

Research Specification: Benchmarking the household consumer use of legal services

Purpose

The LSB would like to commission a number of research studies to explore: the types of services household consumers of legal services typically receive; the cost of key legal services; and consumers experiences of choosing and using probate services. This project will form one part of a much wider programme of evaluation.

Background

The LSB has been set up to reform and modernise the legal services market in the interests of consumers, enhancing quality, ensuring value for money and improving access to justice across England and Wales. The LSB will achieve this pursuing its regulatory objectives¹ and providing regulatory oversight for the eight approved frontline regulators².

We have been set up to improve outcomes for consumers dealing with legal services. But, it is also important for us to understand our impact on the market more generally. This was recognised in the Legal Services Act, which gave equal focus to a range of objectives. Understanding whether access to particular services from legal providers changes, and if so how it changes, will be an important part of our overall evaluation strategy. This project will help us benchmark the market and monitor changes that have resulted from changes to regulation.

In our early years, we are focusing our efforts on the delivery of three particular reforms to the legal services market:

- Ensuring regulation is independent of legal services professional bodies and vested interests
- The introduction of Alternative Business Structures (ABS) to open up legal services firms to investment and ideas from non-lawyers
- Improving consumer redress when things go wrong by improving first tier complaints handling and introducing a new independent legal complaints ombudsman

Reforms such as these will have a number of complex impacts on the market that are difficult to predict at the outset of the reforms with any certainty. In evaluating the impact of reforms we will therefore need to obtain a significant amount of data about the way legal businesses provide legal services in order to understand how the market changes over time. The majority of this data is not easily available at present, and will require significant activity to gather. For example Alternative Business Structures could result in more legal services being provided:

- by stockmarket listed companies
- online
- by non-lawyers with fewer lawyers in support
- with new charging structures at lower costs.

¹ http://www.opsi.gov.uk/acts/acts2007/ukpga_20070029_en_2#pt1

² The Law Society, General Council of the Bar, Council for Licensed Conveyancers, The Institute of Legal Executives, The Chartered Institute of Patent Attorneys, The Institute of Trade Mark Attorneys, Association of Law Costs Draftsmen, Master of the Faculties, Association of Certified and Chartered Accountants, Insitute of Chartered Accountants of Scotland.

From a consumer perspective many of these changes will not be immediately obvious, as most consumers are unlikely to be regular users. But the changes may impact over time on the way that consumers choose and use legal services. This research should help the LSB understand the impact of changes in the market by benchmarking how consumers receive legal services today, before significant reforms have taken place. The research will also provide specific evidence to support our study of the provision of probate and estate administration services.

In the past year a particular strand of the LSB's work has been in carrying out a review of the will-writing market. Following a report from the Legal Services Consumer Panel³ the LSB has taken the decision to extend our analysis to the market for probate and estate management. This research alongside its other aims should seek to gather evidence of consumer experiences of probate and estate management to support this study.

Aims and Objectives

We have already identified where data is available from existing sources and the researchers should not expect to be able to collect any further data from existing sources. This study will be particularly concerned with the collection and analysis of new data that will improve our understanding of the use of legal services by household consumers in England and Wales. The project will form a baseline measurement of the provision of legal services by solicitor firms in England and Wales and allow the LSB in future to analyse how supply of legal services by solicitor firms has changed using a further survey or alternative data sources available at that time. The research should develop the evidence to help provide a baseline for three questions:

- How do consumers buy legal services and who from?
- How much do legal services cost?
- What experiences do individuals have of choosing and using probate and estate administration services?

Much of the consumer research in legal services to date has focused on consumers who have already purchased legal services. Only the Legal Services Research Centre have carried out research exploring the views of all individuals in an attempt to understand the circumstances in which they make decisions about how to deal with the legal issues they face. While this research is primarily about the use of legal services we also would like to explore how those facing the same problems but who don't use legal services handle the issues.

This project will carry out a survey with a statistically robust sample of consumers in four distinct samples:

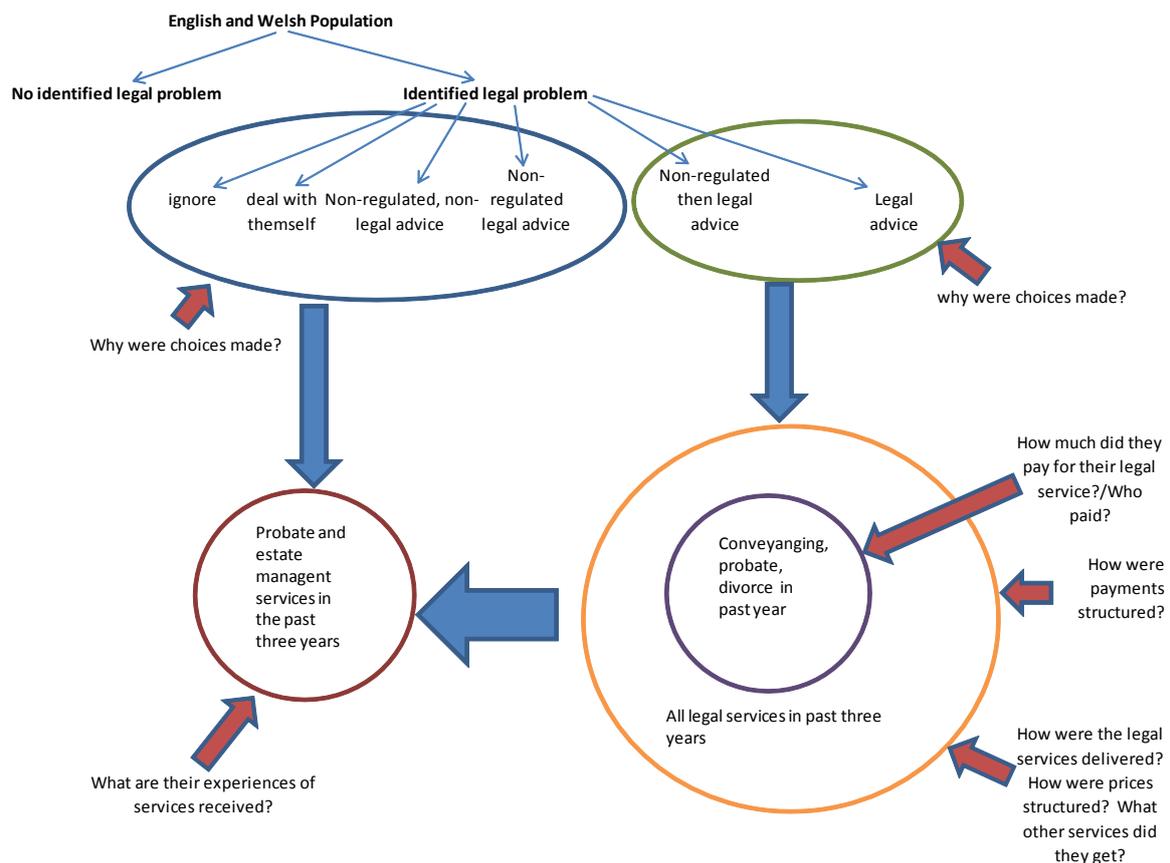
- individuals who have experienced a legal problem in the past three years;
- individuals who have used reserved legal services in the past three years;
- individuals who have used conveyancing; divorce; and probate services in the past year;

³http://www.legalservicesconsumerpanel.org.uk/publications/research_and_reports/documents/ConsumerPanel_WillwritingReport_Final.pdf

- individuals who have used probate and/or estate administration services in the past three years.

We require specific information from each of these sub-samples, which may require separate questionnaires. The specific areas of interest are outlined in Diagram 1 below.

Diagram 1: Areas of interest



Issues and scope

The LSB would like to develop a baseline for future evaluations to enable us to better understand the way household consumers interact with legal services. We would like to start with a broad picture of individuals experiencing key legal needs and evidence how frequently they use regulated legal services. Where they don't use regulated legal services we would like to understand what action they take to address their identified legal need e.g. ignoring problem, doing the legal work themselves.

For those that progress to using reserved legal services⁴ or services provided by regulated suppliers⁴ e.g. solicitors, licenced conveyancers etc. we are interested in the form in which this advice is

⁴ Reserved legal services are defined in the Legal Services Act 2007 as: the exercise of a right of audience; the conduct of litigation; reserved instrument activities; probate activities; notarial activities; the administration of oaths. Only reserved

delivered to the client. In particular the mix of face to face, telephone, email etc. We would wish to understand how this varies over the life of the service and between different legal services offered. We also wish to understand how the pricing of the services is structured and to what extent consumers are offered a choice of different pricing mechanisms e.g. fixed fee, hourly rates etc. We would also like to understand whether the choices available to consumers over service delivery matched their expectations.

To monitor the changes in the supply of legal services over time it is important for the LSB to understand how the price of legal services changes over time. We believe that this would be best achieved through a survey of consumers asking them about the price they paid for a small sample of the most commonly used legal services – conveyancing, probate, divorce. This survey would then be repeated in future time periods to track how prices change. We recognise that an alternative methodology could be to consider survey businesses to produce supplier estimates of cost or to survey across a wider basket of legal services to produce a single index. We would welcome views in any tender on the best approach to collect this data.

Finally, the research should seek to gather data to support our investigation of probate and estate management services. In particular we would like to understand how consumers choose probate and estate management services; who paid for the services; what other services they received; their satisfaction with the services etc. We would expect this quantitative information on probate and estate management to be supplemented by additional qualitative research, whether through focus groups or supplemental depth interviews. We would expect the researcher to propose a suitable methodology.

Tender Evaluation Criteria

All projects commissioned by the LSB are subject to our **standard terms of contract** which will be sent out with this tender. Tenders will be evaluated on best value for money and will be assessed on the basis of:

1. Cost. Please include applicable daily rates of staff that would be involved in this project and the approximate proportion of individual staff time that would be spent on the project
2. The extent to which tenders are clearly written, highlighting relevant experience – particularly in studies of professional services markets
3. Proposed team composition, expertise and management and the organisation’s diversity policy
4. How diversity issues would be addressed in the research.

services must necessarily be regulated, though all activities undertaken by solicitors are regulated by the SRA whether reserved or not.

Deliverables

Output

The final output will be a factual report setting out the key data findings and lessons learnt from the survey of legal firms. A summary set of data tables should be produced in Excel as well as a full data set in SPSS.

The LSB will retain ownership of the report and underlying data which will be delivered in a publishable format.

Project plan

Tenders should include a project plan and time schedule for the work that identifies the main task and key milestones that will be used to monitor progress. The plan should be accompanied by a resource profile, giving a breakdown of the resources in person days allocated to each task.

Duration

The initial research will commence in October 2011. The draft final report should be completed by the end of January 2012. A final agreed report should be completed by March 2012.

Legal Services Board Contact Details

Tenders with any queries about the research specification would be welcome to contact either Alex Roy (020 7271 0060) or Rosaline Sullivan (020 7271 0067)

Tenders must be submitted by 5pm on Monday 24 October 2011