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Dear Approved Regulator

Empowering consumers: Phase 1 report

My Board recently considered the Legal Services Consumer Panel's report on how regulators can help consumers to play a more active, empowered role in the legal services market. We accepted the Panel's recommendations and agree with their view that it is important to build on and to reiterate a number of points we have already made. The report also raises significant strategic issues for the sector requiring leadership and co-ordination and I commend it to you.

Our work on quality is one example of an area which warrants further emphasis. I again strongly encourage you to consider how you can make real progress in meeting the success criteria set out in our work on quality in legal services¹. The first of these criteria is the provision and transparency of performance information. This clearly mirrors one of the fundamental challenges raised in the report concerning the availability of relevant information to consumers and providers of "choice tools", which is needed to ensure that legal services consumers can indeed play a more active and empowered role. We have welcomed recent innovative work between the Panel, SRA and CLC and will be returning to this later in the year where we plan to discuss the further progress made in the intervening period.

I would also like to remind you of those areas of work set out in our Business Plan for 2013/14² which are relevant to the challenges the Panel have identified in their report.

 Throughout the year we will be monitoring progress on delivering your regulatory effectiveness action plan, where strong consumer engagement and consumer focus, such as that highlighted in our work on quality, are required;

¹http://www.legalservicesboard.org.uk/news_publications/latest_news/pdf/20120913_summary_responses_red_lsb_response_approaches_quality_final.pdf

² http://www.legalservicesboard.org.uk/news_publications/publications/pdf/2013-14_business_plan_FINAL.pdf

- In Q1 we will be reviewing and developing our consumer toolkit which is used to understand the impact on consumers of policy development issues and provides a framework for identifying and analysing consumer groups and their needs, in particular vulnerable consumers. We hope then to discuss with you, during the rest of 2013, how you have integrated this thinking, backed by specific tools such as BS 18477, on vulnerable consumers within your own work;
- In Q2 we will analyse progress against the action points on first-tier complaints handling, set out in our July 2012 letter, where we identified areas in which that we considered work was needed to improve the way in which lawyers consider complaints and to ensure that regulation is targeted at areas of greatest consumer detriment; and
- In Q3 we will be reviewing action on the provision of performance information supporting the effective use of "choice tools" such as comparison websites in the legal services sector.

The Panel also highlight the importance of public legal education and more generally greater consumer information. Later in the year, we would welcome the opportunity to discuss what other steps can practically be taken by regulators in this area.

With all of this in mind, I further encourage you to ensure that, as much as is possible, you continue to share information and coordinate activity with others in the sector to facilitate improvements for consumers.

David Edmonds Chairman