

*These notes refer to the Legal Services Act 2007 (c.29)
which received Royal Assent on 30th October 2007*

LEGAL SERVICES ACT 2007

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 6: Legal Complaints

Complaints Handling – the new system

Section 138: Limitation on value of directions under the ombudsman scheme

357. This section ensures the total value of the directions made under section 137(2)(c) to (e) on the determination of a complaint under the ombudsman scheme does not exceed £30,000 (excluding interest – see subsection (3)). Prior to the commencement of the Act, the highest level of compensation in the legal sector was £15,000.
358. *Section 138(2)* explains “total value” as the aggregate of the amount of any compensation payable, plus the amount of expenses reasonably incurred by the respondent in rectifying any specified error, omission or deficiency. It does not include any reduction in the level of fees payable, or associated refund etc, by virtue of a direction under section 137(2)(b).