

TUESDAY 14 MAY 2013

## The Government declines to accept the regulation of will-writing activities

The Government and the Lord Chancellor have decided not to accept the recommendation of the Legal Services Board that **will-writing activities** should be made subject to regulation.

The LSB's recommendations, made in February this year, concluded a two year investigation under section 24 of the Legal Services Act 2007 which found comprehensive evidence that the market is working contrary to the interests of consumers who use these critical services.

Chairman of the Legal Services Board, David Edmonds, said:

"Naturally we are disappointed by the Government's decision. However it is their decision alone to make and we will study the details and respond in due course.

In the mean time the LSB will work with Ministry of Justice officials, consumer groups, providers and other stakeholders to ensure that the issues are tackled and that consumers confidence in the market for will writing services is increased.

The onus is now on both regulated and unregulated providers of will-writing services to improve standards and thereby earn consumer and public confidence ".

ENDS

For more information please contact our Communications Manager <u>Vincent McGovern</u> on 020 7271 0068 / 0795 622 6562.

## Notes for editors:

- 1. The Government's decision notice can be found here.
- 2. The LSB's recommendations to the Lord Chancellor were made on 13 February 2013 and can be found <u>here</u>.
- 3. **Will-writing** activities are defined as including advice upon, and subsequent preparation and drafting of a will or codicil.
- 4. The legal profession currently consists of 15,309 barristers, 119,641 solicitors and 12,145 individuals operating in other aspects of the legal profession such as conveyancing. Around £1.07bn of the legal services market can be attributed to will-writing and estate administration services for the legal professionals solicitors and these providers make up the majority of the supply-side of the market.

The sector also comprises non-lawyers such as independent will-writing and estate administration companies, banks and building societies, accountants, independent financial advisers, charities, trade unions and other membership organisations. Some focus on will-writing alone. Others offer a full range of connected services. Some providers undertake all work in-house; others work in partnership with lawyers.

- 5. **Will-writing**, is a key stage of the process that ensures that a person's estate (property, money and possessions) is distributed correctly when he/she dies. The **will** is the document that sets out how and to whom a person wants their estate to be distributed. Where there is not a valid will the rules of intestacy will apply.
- 6. The LSB's recommendations were the conclusion of a process which begun in summer 2010, when the Board asked the Legal Services Consumer Panel to provide it with advice on consumers' experiences of the will-writing market. Since then, it has worked alongside the Panel (including through generating original research co-sponsored by the Solicitors Regulation Authority and the Office for Fair Trading) to develop a greater understanding of the way the will-writing market operates and problems that consumers face, including a mystery shopping exercise on the quality of wills produced by different types of provider.
- 7. The list of **'reserved legal activities'** (those that only qualified lawyers, such as a solicitor or barrister, can undertake) includes conveyancing, litigation, probate and advocacy. However, it does not include other common services such as will-writing, employment law or general legal advice.
- 8. Information on all of the stages of the investigation can be found on the LSB website.
- 9. The Legal Services Act ("The Act") created the Legal Services Board as a new regulator with responsibility for overseeing the regulation of legal services in England and Wales. The new regulatory regime became active on 1 January 2010.
- 10. The LSB oversees eight approved regulators, which in turn regulate individual lawyers and organisations. The eight approved regulators, designated under Part 1 of Schedule 4 of the 2007 Act, are the Law Society, the Bar Council, the Master of the Faculties, the Chartered Institute of Legal Executives, the Council for Licensed Conveyancers, the Chartered Institute of Patent Attorneys, the Institute of Trade Mark Attorneys and the Association of Law Costs Draftsmen.
- 11. In addition, the Institute of Chartered Accountants in Scotland and the Association of Chartered Certified Accountants are listed as approved regulators in relation only to reserved probate activities.