

# 2014/15 Evaluation: Key Findings

## I. The sector has GROWN



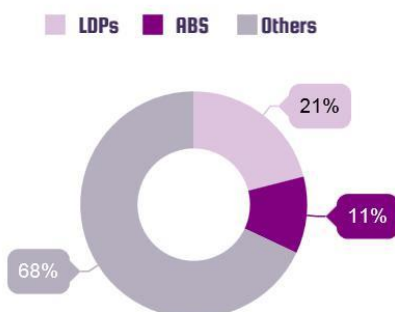
- Substantial growth since 2007.
- Recovered from the effects of recession in 2008; turnover of £32bn in 2015 – an all-time high.
- No. of authorised persons has grown – from 143k in 2009/10 to 162k in 2015/16 (↑13%).

## 2. Regulatory BARRIERS have been BROKEN DOWN

	Sol.	Bar.	Legal Exec.	ICAEW
Reserved Activities	✓	✓	✓	✓
Entity Regulation	✓	✓	✓	✓
ABS Regulation	✓	✓		✓

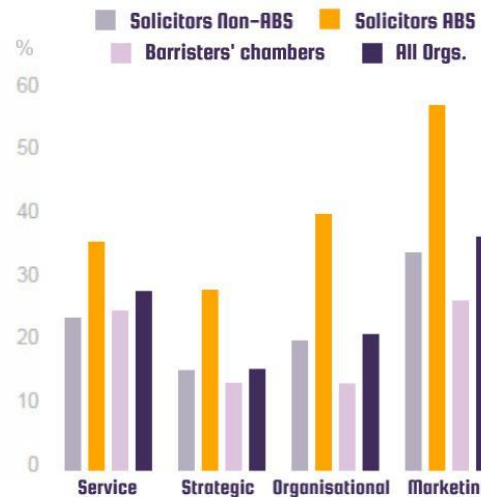
Regulatory changes can be expected to have acted as drivers for **PROCOMPETITIVE CHANGES** in the market

## 3. NEW BUSINESS MODELS have established significant market shares



SRA regulated ABS licence holders had a total real turnover of £2.29bn in 2014/15

## 4. ABS are more INNOVATIVE



## 5. PRICES have RISEN over time



**29%** of firms reported **RAISING PRICES** of divorce, conveyancing and wills in the past 12 months (2015, LSB Prices Research)

## 6. SHOPPING AROUND really pays

**1 in 4** individual consumers **SHOP AROUND**

**FIXED FEE DEALS & ADVERTISING PRICES** are associated with **LOWER PRICES**

but only **17%** of firms advertise their prices



Further information is available in the main report of the LSBs evaluation of changes in the legal services market 2006/07 - 2014/15. This is available here

<https://research.legalservicesboard.org.uk/news/latest-research-14>

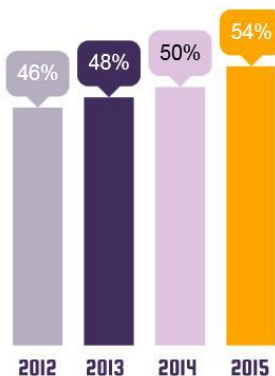
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## 7. Legal services remain COSTLY

**ONE HOUR** of litigation costs **47%** of an individual's average weekly earnings (guideline hourly rate, 2014)



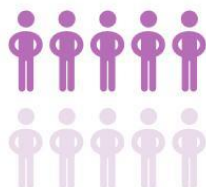
## 8. Consumers are DOING MORE THEMSELVES



A growing proportion of individuals handle legal problems alone: **54%** in 2015

## 9. Little change in PERCEPTIONS of the legal professions

**50%** of individuals who HAVE USED a legal service in the past two years

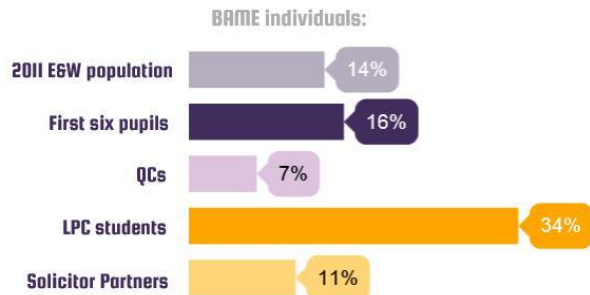


**TRUST LAWYERS** to tell the truth (LSCP Tracker Survey)

This compares to 45% of individuals who have not used a lawyer

## 10. DIVERSITY of the profession has SLOWLY IMPROVED

Entry level diversity is broadly comparable to the population, however senior level diversity is not



## 11. QUALITY of legal services has IMPROVED in most areas

**12% INCREASE** in the proportion of first tier complaints being **RESOLVED** by SRA regulated entities (from 2013/14 to 2014/15)

This is driven in part by SRA regulated new business models – LDPs and ABS – who have better complaint resolution ratios

## 12. The STANDING of UK LAW has been MAINTAINED



**12<sup>th</sup>** in the world in terms of the effectiveness of the rule of law (2015)

In 2014 UK-wide net exports of legal services were **33% HIGHER** than in 2007



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