

Looking to the future: better information, more choice

Consultation questions: Asking firms to make more information available to consumers

1) In which of the services suggested do you think we should proceed initially with requirements for price publication and are there any other additional categories that we should consider?

It is accepted that there should be price transparency in conveyancing transactions subject to the caveats below. The difficulties that we find in private practice is that each transaction is variable i.e. does the purchase involve the acquisition of a leasehold or a freehold property? If the sale is a leasehold property then that will incorporate the necessity for the sellers' solicitor to purchase a Leasehold Information Pack which costs in excess of £300. Accordingly it is not generally possible therefore, as part of the transparency of price publication, to schedule all or any disbursements as these are unknown at the time of accepting instructions. Fees must necessarily therefore mean the legal fee payable to the conveyancer/solicitor and not any disbursements that the conveyancer or solicitor must bear. On a leasehold purchase it is common practice for the freeholders' agents to demand fees for preparation of a Deed of Covenant and Service of Notice of Transfer and Mortgage which often, again, cost in excess of £300. What must be made transparent to the public is whether a solicitor acting in a purchase involving a mortgage is on the panel of the mortgagees as if not a separate solicitors' fee will be payable to the solicitors representing the mortgagees in addition to the fees quoted by the conveyancer/solicitor. There are numerous variables where it is almost impossible to advertise fees without more knowledge of the transaction e.g. a transfer of an equitable interest in a property subject to mortgage.

It would be worthwhile also investigating whether there could be price transparency for the preparation of wills.

However for any legal advice or transaction there can be so many variables that do not become apparent until full instructions are taken by the solicitor that it may only be very simple standard transactions that are suitable for price publication. Everything else (which is the majority of legal work) would be subject to caveats i.e. that the fee may have to be revised upon full instructions having been taken and/or banding of prices i.e. between £X and £Y.

Having said that, price publication needs much more thought and consideration. It is not a simple issue. It should not be mandatory.

2) Do you agree with our proposed principles of price transparency?

As above.

3) Is there a need for any specific exemption from the price publication proposals for firms dealing exclusively with large commercial clients? If so how should any exemption be defined and operate?

Yes – sophisticated clients should not have to be subject to this regime. Large commercial clients or wealthy private individuals would not for reasons of confidentiality want the general public or commercial rivals having sight of the type of fees charged by their legal advisers. Would the Queen want the public to know how much Farrer & Co charge her for administration of her property portfolios? Would Aldi want Lidl to know how much it pays its law firm for purchase of a retail property? Would the Bank of England want the public to know how much it pays Freshfields? The list continues.

4) Do you agree with our proposals to introduce requirements in relation to description, staff, stages and timescales in any legal services where we decide to require price publication?

We consider it important that the public should know from day one the professional status (or lack of) of the fee earner dealing with the work. This is not always transparent and should be compulsory for all firms. It is easy to enforce and is important for service delivery and price transparency.

We do not agree with the proposals re stages and timescales. Again this is difficult to predict and subject to many variables. It should be avoided. Price publication must be kept as simple as possible if it is to be introduced in the interests of the public.

Consultation questions: Regulatory status and protections

5) Do you agree with our proposal to introduce an "SRA regulated" logo and digital badge?

Yes – in an increasingly complex legal services market, this would enable prospective clients to see immediately when they were looking at the website of an SRA regulated firm. Although firms are required to say on their websites that they are authorised and regulated by the SRA, this tends to be in the small print towards the bottom of websites. A logo is something that catches the eye and would be much more visible.

6) Do you have any suggestions as to how we can best increase consumer awareness of the logo?

Some form of national advertising may be the most effective.

7) Do you agree with our proposal to introduce a requirement to publicise the existence of the Compensation Fund with a voluntary logo?

Another logo may confuse the public and dilute the impact of the SRA regulated logo. It might be more sensible to require firms to carry this information on their website – along with information about other protections such as indemnity insurance and LeO.

8) Do you agree with our proposals on the publication of PII details?

Yes – this is information that would be useful to the public in trying to access legal services and could, as suggested above, form a part of a firm's website which deals with the protections that flow from being regulated.

9) Do you agree with the proposal for firms to publish details of how to complain?

Although this is information routinely given in terms of business letters, it might help encourage new clients to know about a firm's complaints procedures and LeO. It would also help those clients who have lost their terms of business letter. Again, this is information which could make up a client protections section of a firm's website.

10) Do you agree with our proposal that firms should publish details of how to complain to the Legal Ombudsman?

It is helpful for firms and the profession as a whole that the public are aware that there is a LeO.

However, it should be made clear that the first complaint should be made to the law firm which will endeavour to deal with the matter in-house before recourse is made to the Legal Ombudsman. Indeed that is what is required by the Ombudsman.

Consultation questions: Creating a digital register

11) What are your views on the proposed content for the digital register?

This is largely information that is already publicly available so it would make sense for it to be accessed in one place. Where information of a disciplinary or administrative nature is recorded it would be important to ensure that it was not published until the time for any appeal had expired.

Consultation questions: Publishing areas of practice and complaints data

12) Do you agree with our proposal to publish annual information about areas of work and to do so separately from the online digital register?

This should be published separately from the digital register as it is information of a different nature and provided by firms. The categories need review as it is sometimes difficult for firms, particularly those of a niche nature, to fit their services into any of them.

13) Do you agree with our proposed approach to publishing complaints data, and if you do

not agree, what do you propose?

There are many positive reasons to do this but it does need careful handling. Overall, it might encourage firms to take more time to review complaints and the underlying cause of them which could lead increasing standards. As the consultation identifies, there are certain clients who are vexatious – possibly because they are mentally ill and/or become obsessed with their case – who could distort the figures of a firm. As suggested, one way of dealing with this is to register a maximum of one complaint per client. There are also other areas of work which tend to attract complaints.

Initially, it would be sensible to publish the complaints that are dealt with by the LeO whilst further thought is given as to how first tier complaints could be used to give a realistic impression of the standard of service and work offered by a firm.

14) If we do publish first-tier complaints data what (if any) context should we provide?

The size of the firm and the nature of the transaction may be relevant factors.

Consultation questions: Individual solicitors working outside LSA-regulated firms

15) Do you agree with our proposal to require solicitors working in non-LSA regulated firms to inform clients of the absence of the requirement to hold compulsory PII?

Yes. The public are likely to assume that because they are receiving solicitor services all the usual protections apply.

16) Do you agree with our proposal to require solicitors working in non-LSA regulated firms to inform clients of the absence of the availability of the Compensation Fund?

Yes – it is important the public knows this before engaging solicitor services in this way.

Consultation questions: The draft rules and enforcement

17) Do you have any comments on the drafting of our rules?

no comment

18) What more does the SRA need to do to work with others such as third party intermediaries to deliver improvements in the information available to consumers?

no comment

19) Do you have any further information to inform our final impact assessment?

no comment