to the

new solicitors. Instead, the firm simply stated that all they required from the new solicitors was their written confirmation that they were happy to take over the instruction.

- 6.7 I have not been provided with any evidence to show that the firm clearly explained that they were unable to release the file without written consent from the claimants, or that they told the claimants they were exercising a lien due to outstanding fees. Therefore, Ms Rosario-Sanchez was likely of the opinion that the firm were in the process of releasing the file and was unaware of the steps she needed to take in order for the new solicitors to receive it.
- 6.8 Ms Rosario-Sanchez also stated that they had a hearing in August 2022, and the evidence shows to me that the file had not been released in July 2022. Ms Rosario-Sanchez therefore said that as a result of the firm not releasing the file she was responsible for locating any missing documents that the new firm had not been able to retrieve from the barrister.
- 6.9 As I have stated, exercising a lien due to outstanding costs or requiring written consent to release the file are reasonable explanations for a firm being unable to release a file. However, the firm had between April – July 2022 (nearly four months) to explain this to the new solicitors and Ms Rosario-Sanchez. They failed to do so and for this reason the firm’s service was unreasonable on this point.

7. The firm refused to respond to direct questions about their service or cost estimates.

- 7.1 Ms Rosario-Sanchez says that she first raised concerns about the firm’s cost estimates on 29 April 2022. She says that, to date, the firm have still not answered her queries about the cost estimates.
- 7.2 The firm say that Ms Rosario-Sanchez didn’t raise any queries about their cost estimates until they had stopped working for her and that all of her queries were responded to.
- 7.3 In my letter dated 22 April 2024, I stated that:

“As a reasonable service, I would expect a service provider to respond to reasonable requests made by their client. If a service provider is unable to respond to the requests in full, I would expect this to be clearly explained to the client.

If the service provider can show that they responded to the reasonable requests made by their client about their service and cost estimates, or that they clearly explained why they were unable to do so then I am likely to find that the service was reasonable.

- 7.4 I've seen Ms Rosario-Sanchez's email to the firm dated 29 April 2022. In this email, she asks for a detailed breakdown of the costs incurred. The firm then responded to this request and provided a PDF that gave the full breakdown of all fees charged during the retainer.
- 7.5 Further, on 10 June 2022 Ms Rosario-Sanchez asked the firm to provide her with evidence to show that they had informed her of the fees they were going to incur before charging them. The firm then responded to this request on 14 July 2022. Whilst I have explained previously that I do not agree with the firm's explanation that their cost information was adequate, they have responded to this query and their response can be found in paragraph four of their email dated 14 July and is also addressed again in their complaint response on 12 August.
- 7.6 I have not been provided with any evidence to show Ms Rosario-Sanchez raising queries with the firm about their service of cost estimates that they have not responded to. I appreciate that Ms Rosario-Sanchez may not have received the response she was hoping for when the firm did respond to the queries I have seen, however this does not mean that they have failed to address them.
- 7.7 Without evidence to show that Ms Rosario-Sanchez raised queries with the firm about their service or cost estimates that they did not respond to, I am unable to say that their service was unreasonable on this point.

Remedy

When the Legal Ombudsman investigates complaints and finds the firm has provided an unreasonable service, we can direct a remedy to put the person back into the position they would have been in had it not been for the unreasonable service.

We can direct remedies for financial loss suffered, bill reductions, or ask the firm to complete further work to put things right. We can also direct an impact payment to reflect the fact that service failures can cause stress, upset, and inconvenience.

When considering what remedy is appropriate in any given case, we must be conscious to the fact that any remedy should be, as far as possible, to put the complainant in the position they would have been in, had the service been reasonable.

We can consider a partial reduction of fees where we are satisfied that the firm's service was so unreasonable that it reduces the value of the work done by the firm. In circumstances where we believe the firm's work was of no value to the complainant, we can direct a full refund. We can also consider a reduction in legal fees when considering remedying a poor service relating to cost complaints. This can include a waiver of certain parts of fees charged by the firm, dragging back fees to a certain point in the retainer, or reducing fees by a certain percentage.

I explained earlier in my decision that although the firm had attempted to provide some costs information, I was not satisfied that they had provided the best possible costs information during the course of the retainer. For this reason, I am recommending that the firm waive the outstanding fees of £8,414.31. This is a 23% reduction of the firm's overall fees.

I am satisfied that this is fair and reasonable in the circumstances of this complaint as the firm exceeded the initial estimate of £10,000 within two months of providing the estimate. The estimate was provided to Ms Rosario-Sanchez on 14 September 2021, and their first invoice dated 9 November 2021 had already exceeded this.

Ms Rosario-Sanchez was fundraising from the general public to fund the litigation and the firm did not provide her with any further cost estimates after the first estimate of £10,000. From the firm's suggested wording for the CrowdJustice website, the initial £10,000 was:

"... to get the case off the ground, and this will cover a thorough legal case assessment, the Letter Before Claim, the lodging of the claim and the initial costs of the litigation."

I am satisfied that after they had exceeded the first estimate, the firm should have provided further costs information about the likely cost of the next stage of the litigation. There were occasions where Ms Rosario-Sanchez requested clarification as to the likely costs, and the firm provided vague explanations such as:

"I would not anticipate that we will incur any significant costs in connection with this case over the next month or two."

Information such as the above did not allow Ms Rosario-Sanchez to be confident that the amount she had fundraised was enough to cover the firm's costs at any point, as she was not made aware of the likely costs before they were incurred.

I am satisfied that no more than a 23% reduction is required in the circumstances of this complaint as Ms Rosario-Sanchez did not pay for the firm's services herself. As I stated earlier, we must be conscious to the fact that any remedy should be, as far as possible, to put the complainant in the position they would have been in, had the service been reasonable.

As Ms Rosario-Sanchez did not pay for the firm's fees herself, any award larger than a reduction of £8,414.31 would put her in a better position than she would have been in had the firm's service been reasonable, which is not the purpose of our office recommending a remedy.

I do understand that Ms Rosario-Sanchez feels that a full refund is required in this instance as the firm had failed to provide adequate costs estimates throughout and also had not

provided her with a client care letter. However, I have explained to her previously that this is not something I will be recommending as I would need to be satisfied that the firm's work was of no benefit to her whatsoever and this is explained in our external guidance '*putting things right: our approach to remedies*'.

As it is clear to me that the firm's work was of value to the claimants, I am satisfied that it is fair for the firm to waive the outstanding £8,414.31 only. I am also satisfied that in order to put things right, the firm should pay Ms Rosario-Sanchez £400 for the distress and inconvenience caused.

I am satisfied that it should not be any less than £400 as the firm have failed to provide a reasonable service on a number of complaints I have investigated. As a result of the firm's service, Ms Rosario-Sanchez has been left without a client care letter that would have contained key information about the service being provided to her such as the scope of the work, her right to complain, and the hourly rates of the handler responsible for her work.

Further, the firm failed to explain why they were unable to release her file to her new solicitors from April – July 2022. She was approaching a hearing in August 2022 and as I have stated previously in my decision, Ms Rosario-Sanchez then had to find any missing documents so that her new solicitors were prepared for the hearing.

Had the firm clearly explained that they needed written consent to release the file, or that they were exercising a lien, Ms Rosario-Sanchez could have either provided her consent along with the other two claimants or she could have started preparing the missing documents for the August hearing sooner than she did, as I can see that she believed the firm were in the process of providing the file until her new solicitors told her otherwise in July 2022.

Further, the firm solely chased Ms Rosario-Sanchez for the outstanding fees without warning her that this would be an implication of adopting the role of lead claimant. Civil litigation is naturally a stressful process; however, I have no doubt that the firm's service exacerbated this stress.

When I shared views with Ms Rosario-Sanchez, she expressed to me that she did not feel that a compensation payment of £400 was a reflection of the emotional impact that the firm's service has had on her. She has also provided me with evidence that shows the implications of CCJ being registered against her.

I would like to acknowledge the impact that the CCJ and subsequent legal proceedings have had on her, and I have no doubt that this matter as a whole has caused Ms Rosario-Sanchez a large amount of stress. However, as I have stated in my decision, I am unable to consider the impact of the CCJ when determining the appropriate remedy as I can only consider the impact of the firm's service.

During the legal proceedings between Ms Rosario-Sanchez and the firm regarding the CCJ, the firm were no longer providing a service to her, and I am satisfied that the majority of the adverse impacts were as a result of the cost recovery proceedings rather than the firm's service, and therefore I have not been able to consider them when determining the appropriate level of remedy.

Case Decision

My Case Decision is therefore that the firm's service was unreasonable, and they should waive their outstanding fees of £8,414.31 and pay Ms Rosario-Sanchez £400 as financial compensation.

Both parties are required to respond to my case decision by 29 July 2024 indicating whether they are willing to accept my proposed agreed outcome. If both parties accept the case decision, then the complaint will have been concluded on that basis and the case will be closed. Similarly, if by the above date I have not received a response the case will be treated as concluded by the recommended remedy, the case will be closed, and no further action will be taken by the Legal Ombudsman. We would expect compliance with any recommended remedy.

