

Sent by email only to consultation@sra.org.uk

The logo for the Legal Services Consumer Panel is located in the top right corner. It consists of a blue circular shape on the left and a blue rectangular shape on the right. The text "LEGAL SERVICES CONSUMER PANEL" is written in white, uppercase letters within the blue shapes. "LEGAL" and "SERVICES" are stacked vertically in the circle, while "CONSUMER" and "PANEL" are stacked vertically in the rectangle.

LEGAL
SERVICES
CONSUMER
PANEL

Dear Sir/Madam

Regulatory Data and Consumer Choice in Legal Services

The Legal Services Consumer Panel (Panel) welcomes the opportunity to respond to the SRA's discussion paper on Regulatory Data and Consumer Choice in Legal Services.

We agree with the SRA's rationale for change, and particularly welcome the leadership and ambition demonstrated by the SRA.

The SRA's discussion paper builds on the Competition and Market Authority's (CMA) assessment of the sector¹, and draws on the Panel's open data report published in February 2016². Both reports made compelling arguments for accessible, assessable and actionable information on price and quality, amongst other things. As such, the Panel strongly supports most of the SRA's proposals.

We welcome the progressive and careful consideration being given to the publication of complaints and indemnity insurance data. These proposals, if effected efficiently, have the potential to address the dearth of information available on quality. Also, suggestions to establish an online digital register is welcome, and linking basic and conduct information on such a register will be a welcome advancement.

The Panel disagrees with the SRA's decision not to mandate for price transparency, but notes that the CMA's comprehensive remedies on price now supersedes the SRA's discussion paper and decision. From our discussions with the SRA, we now understand, that it is reconsidering price transparency. We welcome this, and look forward to engaging with the SRA and others on improving information around price.

Consumer Testing

The Panel would like to emphasize that the package of transparency measures proposed by the SRA needs to be consumer tested. Consumer testing will play a crucial role in safeguarding against ineffective or even misleading information. Consumer research, testing, and evaluation, will also offer valuable insight into what information consumers prioritise, and the appropriate way to present said information. This would be particularly important when establishing the digital register.

¹ <https://assets.publishing.service.gov.uk/media/577f76daed915d622c0000ef/legal-services-market-study-interim-report.pdf>

² Open Data in Legal Services, Legal Services Consumer Panel, 2016.

Online Digital register

In our open data report we made a strong case for combining basic and conduct information in an online digital register. We said, and still maintain, that the premise of such a register's existence must be that consumers need pertinent information in a simple manner; before they choose a service provider. We said that such a register must enable consumers to find an authorized individual or firm, and discover, at the same time, whether the individual or firm has been subject to an enforcement sanction. We are therefore pleased to see that the SRA has embedded this idea into its discussion paper.

The digital register must be consumer focused. This must start with the SRA developing an understanding of consumers' requirements and priorities. Consumers must be a part of articulating what 'pertinent and simple' means. Consumer research will clarify and help the SRA to determine what information is 'core' and which is 'additional' as discussed in the paper. Our strong feeling is that information on 'specialism' is likely to be considered 'core', at the point where consumers are searching for legal help – this could however be tested during the research phase.

The Panel would also like to highlight that the authority and autonomy of the digital register, both real and perceived, must not be in doubt. For this reason, we have reservations about an online digital register which individuals and or firms can contribute to on a voluntary basis. We believe that the credibility of the register would be questioned if authorised individuals or firms are allowed to populate it.

Finally, the Panel envisioned and recommended a single digital register across the legal services sector. We urge the SRA to continue to show leadership by working with the other Approved Regulators to develop a sector wide register. The benefits of standardization and consistency cannot be overestimated. Tied to this, we continue to believe that the home for such a register is the Legal Choices website, especially in light of the CMA's recommendations to refocus its content and to raise its awareness.

Complaints Data

We are pleased that the discussion around complaints data has moved beyond whether data should be published, to how it might be published in a meaningful way for consumers to engage, and use, without unnecessarily prejudicing providers.

We agree with the SRA's dual approach of asking firms to publish collated data, as well as the SRA itself collating and publishing complaints data. However, we are of the opinion that publishing an aggregate dataset for the entire regulated community would provide the least useful information to consumers. Our preference would be for the SRA to consider further how it might publish data at firm level. This dataset should be incorporated into the digital register that the SRA plans to develop. We accept that the SRA may need to have parameters or thresholds around such data, e.g size of firm, or number of complaints. However, the Panel is against a blanket exemption for small firms as defined in the discussion paper. Such an exemption, would in mean that firms which serve a considerable

number of individuals, including vulnerable consumers, will not be obliged to provide this most important data set.

The Panel agrees with the SRA that data from the Legal Ombudsman would be useful to consumers. Amalgamating this information will give consumers a better picture of the firm or individual they are contracting with.

We would be very happy to discuss any aspect of this response in further detail and to address any questions you may have. Please do not hesitate to contact our Consumer Panel Manager, Lola Bello.

Yours sincerely

Dr Jane Martin

Chair