

Not to be used before 00:01 hours, 22 September 2010

PANEL STARTS INVESTIGATION INTO WILL WRITING

The Legal Services Consumer Panel has launched an investigation on whether regulation of the will writing industry is needed to protect consumers. The review follows a request to consider the issue by the Legal Services Board.

Solicitors prepare the vast majority of wills, but consumers may use other options including unregulated will writing companies, banks, independent financial advisers, unions and charities. As highlighted in a recent BBC Panorama programme, there is growing concern about practices by some will writing companies, for example:

- Badly written wills containing drafting errors
- The will company puts pressure on the consumer to name it as executor of the estate – and so take a percentage of the estate in fees upon death
- The final price of the will is much higher than the advertised price
- Lost wills due to poor storage or will companies becoming insolvent
- Fraudulent activity

While the type of problems is known, it is unclear how common each is. Establishing this will be crucial in determining whether regulation or other solutions are needed. However, obtaining reliable evidence is not easy as many things that go wrong will not be discovered until the testator has died.

Dr Dianne Hayter, Chair of the Legal Services Consumer Panel, said:

“The case for regulating will writers may rest on whether there are abuses across the industry or just a few rogues who can be dealt with under existing laws. Finding evidence of badly written wills and underhand sales practices will be crucial to establishing this.”

“Regulation could result in less choice and higher prices for consumers, so the Panel will only recommend this step if there is convincing evidence that will writing businesses are failing consumers.”

Practitioners and stakeholders may submit evidence by 15 December through the Panel’s website: www.legalservicesconsumerpanel.org.uk.

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For more information, contact Steve Brooker, Consumer Panel Manager, on 020 7271 0077. Details on how to submit evidence are available on the Panel's website: www.legalservicesconsumerpanel.org.uk

Notes to editors

1. The Legal Services Consumer Panel was established under the Legal Services Act 2007 to provide independent advice to the Legal Services Board about the interests of consumers of legal services in England and Wales. We investigate issues that affect consumers and use this information to influence decisions about the regulation of legal services.
2. The Panel's call for evidence on will writing closes on 15 December 2010. Views and evidence are welcome from members of the public, lawyers and any individual or organisation with an interest in the issues.
3. The Legal Services Act ('The Act') provides for the creation of the Legal Services Board as the oversight regulator for legal services in England and Wales. The new regulatory regime enacted by the Act became fully active on 1 January 2010.
4. Panorama: Wills - The Final Rip Off?, BBC One, Monday, 9 August at 2030 BST
5. For consumer advice, visit the Consumer Direct website or phone 08454 040506 http://www.consumerdirect.gov.uk/before_you_buy/thinking_about/Will_writing/
6. Useful statistics
 - Eighty-eight per cent of people paying for will preparation currently use solicitors, and seven per cent use professional will writers (Office of Fair Trading)
 - 47% of people are estimated to have a will today (Office of Fair Trading), although 83% make a will by the time they die (Law Commission/HMRC)
 - According to the Office of Fair Trading, 43 per cent of people appoint the solicitor or professional will writer who wrote their will as executor. The costs for a professional executor to administer an estate can be high and vary considerably - for an average estate, consumers can pay between £3,000 and £9,000. The OFT has said that failing to shop around for will preparation and executor services could be costing consumers around £40 million a year