

**Not to be used before 0:01 hours, 14 March 2013**

## **DON'T LEAVE CONSUMERS IN THE DARK YET EXPECT THEM TO VOTE WITH THEIR FEET, WARNS CONSUMER PANEL**

Consumers don't have access to the information and tools they need to drive greater competition in legal services, according to a new report published today by the Legal Services Consumer Panel.

Consumers are not using their buying power because the information they need is spread across different websites when instead it needs to be joined up in one place. For example, legal guides are provided by professional bodies and advice agencies, some complaints data is held on the Legal Ombudsman's website, while disciplinary details are to be found on the websites of the various regulators.

The report recommends a feasibility study on creating an equivalent of NHS Direct for legal services. The aim of such a website would be to help people diagnose the problems they face and signpost them to the right support. While this idea has been around for years, it's never been properly investigated. Research shows public support for it and the Panel thinks the time is now right to see whether it could work.

But the Panel warns that it's likely to be difficult to empower consumers because they don't trust lawyers and only 30% of the public think lawyers are well regulated. Regulators must first ensure the consumer protection framework is fit for purpose in order to give consumers the confidence they need to vote with their feet.

Elisabeth Davies, Chair of the Legal Services Consumer Panel, said:

*"Consumers are being left in the dark when choosing legal services because the information they need is either unavailable or scattered across different websites. If people can't see where they're going, they won't vote with their feet – competition will remain stifled unless this situation changes."*

*"We need to cut through the regulatory maze so that in future information is provided in ways that reflect the realities of people's lives rather than narrow organisational remits, as now. A joined-up approach is essential, but without leadership on this, everyone will wait for someone else to make the first move."*

*"Better information won't be enough on its own to promote competition. Unless consumers trust lawyers and have confidence in regulators to protect them from harm – neither of which is currently the case – they're likely to stick with what they know rather than switch to new providers."*

**-ends-**

**For more information, contact Steve Brooker, 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 report can be found on the Panel's website:  
<http://www.legalservicesconsumerpanel.org.uk/ourwork/choosingandusinglegalservices.html>
3. Statistics on consumer empowerment below – references available on request

### **10 statistics on consumer empowerment from consumer research**

- 43% of the general public say they generally trust lawyers to tell the truth
- 30% of people think that lawyers are well regulated
- 35% of people experiencing a problem say they had no understanding of their rights at the time this occurred
- 36% of people who did nothing when experiencing a legal need said this was because they felt nothing could be done
- 22% of consumers shop around for legal services
- 1% of consumers use comparison websites to find lawyers
- 71% of consumers are satisfied with ongoing communication during their matter – one of the lowest rated aspects of customer service
- 42% of people do nothing when dissatisfied with the service they receive
- 23% of consumers decide not to complain to their lawyer because they have no confidence their complaint will be resolved fairly
- 70% of consumers who are dissatisfied with how their lawyer handled their complaint abandon their complaint at this stage (i.e. they don't pursue it to the Legal Ombudsman)