

ACTIVITY REPORT: OCTOBER – DECEMBER 2010

Overview

The Panel delivered its policy advice on quality assurance, which incorporated an independent consumer research report by Vanilla Research. The research suggests that quality factors are not strongly influencing consumers' choice of lawyers and that consumers wrongly assume that legal services are risk-free. Two major policy challenges for policy makers were identified: finding new ways to engage consumers so that they take a more active role in demanding quality standards that are appropriate for their needs and use lawyers aware of the possible risks; and employing regulation to ensure that legal advisors are properly trained and deliver competent legal advice.

There was an excellent response to the call for evidence on will writing. In addition to policy submissions, nearly 400 case studies of individual problems were received from members of the public, lawyers, stakeholders and others.

Work has progressed on the Consumer Welfare Index, where the focus this period has been on developing the underpinning policy thinking. A workshop was held to introduce stakeholders to the project and obtain their feedback, which was broadly positive.

The Panel met twice over this period. The October meeting included a lively discussion on diversity following a presentation from the LSB policy lead. In December, a full day meeting considered a review of the Panel's first year and discussed future plans; presentations were also received from the LSB Strategy Director and the Chief Legal Ombudsman. In addition, a colleague survey was conducted which achieved an excellent response rate from Board members and staff.

Update on planned projects

Project	Activity
Quality assurance	Report delivered to LSB
Consumer Welfare Index	First draft of methodology completed; stakeholder workshop held
Consumer engagement	Following the Panel's July workshop, the BSB announced plans for a 'legal services stakeholder network' to be organised with other ARs
Price comparison websites	Project postponed to allow for will writing investigation
Publishing ombudsman decisions	Substantive consultation response; consumer research commissioned jointly with the Legal Ombudsman

Update on unplanned work

The major focus of unplanned work has been the will writing investigation where there has been excellent progress, as detailed in the overview section. Most of the stakeholder submissions, across consumer and professional bodies, have called for additional regulation, although there are differences over the form this should take.

The Panel submitted a critical response to the joint regulators' consultation on a proposed Quality Assurance for Advocates scheme. It highlighted a series of inadequacies, in particular the lack of user input and giving advocates the ability to choose on which cases they are assessed and who by. Other consultation responses were submitted on: the CLC's draft revised code of conduct; ILEX's application to become an Approved Regulator to award rights of litigation and audience and rights of probate; and the BSB's proposals to regulate entities.

In October, the Government announced that it was "minded to merge the Legal Services Consumer Panel with Citizens Advice, subject to an examination of the practicalities and details of such a move". Both the Panel and the LSB protested at the complete lack of foreknowledge or consultation over this. Since then, we have met both MoJ and BIS officials (as have the LSB), emphasising both the importance of an embedded consumer voice within a regulator and the potential conflict of interest should the representative panel of the users of legal services reside within one of the UK's largest providers of legal services.

Future activity

The Panel has inputted to the design of the will writing shadow shopping exercise commissioned by the LSB in partnership with the OFT and SRA. This will be the major final piece of evidence to inform our advice, which we expect to provide in July.

The Panel will continue to press the Legal Ombudsman to identify lawyers involved in cases which lead to a remedy; a key milestone will be the consumer research report due in February.

The Panel will formally meet once over the next period when it will receive presentations from the BSB Chair and the BIS official leading the consumer landscape review, discuss a draft work programme for 2011-12 and agree the indicators for the Consumer Welfare Index.

The Panel is a mandatory consultee on applications to become licensing authorities. Applications from the major approved regulators are expected to arrive towards the end of the next period.

The Panel is contributing a short essay on the theme of consumer empowerment to the LSB's forthcoming collection, to support the Regulatory Policy Institute's paper on the economic rationale for regulating legal services.

Steve Brooker
January 2010