

**Embargoed until 09:01 AM, 1 August 2018**



## **Consumers are not empowered enough to shop around**

The Legal Services Consumer Panel's annual Tracker Survey shows a further decline in the use of legal aid. It also shows no increase in the small minority of consumers who shop around for legal services, despite the need for change identified by the Competition & Markets Authority in 2016. The tools aiding this process, e.g. comparison websites, customer review websites, quality marks and pricing information, remain largely unused or opaque.

More positively, those consumers who do shop around say they have a wide range of choice when choosing a provider, and satisfaction with legal services and outcomes is at a record high. The Panel is also pleased to note that consumer take-up of fixed-fee arrangements is on the rise, indicating that service providers are responding positively to consumers' needs for certainty and predictability in price.

### **Key findings:**

- Funding through legal aid has decreased from 5% in 2017 to 2% in 2018
- The proportion of consumers who shop around for a legal service remains low at 27%. This is even lower in areas such as probate (16%) and accident and injury (14%)
- Reputation (78%) continues to be the most important factor when choosing a legal service provider, followed by price (72%) and specialism (70%)
- Price is the most important factor for consumers choosing conveyancing (82%)
- 73% of consumers who do shop around say they have a wide range of choice when choosing a provider, showing an upward trend since 2016 (68%)
- 79% of consumers who shop around find it easy to understand information on price. However, different types of consumers report differences in experiences
- The use of fixed-fee arrangements has increased to its highest level at 52%
- 88% of legal services consumers are satisfied with the outcome of their matter and 84% are satisfied with the legal service.

Sarah Chambers, Chair of the Legal Services Consumer Panel, said:

*"It remains a concern that 7 out of 10 consumers do not shop around in the legal services market. This needs to change if the vision of empowered consumers stimulating competition is to be achieved.*

*We commend those Approved Regulators who have made progress towards implementing the Competition & Markets Authority's remedies for improving pricing structures and cost transparency across the market. But more needs to be done on quality indicators.*

*It is also of concern that funding from legal aid has declined to a new low of 2%, down from 5% in 2017. With over 60% of consumers saying that legal advice is not affordable*

*to the general public, it is clear that those with limited means are finding it ever harder to secure access to justice, with funding from free services also showing a decline.”*

**-ends**

**For more information contact Lau Ciocan, Consumer Panel Associate, on 020 72710076.**

**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. For the last eight years the Panel has commissioned YouGov to conduct an annual survey in two parts: a nationally representative sample (1,828 adults); and a sample of people who have used legal services in the last two years (3,535 adults). The two samples were weighted to be representative of each wider population. Differences in the results between sub-groups and over time have been tested to the 95% confidence level – we are 95% confident that these findings are not due to chance. Fieldwork took place during 07 March and 10 April 2018. The briefing notes released today can be found [here](#) and [here](#).

3. The full data set can also be found [here](#).