



**11:00am, 16 Oct 2018**

## **MIND THE TRANSPARENCY GAPS**

The Legal Services Consumer Panel (Panel) has today called on the Approved Regulators of legal services, and the Legal Services Board (LSB), to do more to ensure that the Competition and Markets Authority's (CMA) transparency remedies to improve competition in legal services are implemented in full.

The LSB's progress report on implementation of the CMA recommendations, published today, shows advancement towards price transparency. But there is a distinct lack of progress and focus on ensuring that consumers get information on quality. The Panel has consistently said that price transparency without information on quality could mislead consumers to think that higher-priced services mean better quality.

The Panel is also concerned that some regulators, such as the Institute of Chartered Accountants in England and Wales (ICAEW), which is the second biggest probate regulator in England and Wales, has opted to introduce price transparency via voluntary guidance. This goes against the letter and spirit of the CMA requirements. The Panel cannot therefore support the LSB's endorsement of the ICAEW's approach.

Commenting on the report, Sarah Chambers, Consumer Panel Chair said:

*"There is no good news story until the CMA's proposed remedies translate to good consumer outcomes. Approved Regulators and the oversight regulator (the LSB) cannot afford to be complacent while evidence from our annual tracker survey shows that only 27% of consumers shop around. Equally worryingly, 48% of consumers cannot find information on staff, services and timings for delivery of legal services.*

*In July we held a roundtable event which explored how Approved Regulators could contextualise complaints data for publication to help consumers judge quality. At this event, the Panel proposed to host another event on broader quality indicators. But in-depth work must be done at regulatory level to ascertain which quality indicators are meaningful, how information should be collated, and crucially, how information should be presented to consumers. It is disappointing that we have not begun to see this thinking develop amongst the regulators, nor are we seeing robust challenge from the LSB on this matter.*

The CMA committed to reassessing the sector in three years' time. Emphasising the ongoing role of the Panel during this period, Sarah Chambers confirmed:

*"The Panel will continue to focus on transparency and we've committed to running our annual tracker survey for the entirety of this review period. The Panel also commits to publishing a Consumer Impact Report before the end of the CMA's three year timeframe and we will ensure that the review is well and truly grounded in evidence of what has changed for consumers.*

**-ends-**

**For more information, contact Lola Bello, Consumer Panel Manager, on 020 7271 0077**

### **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 LSB's report can be found [here](#).

3. The Panel's membership is drawn from a broad range of backgrounds with expertise including market research, law, competition, consumer advice, campaigning, and communications.