



Increasing market transparency: LSB's progress update on commitments in action plans published by frontline regulators

October 2018

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Executive Summary

1. A year ago, we rated as sufficient the action plans produced by the regulators in response to the final report of the Competition and Markets Authority's (CMA) legal services market study¹. In this report, we assess the progress they have made in implementing the commitments in those action plans.
2. Our key conclusions are as follows:
 - Overall, we consider that the regulators collectively have made substantial progress in delivering against the action plans they published last year. In particular, the larger regulators that were the main focus of the CMA's report are on track to introduce new transparency requirements for providers in the next few months. This will provide considerable benefits for consumers of legal services who will now be able to compare more easily the price of services, such as conveyancing.
 - There has been progress on many of the issues with action plans that we asked the regulators to address one year ago. Some regulators have decided to introduce mandatory requirements around transparency rather than rely on voluntary guidance, and there is now a stronger focus on providing information to consumers before they have engaged with a specific provider. Regulatory arrangements relating to transparency on how consumers can get redress if things go wrong have been strengthened. Regulators have also developed a stronger understanding of existing levels of transparency, undertaken research with consumers and providers to inform their proposals and have planned evaluation exercises. Finally there has been good progress on revamping the Legal Choices website. Consumers has already started to see the benefits of this work as the revised content is gradually coming on stream.
 - There remain some issues for regulators to address over the next period. While we recognise it is challenging to provide meaningful information to help consumers compare the quality of providers this remains an important gap in information that would benefit from deeper thinking. Work to assess the feasibility of a cross-regulator register of authorised persons and firms has been less of a priority while the regulators focus on other areas. We think it is important for the regulators to continue to work towards a joint register as a longer-term ambition whilst also enhancing the content of their own registers.

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https://www.legalservicesboard.org.uk/Projects/pdf/2017/Monday%2012%20Noon/Sufficiency_assessment_document.pdf

LSB progress update

About this document

1. In the final report of its legal services market study published in December 2016, the CMA made a specific recommendation to the LSB that it:
 - Monitors and engages with the frontline regulators on their progress in implementing the CMA's recommendations directed to them
 - Reports publicly, at appropriate intervals, on the sufficiency of action plans published by regulators individually and collectively and the progress in delivering those action plans
 - Takes appropriate action where regulators fail to address information gaps
2. In response to this recommendation, in October 2017 we published a sufficiency assessment of the action plans published by each of the frontline regulators and made a commitment to publish a progress report one year later. Accordingly, this report comments on common themes relating to the progress being made by the regulators on the delivery of their respective action plans. It should be read in conjunction with the separate progress reports on each regulator that can be found in Annexes A to H.
3. We have not produced a progress report for the Association of Chartered Certified Accountants (ACCA). ACCA became an active legal services regulator in the spring of 2018. Since its action plan was only published in May 2018 (and was rated by us as sufficient in July 2018) it is too early to report on progress. However, we note that ACCA is currently consulting on its action plan following our feedback. We will follow up progress as part of our wider monitoring work (see next steps section in paragraphs 14 to 17).

Summary comments on individual action plans

4. Overall, we consider that the regulators collectively have made substantial progress in delivering against the action plans they published last summer.
5. The largest regulators, operating in those parts of the market that were the main focus of the CMA's report – the Solicitors Regulation Authority (SRA), Council of Licenced Conveyancers (CLC) and CILEx Regulation – will (or plan) to introduce new transparency requirements in the next few months.
6. The Bar Standards Board (BSB) is also making progress on designing new requirements but has extended its timetable to allow for more time to engage with the specialist bar associations and consult again. The BSB is currently consulting on detailed proposals, which include requirements on all self-employed barristers, chambers and regulated entities to publish certain information on their websites. In particular it has proposed a requirement for

public access barristers providing certain services to publish on their websites indicative fees and the circumstances in which these may vary.

7. Other regulators are pursuing approaches based on guidance which they expect to publish at different points between now and spring 2019. The Master of the Faculties is substantially behind the timetable in his action plan, which set out that he planned to make an application to us to amend his regulatory arrangements in November 2017. The Master should be in a position to announce the outcome of his October 2017 consultation shortly and we understand that he is now likely to introduce guidance rather than rules. We expect all regulators in this position to review the effectiveness of their guidance to ensure it delivers the desired outcomes and if this is not sufficient to move to introduce mandatory transparency requirements.
8. Over the past year a number of regulators have carried out consumer testing and research to tailor their proposed reforms. Similarly we have been pleased to see commitments to evaluate the impact of regulatory reforms.

Cross-regulator initiatives

9. We are pleased that the regulators are continuing to work well together through the Remedies Programme Implementation Group (RPIG) and via bilateral and multilateral engagement. The CLC, SRA and CILEx Regulation have worked closely together to align their proposals for transparency in order to deliver a coherent approach in parts of the market where they all regulate.
10. **Legal Choices:** The regulators have worked together to deliver year one of the three-year enhancement plan for the Legal Choices website and social media channels. Governance and funding was agreed during the last year. The Legal Choices Governance Board and Steering Group lead the work, informed by an Advisory Panel which includes 17 organisations from the consumer and not-for-profit sectors. Workshops and meetings have taken place to design the new and enhanced content of Legal Choices. So far in 2018 new articles have focused on holiday sickness claims, immigration work (connected to Windrush), cycling laws and divorce processes.
11. **Joint Register:** The regulators have taken initial steps to assess the feasibility of a joint register of authorised persons and firms, in particular by working on a taxonomy of the data to be included in the register. While the data fields that the regulators are using are not identical, they are working to make sufficiently similar information available on their websites to enable third parties, such as providers of digital comparison tools, to be able to extract relevant information to enable comparisons. As an interim measure, regulators are working on opportunities to provide a better access point to their respective registers of regulated entities and individuals through the

Legal Choices website. During the last year the regulators have understandably focused most of their resources on increasing transparency by providers and enhancing Legal Choices. Development of a joint register is also contingent on the development of SRA registers which will happen as part of a wider IT project. We consider that it is important to continue to work towards a joint register as a longer-term ambition. In addition, as we set out last year, any joint register should complement the individual registers already published by regulators. Expansion of the latter to include further information for consumers should not be held back by efforts to develop a joint register.

Issues raised in October 2017

12. Our report in October 2017 identified issues which were common to a number of the action plans, which we asked regulators to address in the next phase of their work. We comment on progress in relation to each in turn below.

- **Understanding existing levels of transparency:** We noted last year that some of the regulators had undertaken a web-sweep to map current levels of price transparency. We encouraged all regulators to find a cost effective way of gathering such evidence. We are pleased to see that regulators have continued to develop their understanding of existing levels of transparency, which provides a baseline against which to assess the effectiveness of transparency reforms. These exercises have found low levels of price transparency and thus strengthened the case for change.
- **Increased clarity about ‘pre-engagement’ and ‘at engagement’ information:** Last year we noted that the emphasis should be on the provision of information at the pre-engagement stage (i.e. before consumers choose a provider). We are pleased that those regulators that have finalised their proposals have focused on getting information to consumers at the pre-engagement stage as recommended by the CMA.
- **Mandatory requirements versus voluntary guidance:** We noted last year that some regulators had indicated a preference for improving market transparency by introducing mandatory requirements while others intended to rely, at least initially, on voluntary guidance. As we set out previously, ‘we agree with the CMA that the market cannot be expected to mend itself, rather regulatory intervention is required to sufficiently address the market failures that were identified.’ In relation to this issue, we believe that voluntary guidance may not create strong enough incentives for providers to disclose the full range of information that consumers need. We are pleased that four regulators will (or plan to) introduce mandatory rules for transparency, in particular the CLC and CILEX Regulation decided to switch their approach from voluntary guidance to mandatory rules. Where regulators still intend to rely on

voluntary guidance, we continue to expect them to evidence that this approach is currently one which works in their sector in relation to similar matters and to actively review and evidence (in due course) that providers are sufficiently transparent. We are pleased that ACCA and ICAEW have agreed to review the success of voluntary approaches within a relatively short timeframe and, if necessary, consider mandatory rules. The LSB will closely monitor activity by the relevant regulators.

- **More information needed on quality:** We set out that in order to make informed choices, consumers need information on both price and quality, but that some action plans were less developed on quality information. We note that those regulators that planned to consider publishing quality data, such as complaints data, have all reached the conclusion not to mandate the publication of such data. The SRA has decided to publish anonymised aggregated data on trends for first tier complaints, which we welcome.² We note that IPReg already publishes such data in its annual report. We encourage other regulators to consider whether publishing trends for first tier complaints might be helpful for consumers. In July 2018 the Legal Services Consumer Panel held a helpful roundtable on the contextualisation of complaints data and is exploring the facilitation of a broader event focused on quality indicators more generally. We recognise that it is challenging to provide meaningful information to help consumers compare the quality of providers, but this remains an important gap in information that would benefit from deeper thinking.
- **Transparency on routes to redress:** Last year, we noted that the action plans contained relatively little information about how to improve consumer awareness of how they can get redress if things go wrong. We welcome that the SRA, CLC and CILEx Regulation have mandated (or plan to do so) that firms should publish their complaints handling procedures. We encourage other regulators, whether using rules or guidance, to ensure that relevant information about access to redress is made available to consumers. Further, we welcome the signposting guidance for providers published by the Legal Ombudsman in August 2018, which followed joint research by them and the SRA on first-tier complaints handling.³ In the research only a third of firms reported providing details on the Legal Ombudsman to clients at the end of the complaints procedure, despite it being a regulatory requirement to do so. This is a serious concern to the LSB and makes the mandated

² IPReg already publishes an analysis of complaints trends, which is included in its annual report.

³ <http://www.legalombudsman.org.uk/wp-content/uploads/2017/11/FINAL-First-Tier-Complaints-Report.pdf>

requirements referred to above very important. We will also monitor the extent to which these new requirements are enforced.

- **Guidance to consumers on customer feedback platforms:** So far only the BSB has delivered guidance on consumer feedback. We remind regulators that enabling feedback platforms to do their part to enhance consumer choice is a key part of the transparency reforms. We encourage regulators to consider whether Legal Choices might be an appropriate place to publish such guidance for all consumers of legal services.

Next steps

13. In line with CMA's recommendation to us we will continue to monitor and engage with the frontline regulators on their progress in implementing the action plans. We will continue to be members of the RPIG.
14. We are considering different options for the most efficient and effective way for us to monitor progress. This includes the option of following up on transparency commitments through our regulatory performance work stream.
15. We also expect to consider further rules change applications.
16. We will continue with our programme of research, which will help us to assess whether the regulatory reforms are making a difference for consumers. In addition we will build towards the next edition of our triennial market evaluation, which assesses market outcomes associated with the delivery of the regulatory objectives, including promoting competition. This is due for publication before the end of 2019.

Annex A - LSB progress report - Bar Standards Board (BSB)

Date action plan was published: 29 June 2017

The action plan is published [here](#)

The LSB sufficiency assessment of action plan is published [here](#).

Progress Update: 16 October 2018

The action plan set out a number of commitments from the BSB. This update reviews its progress in delivering on these commitments. Where possible the information below has been drawn from the following six key documents:

- BSB policy [consultation](#) document 'Policy Consultation on Transparency Standards'
- BSB rule changes [consultation](#) document 'Rules Consultation on Transparency Standards'
- Research [report](#) 'Consumer Behaviour and Attitudes towards Price and Service Transparency'⁴
- BSB [Board paper](#) from 22 February 2018 which includes a timetable of next steps (page 59)
- BSB [evaluation](#) of the CMA transparency pilot
- BSB [guidance](#) on good practice for barristers and clients on consumer feedback

The BSB has had an opportunity to update the LSB on its progress on any commitments in the action plan not covered by the publications above.

The commitments related to four different high-level outcomes relating to market transparency which LSB asked all frontline regulators to focus on in their action plans. This note sets out the status of each commitment under each outcome:

- 1) Action to deliver a step change in standards of transparency to help consumers (i) to understand the price and service they will receive, what redress is available and the regulatory status of their provider and (ii) to compare providers.
 - **Completed:** The BSB published a consultation 'Policy Consultation on Transparency Standards' in September 2017.
 - **Completed:** The BSB conducted consumer research and piloting in the selected areas of price and service transparency.
 - **In progress:** The BSB published a consultation on rules changes in September 2018 and anticipates submitting a rule change application to the LSB in February 2019, which subject to approval would come into force from May 2019. This compares to the original timetable in the action plan of a consultation on draft rules in April 2018 which would have come into force in December 2018. The BSB

⁴ BSB has also published a [research summary](#) and a [technical annex](#)

explained that the delay was to allow longer time to engage with specialist bar associations when drafting the rules.

- **In progress:** The board paper referred to new guidance on client care letters for barristers with public access clients.
- **In progress:** The action plan set out that the BSB would work with the Bar Council in relation to quality signals such as badges. The BSB is no longer proceeding with a digital smart badge, but the September 2018 consultation proposes a requirement for websites to include the text 'regulated by the Bar Standards Board'.

2) Promotion of the use of independent feedback platforms to help consumers to understand the quality of the services offered by competing providers.

- **Completed:** The BSB published guidance for providers and consumers on using feedback platforms at the end of June 2018.
- **Completed:** The action plan committed the BSB to conduct research to establish a baseline of the engagement of practitioners with online reviews. BSB has informed us that it has carried out a web sweep to deliver this commitment.

3) Facilitation of the development of a dynamic intermediary market through making data more accessible to comparison tools and other intermediaries.

- **In progress:** The BSB already made data available in CSV form from their registers when their action plan was published. Practice area information will be displayed on the Barristers' Register from May 2019.

4) Making better information available to assist consumers when they are identifying their legal needs and the types of legal services providers (both regulated and unregulated) who can help them.

- **Completed:** The BSB has taken the lead on behalf of the legal regulators in liaising with relevant Government departments on GOV.UK content.
- **In progress:** The legal regulators are working together to deliver a three-year plan to enhance the Legal Choices website and social media channels. The Legal Choices Governance Board and Steering Group are continuing to lead the work, informed by the Advisory Panel which includes 17 organisations from the consumer and not-for-profit sectors. The suppliers that have been appointed to deliver the plan's market research and digital design components delivered a two day 'ideation' workshop in June 2018, which is informing a detailed redesign and relaunch strategy for the website. This will be discussed with the legal regulators in the autumn. In the meantime the regulators are continuing with their schedule of new content for members of the public that focuses on priority areas of law, as well

as topical articles, which is promoted by using the website's social media channels. So far in 2018 new articles have focused on holiday sickness claims, immigration work (connected to Windrush), cycling laws and divorce processes.

- **In progress:** The regulators have taken some steps to assess the feasibility of a joint register, in particular working on a taxonomy of the data to be included in the register. Work to explore the feasibility of a single digital register is ongoing. As an interim step, regulators are working on opportunities to provide a better access point to the legal regulators' respective registers of regulated entities and individuals through the Legal Choices website.

In addition to the delivery of these commitments we recognise that the BSB has delivered a substantial programme of stakeholder engagement in developing and delivering these proposals.

Annex B - LSB progress report - CILEx Regulation

Date action plan was published: 29 June 2017

The action plan is published [here](#).

The LSB sufficiency assessment of action plan is published [here](#).

Progress Update: 16 October 2018

The action plan set out a number of commitments from CILEx Regulation. This update reviews its progress in delivering on these commitments. Where possible the information below has been drawn from the following four key documents:

- CILEx Regulation policy [consultation](#) document 'Consultation: on information we propose to require our regulated firms to publish to deliver transparency information for consumers in the legal services market'.
- CILEx Regulation rules change [consultation](#) document 'Consultation: on the proposed rules setting out the information we require our regulated firms to publish to deliver transparency information for consumers in the legal services market'.
- [Guidance](#) for providers on feedback platforms: Risk Management: Online Reviews and Endorsements.
- CILEx Regulation [rules change application](#) to the LSB.

CILEx Regulation has had an opportunity to update the LSB on its progress on any commitments in the action plan not covered by the publications above.

The commitments related to four different high-level outcomes relating to market transparency which LSB asked all frontline regulators to focus on in their action plans. This note sets out the status of each commitment under each outcome:

- 1) Action to deliver a step change in standards of transparency to help consumers (i) to understand the price and service they will receive, what redress is available and the regulatory status of their provider and (ii) to compare providers.
 - **Completed:** CILEx Regulation published a consultation 'Consultation: on information we propose to require our regulated firms to publish to deliver transparency information for consumers in the legal services market' in September 2017.
 - **Completed:** The CILEx Regulation action plan stated that the development of transparency provisions for regulated firms would be informed by consumer testing. There are references to this research in the rules consultation.
 - **Completed:** The CILEx Regulation action plan proposed to work with SRA and CLC on a quote generator for conveyancing. After discussions the decision was made not to develop such a tool. However, the regulators' respective rules aim to ensure consistency on the elements that make up the price quoted to consumers, e.g. treatment of disbursements. Also, the three

regulators have developed price estimate templates which can form the basis of a quote generator.

- **In progress:** The rules change consultation included a draft rule that firms must display a CILEx Regulation Logo. This will come into force from January 2019.

New significant developments not included in action plan.

- **In progress:** The CILEx Regulation action plan proposed to develop guidance on transparency. However, after the consultation CILEx Regulation decided to produce rules. Therefore CILEx Regulation published a consultation “Consultation: on the proposed rules setting out the information we require our regulated firms to publish to deliver transparency information for consumers in the legal services market“ in June 2018. It submitted a rules change application to the LSB on 08 October 2018. Subject to LSB approval the rules and accompanying guidance will come into force from January 2019.

2) Promotion of the use of independent feedback platforms to help consumers to understand the quality of the services offered by competing providers.

- **Completed:** CILEx Regulation has published guidance on dealing with feedback platforms.

3) Facilitation of the development of a dynamic intermediary market through making data more accessible to comparison tools and other intermediaries.

- **In progress:** At the time of the publication of the action plan CILEx Regulation already published data on firms and individuals (who had opted-in to publication) in a readily reusable format. The action plan committed to keep this under review.
- **Completed:** The action plan proposed to consult on publishing enforcement information. CILEx Regulation’s Board, having consulted on Enforcement Function’s Publication Policy as part of the broader transparency consultation, approved no change to the current policy on the basis of the consultation responses and legal advice.

4) Making better information available to assist consumers when they are identifying their legal needs and the types of legal services providers (both regulated and unregulated) who can help them.

- **In progress:** The legal regulators are working together to deliver a three-year plan to enhance the Legal Choices website and social media channels. The Legal Choices Governance Board and Steering Group are continuing to lead the work, informed by the

Advisory Panel which includes 17 organisations from the consumer and not-for-profit sectors. The suppliers that have been appointed to deliver the plan's market research and digital design components delivered a two day 'ideation' workshop in June 2018, which is informing a detailed redesign and relaunch strategy for the website. This will be discussed with the legal regulators in the autumn. In the meantime the regulators are continuing with their schedule of new content for members of the public that focuses on priority areas of law, as well as topical articles, which is promoted by using the website's social media channels. So far in 2018 new articles have focused on holiday sickness claims, immigration work (connected to Windrush), cycling laws and divorce processes.

- **In progress:** The regulators have taken some steps to assess the feasibility of a joint register, in particular working on a taxonomy of the data to be included in the register. Work to explore the feasibility of a single digital register is ongoing. As an interim step, regulators are working on opportunities to provide a better access point to the legal regulators' respective registers of regulated entities and individuals through the Legal Choices website.

Annex C - LSB progress report - Costs Lawyer Standards Board (CLSB)

Date action plan was published: 29 June 2017

The action plan is published [here](#).

The LSB sufficiency assessment of action plan is published [here](#).

Progress Update: 16 October 2018

The action plan set out a number of commitments from the CLSB. This update reviews its progress in delivering on these commitments. Where possible the information below has been drawn from the following three key documents:

- [Guidance note](#): Client care letter
- [Guidance note](#): Complaints procedure
- **Internal management tool on CMA recommendations (not published)**

The CLSB has had an opportunity to update the LSB on its progress on any commitments in the action plan not covered by the publications above.

The commitments related to four different high-level outcomes relating to market transparency which LSB asked all frontline regulators to focus on in their action plans. This note sets out the status of each commitment under each outcome:

- 1) Action to deliver a step change in standards of transparency to help consumers (i) to understand the price and service they will receive, what redress is available and the regulatory status of their provider and (ii) to compare providers.
 - **In progress:** The CLSB action plan committed the CLSB to issue a guidance note to those Costs Lawyers who do not work in-house or for an SRA regulated firm in respect of transparency on matters such as price, service, redress and regulatory status. CLSB has informed us that it plans to change this to a set of recommendations included in a newsletter drawing on an internal review of good practice by other regulators completed in July 2018. CLSB has informed us that it feels this is proportionate given the small number of costs lawyers that would be affected by these recommendations. Nevertheless, we are concerned that a newsletter has a different status and much less permanence than guidance.

New significant developments not included in action plan.

- **Completed:** Despite not making a commitment on this area, CLSB published revised guidance on client care letters in January 2018. The Board is due to consider recommendations to strengthen the guidance further in October 2018.

- **Completed:** Despite not making a commitment on this area, CLSB has revised guidance on complaints handling on 24 January 2018 and 25 April 2018 to reflect outcomes of research from SRA and the Legal Ombudsman. The Board is due to consider recommendations to strengthen the guidance further in October 2018.
- 2) Promotion of the use of independent feedback platforms to help consumers to understand the quality of the services offered by competing providers.
- No new commitments made under this category.
- 3) Facilitation of the development of a dynamic intermediary market through making data more accessible to comparison tools and other intermediaries.
- No new commitments made under this category.
- 4) Making better information available to assist consumers when they are identifying their legal needs and the types of legal services providers (both regulated and unregulated) who can help them.
- **In progress:** The legal regulators are working together to deliver a three-year plan to enhance the Legal Choices website and social media channels. The Legal Choices Governance Board and Steering Group are continuing to lead the work, informed by the Advisory Panel which includes 17 organisations from the consumer and not-for-profit sectors. The suppliers that have been appointed to deliver the plan's market research and digital design components delivered a two day 'ideation' workshop in June 2018, which is informing a detailed redesign and relaunch strategy for the website. This will be discussed with the legal regulators in the autumn. In the meantime the regulators are continuing with their schedule of new content for members of the public that focuses on priority areas of law, as well as topical articles, which is promoted by using the website's social media channels. So far in 2018 new articles have focused on holiday sickness claims, immigration work (connected to Windrush), cycling laws and divorce processes. CLSB has increased its funding contribution to Legal Choices and improved signposting to Legal Choices from its own website.
 - **In progress:** The regulators have taken some steps to assess the feasibility of a joint register, in particular working on a taxonomy of the data to be included in the register. Work to explore the feasibility of a single digital register is ongoing. As an interim step, regulators are working on opportunities to provide a better access point to the legal regulators' respective registers of regulated entities and individuals through the Legal Choices website.

- **Completed:** The CLSB action plan set out that it would provide the address and phone number of the employer of each Costs Lawyer in the public domain register on the CLSB website to enable better public access and search facility by location. A search of the register on 02 August 2018 showed that this has been completed for those employers where permission had been given under data protection law.
- **In progress:** The CLSB action plan proposed that it would fund/contribute to funding consumer research projects where a need and cost/benefit is identified. To date the CLSB has assessed that none of the research programmes carried out by other regulators were appropriate for joint funding from the CLSB.
- **Completed:** The CLSB action plan proposed to add content about unregulated providers on its website. The CLSB website was revised to refer to the difference between Costs Lawyers and Costs Draftsmen in October 2017.

Annex D - Council for Licensed Conveyancers (CLC)

Date action plan was published: 29 June 2017

The action plan is published [here](#).

The LSB sufficiency assessment of action plan is published [here](#).

Progress Update: 16 October 2018

The action plan set out a number of commitments from the CLC. This update reviews its progress in delivering on these commitments. Where possible the information below has been drawn from the following four key documents:

- [CLC policy consultation document](#) 'Helping consumers choose their lawyer – service, quality and price transparency'
- [CLC rules change consultation document](#) 'Implementation of CMA transparency recommendations set out in its Legal Services Market Study'
- CLC rules change [application](#) to the LSB
- [CLC transparency guidance](#) 'Informed Choice: Quality, Service and Price guidance'

The CLC has had an opportunity to update the LSB on its progress on any commitments in the action plan not covered by the publications above.

The commitments related to four different high-level outcomes relating to market transparency which LSB asked all frontline regulators to focus on in their action plans. This note sets out the status of each commitment under each outcome:

- 1) Action to deliver a step change in standards of transparency to help consumers (i) to understand the price and service they will receive, what redress is available and the regulatory status of their provider and (ii) to compare providers.
 - **Completed:** The CLC published a consultation 'Helping consumers choose their lawyer – service, quality and price transparency' in September 2017.
 - **Completed:** The CLC action plan set out that it would conduct a review of inspection visits to firms and the format and content of annual regulatory returns firms must make to the CLC. CLC has confirmed to us that this work has been completed.
 - **Completed:** The CLC action plan proposes to work with SRA and CILEx Regulation on a quote generator for conveyancing. After discussions the decision was made not to develop such a tool. However, the regulators' respective rules aim to ensure consistency on the elements that make up the price quoted to consumers, e.g. treatment of disbursements. Also, the three regulators have developed price estimate templates which can form the basis of a quote generator.
 - **Completed:** The CLC action plan set out that the secure logo scheme would be enshrined in the change to the Handbook. This was included in the CLC's rule change application.

- **In progress:** The CLC action plan set out that it has participated in client care research and is reviewing its practice rules. CLC has informed us that it expects to complete its review of this area in Spring 2019.
- **In progress:** The CLC action plan proposed that it would agree with LeO (and others) a schedule for availability of data in a reusable format to inform the service dimension of transparency. The CLC and other regulators have started discussions with LeO.

New significant developments not included in action plan.

- **Completed:** The CLC action plan set out that the CLC would rely on guidance rather than rules. However, following analysis of the consultation feedback CLC has decided to draft rules in this area. CLC published a consultation on these rules in May 2018. It submitted a rules change application to the LSB on 26 July 2018 which was approved on 30 August 2018. The new rules will come into force in December 2018.
- 2) Promotion of the use of independent feedback platforms to help consumers to understand the quality of the services offered by competing providers.
 - **In progress:** Both the CLC policy and rules consultations set out that CLC intend to promote the use of feedback platforms and provide guidance in line with CMA's recommendations. CLC has informed us that it will use the guidance on the new transparency rules to encourage practices to use third party feedback platforms. CLC is also taking this issue forward with a variety of representative and trade bodies.
 - 3) Facilitation of the development of a dynamic intermediary market through making data more accessible to comparison tools and other intermediaries.
 - No new commitments made under this category.
 - 4) Making better information available to assist consumers when they are identifying their legal needs and the types of legal services providers (both regulated and unregulated) who can help them.
 - **In progress:** The legal regulators are working together to deliver a three-year plan to enhance the Legal Choices website and social media channels. The Legal Choices Governance Board and Steering Group are continuing to lead the work, informed by the Advisory Panel which includes 17 organisations from the consumer and not-for-profit sectors. The suppliers that have been appointed to deliver the plan's market research and digital design components delivered a two day 'ideation' workshop in June 2018, which is informing a detailed

redesign and relaunch strategy for the website. This will be discussed with the legal regulators in the autumn. In the meantime the regulators are continuing with their schedule of new content for members of the public that focuses on priority areas of law, as well as topical articles, which is promoted by using the website's social media channels. So far in 2018 new articles have focused on holiday sickness claims, immigration work (connected to Windrush), cycling laws and divorce processes.

- **In progress:** The regulators have taken some steps to assess the feasibility of a joint register, in particular working on a taxonomy of the data to be included in the register. Work to explore the feasibility of a single digital register is ongoing. As an interim step, regulators are working on opportunities to provide a better access point to the legal regulators' respective registers of regulated entities and individuals through the Legal Choices website.

In addition to the delivery of these commitments we recognise that the CLC has delivered a substantial programme of stakeholder engagement, which has included road shows, in developing and delivering these proposals.

Annex E - Institute of Chartered Accountants in England and Wales (ICAEW)

Date action plan was published: 09 February 2018

The action plan is published [here](#).

The LSB sufficiency assessment of action plan is published [here](#).

Progress Update: 16 October 2018

The action plan set out a number of commitments from ICAEW. This update reviews its progress in delivering on these commitments. Where possible the information below has been drawn from the following key document:

- ICAEW [consultation](#) document 'ICAEW Consultation – CMA Action Plan'

ICAEW has had an opportunity to update the LSB on its progress on any commitments in the action plan not covered by the publications above.

The commitments related to four different high-level outcomes relating to market transparency which LSB asked all frontline regulators to focus on in their action plans. This note sets out the status of each commitment under each outcome:

- 1) Action to deliver a step change in standards of transparency to help consumers (i) to understand the price and service they will receive, what redress is available and the regulatory status of their provider and (ii) to compare providers
 - **Completed:** ICAEW published a consultation 'ICAEW Consultation – CMA Action Plan' in July 2018.
 - **Completed:** The ICAEW action plan included a commitment to research existing levels of transparency. The consultation document includes the results of this research.
 - **Completed:** The ICAEW action plan included a commitment to create a dedicated consumer page on its website. This has been created.
 - **In progress:** The consultation document set out that ICAEW has produced a probate logo for accredited firms to use and is consulting on whether firms should use it.
 - **In progress:** The consultation document set out that ICAEW is in the process of updating its guidance on client care letters.
In progress: The consultation document sets out that ICAEW will develop guidance on pricing once the consultation is complete. ICAEW has informed us that it expects to issue the guidance for consultation later this autumn with a view to formal adoption from January 2019.

New significant developments not included in action plan.

- **In progress:** In addition to the actions included in ICAEW's action plan, ICAEW has informed us that it is developing a marketing

guide to would be Probate Practitioners that encourages clear pricing and transparency. This booklet is due to be issued in late October 2018.

- **In progress:** ICAEW has also informed us that it is developing an online community for probate practitioners to help develop best practice. This community is expected to go live in November.
- 2) Promotion of the use of independent feedback platforms to help consumers to understand the quality of the services offered by competing providers
 - ICAEW's consultation document set out that it is considering taking action in relation to feedback platforms.
 - 3) Facilitation of the development of a dynamic intermediary market through making data more accessible to comparison tools and other intermediaries.
 - **In progress:** The ICAEW action plan set out that it would be liaising with the Legal Ombudsman regarding acquiring data on the second-tier complaints made about probate firms with a view to publishing data on the consumer area of ICAEW's legal services website on complaints and disciplinary actions against ICAEW's regulated probate firms. ICAEW has informed us that in 4 years there have been no ICAEW complaints with a regulatory outcome from the Legal Ombudsman. As such there is no data available for publication on the consumer area of ICAEW's website.
 - 4) Making better information available to assist consumers when they are identifying their legal needs and the types of legal services providers (both regulated and unregulated) who can help them.
 - **In progress:** The legal regulators are working together to deliver a three-year plan to enhance the Legal Choices website and social media channels. The Legal Choices Governance Board and Steering Group are continuing to lead the work, informed by the Advisory Panel which includes 17 organisations from the consumer and not-for-profit sectors. The suppliers that have been appointed to deliver the plan's market research and digital design components delivered a two day 'ideation' workshop in June 2018, which is informing a detailed redesign and relaunch strategy for the website. This will be discussed with the legal regulators in the autumn. In the meantime the regulators are continuing with their schedule of new content for members of the public that focuses on priority areas of law, as well as topical articles, which is promoted by using the website's social media channels. So far in 2018 new articles have focused on holiday sickness claims, immigration work (connected to Windrush), cycling laws and divorce processes.

- **In progress:** The regulators have taken some steps to assess the feasibility of a joint register, in particular working on a taxonomy of the data to be included in the register. Work to explore the feasibility of a single digital register is ongoing. As an interim step, regulators are working on opportunities to provide a better access point to the legal regulators' respective registers of regulated entities and individuals through the Legal Choices website.

Annex F - LSB progress report - Intellectual Property Regulation Board (IPReg)

Date action plan was published: 29 June 2017

The action plan is published [here](#).

The LSB sufficiency assessment of action plan is published [here](#).

Progress Update: 16 October 2018

The action plan set out a number of commitments from IPReg. This update reviews its progress in delivering on these commitments. Where possible the information below has been drawn from the following key document:

- IPReg Consultation [document](#) 'Response to the recommendations of the CMA Legal Services Market Study Report'

IPReg has had an opportunity to update the LSB on its progress on any commitments in the action plan not covered by the publications above.

The commitments related to four different high-level outcomes relating to market transparency which LSB asked all frontline regulators to focus on in their action plans. This note sets out the status of each commitment under each outcome:

- 1) Action to deliver a step change in standards of transparency to help consumers (i) to understand the price and service they will receive, what redress is available and the regulatory status of their provider and (ii) to compare providers
 - **Completed:** IPReg published a consultation 'IPReg Consultation - response to the recommendations of the CMA Legal Services Market Study Report' in October 2017.
 - **In progress:** IPReg's action plan set out that it planned to deliver guidance in relation to price, service, redress and regulatory status, supported by guidance on implementation. The consultation included questions on this area. IPReg has informed us that it plans to commence a second stage of consultation in the autumn and aims to publish guidance in Spring 2019.
 - **Not started:** In relation to client care letters, IPReg's action plan included a commitment to issue additional guidance under Rule 10 to enhance transparency of costs to clients and potential clients. IPReg has informed us that client care letter requirements, and any underpinning guidance, will be reviewed as part of the planned broader review of the IPReg regulatory arrangements.
- 2) Promotion of the use of independent feedback platforms to help consumers to understand the quality of the services offered by competing providers
 - No new commitments made under this category.

- 3) Facilitation of the development of a dynamic intermediary market through making data more accessible to comparison tools and other intermediaries.
 - No new commitments made under this category.
- 4) Making better information available to assist consumers when they are identifying their legal needs and the types of legal services providers (both regulated and unregulated) who can help them.
 - **In progress:** The legal regulators are working together to deliver a three-year plan to enhance the Legal Choices website and social media channels. The Legal Choices Governance Board and Steering Group are continuing to lead the work, informed by the Advisory Panel which includes 17 organisations from the consumer and not-for-profit sectors. The suppliers that have been appointed to deliver the plan's market research and digital design components delivered a two day 'ideation' workshop in June 2018, which is informing a detailed redesign and relaunch strategy for the website. This will be discussed with the legal regulators in the autumn. In the meantime the regulators are continuing with their schedule of new content for members of the public that focuses on priority areas of law, as well as topical articles, which is promoted by using the website's social media channels. So far in 2018 new articles have focused on holiday sickness claims, immigration work (connected to Windrush), cycling laws and divorce processes.
 - **In progress:** The regulators have taken some steps to assess the feasibility of a joint register, in particular working on a taxonomy of the data to be included in the register. Work to explore the feasibility of a single digital register is ongoing. As an interim step, regulators are working on opportunities to provide a better access point to the legal regulators' respective registers of regulated entities and individuals through the Legal Choices website.

Annex G - LSB progress report - Master of the Faculties

Date action plan was published: 29 June 2017

The action plan is published [here](#).

The LSB sufficiency assessment of action plan is published [here](#).

Progress Update: 16 October 2018

The action plan set out a number of commitments from the Master. This update reviews its progress in delivering on these commitments. Where possible the information below has been drawn from the following key document:

- Master of the Faculties [Consultation](#) document 'Consultation on the proposals set out in the Master of the Faculties action plan to deliver transparency for consumers in the legal services market arising from the recommendations of the Competition and Market Authority's market study into legal services'.

The Master has had an opportunity to update the LSB on his progress on any commitments in the action plan not covered by the publications above.

The commitments related to four different high-level outcomes relating to market transparency which LSB asked all frontline regulators to focus on in their action plans. This note sets out the status of each commitment under each outcome:

- 1) Action to deliver a step change in standards of transparency to help consumers (i) to understand the price and service they will receive, what redress is available and the regulatory status of their provider and (ii) to compare providers.
 - **Completed:** The Master published a consultation 'Consultation on the proposals set out in the Master of the Faculties action plan to deliver transparency for consumers in the legal services market arising from the recommendations of the Competition and Market Authority's market study into legal services' in October 2017.
 - **In progress:** The action plan set out that the Master planned to deliver new rules in relation to price, service, redress and regulatory status by November 2017. The consultation asked a series of questions on this area but did not commit to timescales for implementation. The Master has informed us that the consultation raised a number of significant issues which required more time than anticipated to address. We understand that the issues raised during consultation means that the Master is now likely to introduce guidance rather than rules. Furthermore, during this period the Master has been considering whether the scope of regulation should be limited to notarial activities only.
 - **In progress:** The consultation set out that the Master is considering whether to introduce a badge for providers to use.

- 2) Promotion of the use of independent feedback platforms to help consumers to understand the quality of the services offered by competing providers
 - **In progress:** The action plan set out that the Master would encourage notaries and their clients to take part in feedback platforms. However, there was little detail about how this would happen. The Master has informed us that he does not propose to mandate engagement with feedback platforms and that he is currently considering how best to fulfil the commitment included in the action plan.
- 3) Facilitation of the development of a dynamic intermediary market through making data more accessible to comparison tools and other intermediaries.
 - No new commitments made under this category.
- 4) Making better information available to assist consumers when they are identifying their legal needs and the types of legal services providers (both regulated and unregulated) who can help them.
 - **In progress:** The legal regulators are working together to deliver a three-year plan to enhance the Legal Choices website and social media channels. The Legal Choices Governance Board and Steering Group are continuing to lead the work, informed by the Advisory Panel which includes 17 organisations from the consumer and not-for-profit sectors. The suppliers that have been appointed to deliver the plan's market research and digital design components delivered a two day 'ideation' workshop in June 2018, which is informing a detailed redesign and relaunch strategy for the website. This will be discussed with the legal regulators in the autumn. In the meantime the regulators are continuing with their schedule of new content for members of the public that focuses on priority areas of law, as well as topical articles, which is promoted by using the website's social media channels. So far in 2018 new articles have focused on holiday sickness claims, immigration work (connected to Windrush), cycling laws and divorce processes.
 - **In progress:** The regulators have taken some steps to assess the feasibility of a joint register, in particular working on a taxonomy of the data to be included in the register. Work to explore the feasibility of a single digital register is ongoing. As an interim step, regulators are working on opportunities to provide a better access point to the legal regulators' respective registers of regulated entities and individuals through the Legal Choices website.

Annex H - LSB progress report - Solicitors Regulation Authority (SRA)

Date action plan was published: 29 June 2017

The action plan is published [here](#).

The LSB sufficiency assessment of action plan is published [here](#).

Progress Update: 16 October 2018

The action plan set out a number of commitments from the SRA. This update reviews its progress in delivering on these commitments. Where possible the information below has been drawn from the following five documents:

- [SRA consultation document](#) 'Looking to the future: better information, more choice'
- [SRA Post consultation position](#) 'Looking to the Future: Better Information, more choice - Our post consultation position'
- [SRA rules change application](#) to the LSB
- [SRA Guidance](#) 'Transparency in price and service'
- [SRA Guidance](#) 'Engaging with online reviews'

The SRA has had an opportunity to update the LSB on its progress on any commitments in the action plan not covered by the publications above.

The commitments related to four different high-level outcomes relating to market transparency which LSB asked all frontline regulators to focus on in their action plans. This note sets out the status of each commitment under each outcome:

- 1) Action to deliver a step change in standards of transparency to help consumers (i) to understand the price and service they will receive, what redress is available and the regulatory status of their provider and (ii) to compare providers.
 - **Completed:** The SRA action plan committed to publish a consultation and introduce rules for transparency requirements. The SRA published a consultation 'Looking to the future: better information, more choice' in September 2017 and published a decision document 'Looking to the Future: Better Information, more choice - Our post consultation position' in June 2018. It submitted a rules change application to the LSB on 5 July 2018 which was approved on 03 August 2018. The new rules will come into force in December 2018.
 - **In progress:** The SRA action plan committed to a logo for firms to use to denote their regulatory status. The rules change application requires firms to display on their website a digital badge that verifies that a firm is regulated by the SRA. The SRA are currently in the process of developing the digital badge.
 - **In progress:** The SRA action plan promised to develop guidance for solicitors on providing information to their clients at point of engagement (which would include guidance on client care letters)

when the new requirements are introduced in December 2018. SRA expects to publish such guidance at the start of 2019

- **In progress:** The SRA action plan promised to develop a plain English guide on what to expect of a solicitor and the different protections available (smile guide). SRA has informed us that this is currently in development and they are planning to publish it in early 2019.
- 2) Promotion of the use of independent feedback platforms to help consumers to understand the quality of the services offered by competing providers.
- **Completed:** The SRA action plan promised to issue guidance to providers on engaging with online feedback platforms in 2019. The SRA post consultation position paper promised that SRA will provide guidance to firms on engaging with client reviews and feedback platforms, such as Trustpilot and Checkatrade. This guidance was published in early October 2018.
- 3) Facilitation of the development of a dynamic intermediary market through making data more accessible to comparison tools and other intermediaries.
- **In progress:** The SRA action plan had a commitment to have an updated digital register in place during 2019. We are aware that the SRA is currently in the process of updating its IT system which will support this register. The SRA expects a new register to go live during 2019.
- 4) Making better information available to assist consumers when they are identifying their legal needs and the types of legal services providers (both regulated and unregulated) who can help them.
- **In progress:** The legal regulators are working together to deliver a three-year plan to enhance the Legal Choices website and social media channels. The Legal Choices Governance Board and Steering Group are continuing to lead the work, informed by the Advisory Panel which includes 17 organisations from the consumer and not-for-profit sectors. The suppliers that have been appointed to deliver the plan's market research and digital design components delivered a two day 'ideation' workshop in June 2018, which is informing a detailed redesign and relaunch strategy for the website. This will be discussed with the legal regulators in the autumn. In the meantime the regulators are continuing with their schedule of new content for members of the public that focuses on priority areas of law, as well as topical articles, which is promoted by using the website's social media channels. So far in 2018 new articles have focused on holiday sickness claims, immigration work (connected to Windrush), cycling laws and divorce processes.

- **In progress:** The regulators have taken some steps to assess the feasibility of a joint register, in particular working on a taxonomy of the data to be included in the register. Work to explore the feasibility of a single digital register is ongoing. As an interim step, regulators are working on opportunities to provide a better access point to the legal regulators' respective registers of regulated entities and individuals through the Legal Choices website.

In addition to the delivery of these commitments we recognise that the SRA has delivered a substantial programme of stakeholder engagement in developing and delivering these proposals.

Furthermore we note that the SRA has carried out a significant amount of research to support its better information reforms. An overview of this [research](#) can be set out on the SRA's website.

Annex I - LSB activity

1. The LSB actively supported the CMA market study by sharing primary research and data and providing information to the CMA market study team on the structure and operation of the regulatory framework. We made three formal submissions to the CMA during the course of its market study, which are published on our website.
2. In April 2017 we published a document explaining how we would deliver the CMA's recommendation directed to us. As explained earlier in this document, in October 2017 we published an assessment of the sufficiency of the regulators' action plans. We rated action plans by ICAEW and ACCA as sufficient in February and May 2018 respectively. During the course of the last twelve months we have engaged with all the regulators to provide advice and monitor the progress they have each made.
3. A proposed alteration of an approved regulator's regulatory arrangements requires the LSB's approval under Part 3, Schedule 4 of the Legal Services Act. To date we have considered and approved applications by the SRA and CLC and we are currently considering an application from CILEx Regulation relating to measures designed to increase consumer transparency.
4. We have published a range of research evidence related to the CMA's market study. This includes two surveys on the prices that consumers pay for legal services. Our initial study was published in February 2016 and a second wave was published in November 2017. Both surveys revealed significant differences in prices for the same services and low levels of price transparency. Between 2012 and 2018 we have carried out several major research studies on the legal needs of individuals and small businesses. These studies have consistently revealed significant levels of unmet legal need and shown that perceptions that legal services are expensive are a key barrier to advice seeking. In August 2018 we published further analysis of the most recent small business legal needs survey showing that businesses which believe legal services providers are transparent about their costs are twice as likely to seek advice.
5. The LSB has been an active member of the RPIG since its creation by the CMA in January 2017. Through this group we have contributed information and views, and monitored the development and progress of the reforms.

Annex J - Our approach to the progress updates

The progress updates are based on published information wherever possible. Published information used in these reports includes:

- consultation documents
- policy position papers
- guidance documents, and
- rules change applications to the LSB.

Where a regulator has not published information on key commitments, but we know from our ongoing engagement that progress is being made, we have included this information. In addition all regulators have had an opportunity to provide additional information and check the factual accuracy of their report.