



Consumer Panel Briefing – Unbundled legal services

What is the issue?

In its simplest terms, ‘unbundling’ separates a package of legal services into parts, and the client and lawyer agree to what parts of the package each would do. This separation or segmentation of role responsibility may be across documentary preparation, direct contact with the other party on negotiation, attendance at initial case management hearings; and/or preparation for trial.

Unbundling is not new. Our 2014 Tracker Survey suggests one in five of all legal transactions involve some element of unbundling. As services developed, the Panel considered that there may be potential for unbundling to widen access to legal services for those who cannot afford full service representation.

We wanted to understand the consumer experience of using unbundled legal services and to ensure that the regulatory framework addresses the key risks, and is informed by evidence of how real consumers experience and use these services.

What did the research find?

The research was conducted in partnership with the Legal Services Board. Together we commissioned Ipsos Mori to carry out a series of in-depth qualitative interviews and provide a piece of qualitative research.

The research comprised of:

- 35 interviews with consumers in relation to civil, family and immigration matters
- 15 interviews with legal services providers in relation to civil, family and immigration matters
- 6 interviews with judges in courts and tribunals; five full-time District Judges who sat in the County Court and Family Court, and one full-time Immigration Judge of the First-tier Tribunal (Immigration and Asylum Chamber).

These interviews were qualitative in nature; they were designed to be exploratory, and to provide insights into the consumer, provider and the Judiciary’s experiences and perceptions of unbundling. In interpreting the findings it should be borne in mind that those who took part are not necessarily representative of their entire population.

We found that:

Consumers

- Reduced cost and exercising control over the case are the primary reasons why consumers choose unbundled services
- Consumers typically chose a provider based on prior experience and expertise, rather than the provider's willingness to offer unbundled legal services
- Agreements made between consumers and providers are generally felt to be working well, although these are often made informally and there are occasions when they could be made clearer
- Consumers, in the main, felt confident to take on tasks themselves, feeling they had transferable skills or some knowledge which would assist them to complete tasks
- Using a legal service provider was felt by consumers to improve the outcomes of a problem, as opposed to attempting to tackle the matter alone. Few consumers experienced downsides outside of time and stress of the case.

Providers

- The reasons for offering unbundled services included response to legal aid changes, providing an affordable option for middle-income consumers, attractions of the business model, a more competitive market place, and demand from clients
- Providers see the principal benefit for consumers as reduced cost and access to expertise where this is needed most, but they primarily serve those consumers who wish to save money, rather than those for whom money would be a barrier to accessing legal services – providers suggested that clients need to have a certain level of literacy and capability to be able to cope with unbundling
- Difficulties identified by providers appear to revolve around situations in which either clients are not clear about the limits of the service provided, or in which they may take on aspects which they are not as well-equipped to deal with, or do not have as much time to deal with as first thought
- Providers felt they had general familiarity with the SRA code of conduct, but that they may benefit from specific guidance in order to address the concern that the current SRA outcomes are perhaps disproportionate to the level of input if unbundling
- Most providers, in the limited market that has been tried, have been charging for unbundled legal services at hourly rates. Where they do so it appears to be considered potentially as profitable, as any other work done at hourly rates.

Judges

- All of the judges interviewed agreed that on balance, litigants in person tended to struggle with court or tribunal proceedings
- All were aware of unbundling, and recognised that some assistance was often better than no assistance.
- Early advice could be beneficial, particularly where it may lead to a case with no merit or viability not being brought, saving the consumer both money and time
- One of the perceived risks, which was shared by providers, was that of partial representation or advising/assisting in cases based on inadequate information, including incomplete knowledge of what had happened previously on the case.

What next?

The Panel is hosting a stakeholder session to gain further insight into the benefits, challenges and risks of providing unbundled legal services.

For more information:

[Ipsos Mori, Qualitative research exploring experiences and perceptions of unbundled legal services, September 2015](#)

About the Legal Services Consumer Panel

The Legal Services Consumer Panel is a central feature of a regulatory framework in England and Wales which is designed to transform the legal services market around the needs of its users. Created by the Legal Services Act 2007 we are an independent arm of the Legal Services Board. As a permanent, discrete champion for consumers we have an essential responsibility to ensure that regulators are able to consider and act on the user perspective.

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