



Developing Quality Indicators in Legal Services

**Friday, 18 October 2019, 10:30 to 12:30,
ORR Room 2, One Kemble Street,
London, WC2B 4AN.**

Agenda

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| 1. Welcome and introduction
<i>Sarah Chambers, LSCP Chair</i> | 10.30 – 10:40 |
| 2. Quality indicators and consumer choice
<i>Liz Owen, LSCP Member</i> | 10.40 – 10.55 |
| 3. Lessons from the Care Quality Commission
<i>Dave James, Head of Adult Social Care Policy</i> <ul style="list-style-type: none">- CQC' approach to defining quality- A framework for inspection, monitoring and improving standards- Q&A | 10.55 -11.10 |
| 4. Lessons from Ofgem
<i>Maureen Paul, Head of Analytical Strategy & Development</i> <ul style="list-style-type: none">- Publishing quality indicators in the energy sector- The challenge of presenting information that is easily assessable- Q&A | 11:10 -11.25 |

- 5. Developing indicators that are useful to consumers** 11.25 – 11.40
Paul Armstrong, Associate Director, KPMG
- Focus on consumer needs and the consumer voice
 - Overcoming the challenge of indicators that apply to multiple players of varying sizes and service offerings
 - Pitfalls to avoid
 - Q&A
- 6. Open discussion: steps towards developing quality indicators** 11.40 – 12.30
Sarah Chambers, LSCP Chair
- 7. Closing remarks** 12.30
Sarah Chambers, LSCP Chair

Summary notes - Roundtable on Developing Quality Indicators in Legal Services



Background to the roundtable event

- In 2018, the Panel hosted a roundtable on publishing complaints data and one of the actions from the event was for the Panel to host a roundtable on developing quality indicators in the legal services sector.
- Furthermore, in the [Panel's Work Programme for 2019/20](#) we committed to support the legal services regulators in their drive to develop and improve access to quality indicators, by publishing a paper and hosting a roundtable on the topic.
- On 18 October 2019 we hosted the roundtable mentioned above. We invited speakers outside of legal services to share their expertise and experience. We were pleased to have presenters from Ofgem, KPMG, and the Care Quality Commission. Alongside these notes of the roundtable, we have published a paper outlining a way forward for the sector.

Key points raised by the speakers

- Legal services consumers can't shop around effectively without access to some key choice factors, such as pricing information and quality indicators.
- Third parties need data to operate effectively and so far they have never had access to robust data in legal services. They need data on price, quality, and complaints handling amongst other things.
- Quality indicators on services are useful when information on product quality may be difficult to observe or compare.
- Quality indicators are essential for consumers and regulators alike, because they can:
 - Support consumer choice by making available information that allows consumers to make informed decisions and argue more effectively for improvements to be made.
 - Be used by consumer representative groups to highlight issues or risks.
 - Help raise sectoral standards.
 - Provide data for accountability to other organisations, such as the Legal Services Board (LSB) that may then use the information in carrying out its performance management duties.
 - Help regulators themselves identify and mitigate against risks
- In social care there is a set framework for identifying five quality indicators based on considering the following questions: is it safe, is it effective, is it caring, is it responsive, and is it well-led. Moreover, the use of quality indicators sets clear standards, and providers know they are going to be assessed against them.
- By sharing good practice in social care, the framework drives improvement and what consumers should expect from providers.

- In the energy sector, Ofgem ran targeted campaigns to help consumers understand the importance of service quality and has done this periodically.
- Consumers in different sectors care about different aspects when it comes to quality, therefore undertaking research on what consumers value is essential.
- Learnings from KPMG have showed that insights from competition market studies provide a framework for considering how consumers access, assess and act on information and the impact of this on consumer outcomes.
- If consumers have ready access to information, they can assess it in a way that accurately reflects their preferences, and can act on that assessment, providers should respond by competing on price, quality and/or innovation to meet consumers' preferences.
- Information on product quality can be difficult to observe or compare. If consumers cannot effectively access, assess or act on information, this can lead to a disconnect between providers and consumers, leaving providers without consistent incentives to compete along dimensions important to consumers.
- Quality indicators should be clear and understandable to consumers, should support a range of business models and facilitate innovation, without offering opportunities to be 'gamed' by providers, e.g. fake online reviews.
- Last, the quality indicators should also mitigate against unintended consequences. For example, when a broker's commission is disclosed, consumers may choose products with a lower broker commission rather than lower net cost to them.

Points made during the wider group discussion

- Consumers struggle with some types of quality indicators. For example, the use of quality marks to help legal services consumers choose between different providers has been consistently low over the past six years.
- The information published on quality should be meaningful and allow consumers to compare it easily. The way the information is presented is also important.
- Legal services consumers care about quality as much as price, in contrast to consumers of some other services, such as energy.
- Technical quality is harder to be assessed by consumers than service quality. Quality indicators should seek to help consumers assess and compare both aspects of quality.
- Regulators need to speak to consumers directly and find the sweet spot between what consumers want and what they need about information on quality.
- It is essential that regulators collaborate in order to ensure that there is a cohesive framework that allows for meaningful comparison of quality information for consumers across different regulated communities.
- It was recommended that regulators consider what 'good' looks like, and what 'bad' looks like in establishing quality indicators and metrics.
- Introducing quality indicators in the legal services sector would lead the way to 'reputational regulation' which acts as an incentive for providers to raise standards.
- The Panel suggested that the LSB, as the oversight regulator, and as part of its 'ongoing competence' project, convenes the regulators to discuss and agree some core categories for quality indicators. Secondly, the LSB could further explore the

feasibility of providing guidance to the smaller regulators on how they might gather and publish information on quality indicators.

Action point

- The LSB to convene a Working Group where the regulators and the Consumer Panel discuss how the initial quality indicator framework could be developed.

Roundtable on Developing Quality Indicators in Legal Services – List of attendees



Organisation	Attendance
LSCP	Chair
LSCP	Speaker
Care Quality Commission	Speaker
OFGEM	Speaker
KPMG	Speaker
Ministry of Justice	Attendee
Ministry of Justice	Attendee
Legal Services Board	Attendee
Legal Services Board	Attendee
Solicitors Regulation Authority	Attendee
Bar Standards Board	Attendee
Council for Licensed Conveyancers	Attendee
CILEx Regulation	Attendee
The Faculty Office	Attendee
Intellectual Property Regulation Board	Attendee
ICAEW	Attendee
Legal Ombudsman	Attendee
OFCOM	Attendee
Competition and Markets Authority	Attendee
UK Regulators Network	Attendee
Glyndwr University	Attendee