The Future of Small Law Firms

Jeopardy or Opportunity?
The Legal Services Act 2007 could not be coming into effect at a worse time for many high street law firms – including many sole practitioners – coinciding as it does with the worst recession in postwar history.

While some firms have visibly used this lengthy lean period to restructure, improve the delivery of their services to clients and market themselves, many have been consumed by shorter term business generation and management needs. Strategy has taken a back seat.

The new era of legal services envisaged under the Act will present insurmountable challenges to many of these firms. Not all will survive: there is no sacrosanct right for law firms to exist. Only those that rise to the changed market and to the demands of their clients – including fixed fees, extended opening hours and flexibility, as well as online capability – are likely to prosper.

However, now is the time for high street firms to position themselves to survive and thrive. In developing this paper, LawyerLocator has conducted extensive research, including two YouGov polls. The overwhelming evidence points to the fact that the consumer wants a local, approachable, specialised legal service. Furthermore, practitioners who are taking on a ‘traditional’ role within the community are reaping the benefits, with thriving practices the result of their increased profile. More needs to be done to capitalise on this ability to contribute to the community. It reestablishes the local solicitor as a key constituent in any ‘big society’ in the eyes of the public and sets them apart from competitors.

Firms that rise to today’s challenges will emerge leaner and more focused.

There is much that still needs to be done by Government and regulators under the Act to ensure a level playing field between new entrants to the market and existing advisers, and that there is no compromise on the high standards of legal advice to which the consumer is entitled.

However, practitioners need to take matters into their own hands. With great change comes great uncertainty and it will be the practices that adapt quickly that will be the practices of the future.
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Introduction

When Sir David Clementi began his extensive review into the legal services market in 2003, his task was to consider what regulatory framework would best promote competition, innovation and, above all, the public and consumer interest.

The resultant Legal Services Act 2007 (the ‘Act’) has not only set the stage for wholesale, sweeping legal reform but comes into force at the end of over a decade of creeping liberalisation of legal services in areas from conveyancing to will writing.

The speed and extent of change has left morale among high street law firms, including sole practitioners, significantly weakened. In a YouGov poll of 150 sole practitioners commissioned by LawyerLocator in May 2010, 130 (87%) said they fear that the future of high street law firms is in jeopardy. The other findings of this poll are set out in more detail in this document.

The majority of practitioners fear that the permissive manner in which changes under the Act are being implemented, compounded with existing regulatory challenges, means that they will be unable to compete with large organisations dispensing cut-price legal advice.

A number of senior figures have also expressed a valid and growing concern that speed of change is being put ahead of quality control and the necessary protections as changes to regulation come into effect. Furthermore, as highlighted by Conservative peer Lord Hunt of Wirral in his 115 page report in October 2009, a ‘legal fringe’ has been allowed to develop under which will writing, probate work and claims handling are operating almost entirely unregulated, with some alarming results.

Steps must undoubtedly be taken to ensure that the quality of advice in England and Wales does not become diluted and its reputation as a centre of legal excellence remains intact.

However, as revealed in a YouGov poll of consumers commissioned by LawyerLocator in May 2010, the belief among many practitioners that the consumer’s buying habits are driven by price alone is based more in fear than in fact. Two-thirds of consumers believe the most important factors in choosing legal services are specialised legal advice and an approachable service; precisely the domain of good high street law firms. This poll’s findings are also discussed in more detail here.

As this paper reveals, there is a great deal of further evidence that consumers are not in the market for a low-cost faceless organisation to address all of their legal issues. Instead, they are seeking firms offering a transparent, consumer-friendly and cost effective service using up-to-date technology and delivery methods. With the advent of new competition, it is firms that are reluctant or unable to provide this level of service that will have good reason to fear for their future.

More now needs to be done to raise the profile of high street law firms and ensure that they are the approachable, local face of the law that consumers have indicated they need. In the YouGov consumer poll, 70% of consumers said they did not have a lawyer they would go to if a legal issue arose. With the power of technology, marketing and networks, it has never been easier to project the profile of firms individually or collectively.

1 Sample size 150, Fieldwork Dates: April 30 and May 14, 2010
2 Sample size 2052, Fieldwork Dates: May 21 to May 25, 2010
High street lawyers are an essential and integral part of a strong and balanced civic society; sitting on local councils, chambers of commerce and boards of trustees. Those that are using their hugely transferable skills for the benefit of the community are thriving.

Not all practitioners will deserve – or perhaps want – to survive the challenges posed by the new era of legal services. But the time for panic and denial is over and a period of quieter reflection and action now urgently needed: for both the Government and the profession itself to recognise and reclaim the role of high street lawyers as the first bastion of consumer protection.

The Legal Services Act

Changes to Practice

On 31 March 2009, Legal Disciplinary Practices (LDPs) came into force, under which law firms can now be owned and managed by a combination of different types of lawyer and up to 25% non-lawyers.

The changes mean that licensed conveyancers, barristers, notaries public, legal executives, patent and trade mark agents, and law costs draftsmen are for the first time able to collaborate and offer their services from within one firm. The new legislation also means that any individual who is not legally qualified can be a manager in a LDP up to the 25% threshold.

LDPs are just the start, paving the way for further, more radical change in October 2011, when Alternative Business Structures (ABSs) are expected to be licensed, enabling firms to be owned outright by non-legal persons or entities; managed by more than 25% of non-lawyers; provide both legal and non-legal services; and be floated on the stock exchange.

The Solicitors Regulation Authority (SRA) envisages that there will broadly be two types of ABS: those providing legal services only but with a different ownership and/or management structure to the traditional model; and the ABS providing mixed services known as a multidisciplinary practice (MDP).

The MDP is the structure that has sparked most controversy within the legal profession. It will allow solicitors and non-solicitors to collaborate and offer a great range of services from within one firm. It is these types of structure that will enable supermarkets and other large organisations such as Tesco, The Co-operative Group and Halifax to buy a law firm – or law firms – to be run as just another arm of their highly profitable businesses.

Changes to Regulation

The Legal Services Board (LSB) is the overarching independent regulator under the Act and was set up to give clarity over who is ultimately responsible for the numerous differing professional legal bodies. In order to further simplify regulation, The Office for Legal Complaints was set up as a single point of entry for all complaints.

One of the key requirements of the Act is that professional bodies separate their regulatory and representative functions. For solicitors, the Law Society remains as the representative body but its regulatory powers are now held by the SRA, which is also the body widely expected to take prime responsibility for licensing ABSs in 2011.

The other Approved Regulators are the Bar Council, the Institute of Legal Executives, the Council for Licensed Conveyancers, the Chartered Institute of Patent Attorneys, the Institute of Trade Mark Attorneys, the Master of Faculties and the Association of Law Costs Draftsmen.

Loss of High Street Revenue and the Need for Improved Technology

Large corporations are currently focussing on providing legal services capable of a large degree of commoditisation and standardisation, including wills and probate, conveyancing and personal injury, and quite often for a fraction of the cost of a local high street law firm.

Rob Farquharson said: “The Co-op and others are taking a manufacturing mentality and looking at what processes they need to create as efficiently as possible and with as little duplication as possible.” Most organisations’ legal services offering is still in its infancy, but last year saw The Co-op launch the first in a series of high profile campaigns to promote its legal services through its 2,000+ food stores and Halifax launched an online ‘pay as you go’ legal document production and advice service. In 2009, The Co-op’s legal services business grew by 45% from £14m to £20m, with operating profits up from £1.7m to £3.8m. The group claims it is now one of the leading providers of wills, probate and estate administration services in the UK.

Software company Epoq provides the platform for organisations including Halifax, Royal Bank of Scotland, Natwest and Barclays to offer their customers ‘self-service’ documents as part of varying account products. Customers are also offered legal advice on the back of these documents if required. Many other providers, including LawyerLocator, are fast developing their own capabilities in this area to cater to this growing demand.
Epoq’s joint chief executive Richard Cohen said: “Without even trying these organisations are sucking millions of pounds out of the solicitors market.”

This is further evidenced by the latest sole practitioners YouGov poll, in which 21% said that their business has already suffered as a result of the Act.

While it is inevitable these pressures will worsen as the market opens up fully in 2011, those high street firms that have invested or are investing in increasingly affordable technology are able to compete with the new entrants on a number of different fronts and the YouGov sole practitioners survey revealed that 85% of respondents had invested in IT within the last ten years.

Investment in systems that standardise often repeated processes means that practitioners are able to offer these services more cheaply to clients. While consumers may not be motivated solely by price, they inevitably demand value for money and cheaply to clients. While consumers may not be motivated.

Rob Farquharson said: “If the market rate for the first draft of a will is twenty minutes but it is taking you two and a half hours to take instructions and draft it from scratch, that is not a sustainable model.”

Elsewhere, practice management systems and client relationship management systems are enabling firms to become more efficient. They can automate time-consuming money laundering and billing processes as well as generating more revenue from client opportunities.

Furthermore, in the YouGov sole practitioners poll, 47% of respondents said they had developed an online element to their practice delivery, enabling clients to log on and track the progress of their matter. Developing an online presence is also helping practitioners take advantage of the growing number of consumers using the internet to locate a solicitor. In a SRA consumer research report in 2008, 26% of respondents said they would use the internet to find a solicitor. However, more still need to be done and a recent report by business and technology consultants Greenlight revealed that law firms are failing to maximise their exposure to online consumers by improving their rankings in search engines. The study revealed that 1.2m generic legal titles were searched for in February 2010, including 450,000 for the word ‘solicitor’. Of the top 20 websites coming up under generic searches just one, Irwin Mitchell, was a law firm.

Aside from cost, one of the biggest potential disadvantages faced by many practitioners is their inability to compete with the ‘24/7’ advice provided by large organisations. But again, technology is narrowing the divide. Consumers do not necessarily need advice at all times of the day and night but they do want flexibility. Technology increasingly means that practitioners can work away from the office yet still access their clients’ files. Thirty seven percent of respondents to the YouGov sole practitioners poll said they had changed their working hours and Sara Ludlam, co-chairman of the Yorkshire Sole Practitioners Group and head of Leeds based IP practice Ludlams said: “Because of the way IT has developed there are opportunities to work out of your front room.”

Highly successful virtual firms including Woolley & Co, Keystone Law and Lawbridge Solicitors have taken advantage of this ability to work remotely. Senior self-employed lawyers use IT systems and processes, including internet-based practice management and case management systems, remote telephone answering and outsourced typing services to service their clients from outside a traditional office. Last year Woolley & Co claimed in an industry magazine to have taken on 80 new divorce cases a month, citing the firm’s accessibility, customer service and clarity on costs – including many fixed fees – for its success.

**Fixed Fees, Clear Costs Structures and a Business Approach**

One of the biggest selling points that new organisations have over traditional high street firms is their willingness to offer fixed fees and approach law as a transparent business. The legacy of the billable hour may continue to dog traditional solicitors for some time, but those already taking a business approach and agreeing fees up front are reaping the benefits.

According to sole practitioner Nigel George, who runs growing business services firm George & Co, many solicitors make the mistake of thinking they need to cut their fees: “...charging pennies for what they do and then complaining there’s nothing else they can do other than continually undercut each other.”

However, the issue is often not the amount but the way practitioners broach the topic of fees with their clients. Nigel George said: “You come across all kinds of law firms who don’t like asking clients for money, then they go and send them a big bill and the client kicks up a song and dance. I agree fees with clients up front, I don’t just give them a bill.

“I practice in Suffolk and I continually acquire new London clients who come to me by recommendation,” Nigel George added.

Successful firms are cultivating trust in consumers by advising them for free at the outset before deciding how to proceed and the costs involved. Norman Jones, Vice President of Liverpool Law Society and head of the eponymous Liverpool-based personal injury firm said: “[Supermarkets] don’t offer a free service. The number of people who ring and ask what to do; we’ll advise and if they are going ahead put them on a proper fee structure.”
The way practitioners approach costs is indicative of the way they run the practice as a whole. Rob Farquharson said: “To survive within the new legal services arena high street practices will need to become much more businesslike in the way they approach the consumer and run their practice but for many this will be a transformation too far.”

According to Nigel George, one of the greatest barriers is old-fashioned snobbery. He said: “Many lawyers haven’t been trained to be good business people and think: ‘This is a profession, not a business’!

“At the end of the day it’s like any other business, you either make a good product and people buy it or you end up like British Leyland, and I think far too much of the English legal profession are more like British Leyland than BMW.”

For those who continue to use the word ‘profession’ as a cushion, the future is uncertain. A simple knowledge of how to run a business is vital yet, according to Ray Fox who runs The Bottom Line Consultancy, visibly missing among many solicitors. He said: “Out of my own client base I would say some of them are probably really good lawyers. [But] they do not understand profit and loss accounts, they don’t understand what a balance sheet is, they don’t understand about marketing and how to do direct mail.”

According to the YouGov sole practitioners poll, 83% also said they did not have a succession plan that will enable their firm to continue practising after they retire.

Fox said: “If they don’t have good people coming through, at some point they have to dispose of their business and they find it really hard.”

**Competing Outside of Costs – the Need to Specialise**

While technology narrows the cost margins, professional bodies and leading legal strategists alike have long been encouraging high street law firms to become more specialist in order to differentiate themselves from large organisations offering commoditised services. Encouragingly, 30% of respondents to the YouGov sole practitioners poll said they had added new services, while 45% said they had trained in new areas of law. However, this still leaves a significant majority that have not added new services and a clear majority that have not trained in new areas of law.

Norman Jones’ highly successful practice, which includes an associate solicitor, a practice manager, a costs manager and four legal secretaries, focuses on more complex legal cases. Norman Jones said: “We don’t have a huge number of cases – about 150 – but they require a huge amount of effort and manpower.

“We by and large see clients who have gone through the process and have some sort of issue; people with serious problems tend not to get caught up with these sorts of organisations.”

This approach has been given renewed credibility by the LawyerLocator YouGov consumer poll, which revealed that the consumer is in fact very aware that specialised knowledge is more important than cost. Respondents were asked to identify the three qualities that are most important when choosing a lawyer. Sixty percent said specialised knowledge of the legal issues involved and 60% said ‘approachable and able to explain the issues involved.’

Cost was the next largest majority, at 49%. A further 29% said ‘ease of getting in touch (e.g. weekend office hours, response to email, picks up the phone)’. Twenty eight percent chose proximity to where they live or work, and 23% said ‘knows my personal history.’ Eleven percent of respondents said that good local knowledge was important.

The poll reaffirms what consumers really want are trusted advisers who have clear and reasonable cost structures, flexible opening hours and better customer care.

This is further borne out by the consumer research survey by the SRA in 2008, in which although 68% of people agreed they might use a supermarket to buy basic legal services, 69% felt they would have some level of concern about the quality of legal services provided by such organisations.

However, more still needs to be done to demystify the legal process and enable consumers to choose a solicitor based on an educated decision as to who is appropriate for their case. According to the YouGov consumer poll, 24% considered a friend’s recommendation when choosing their lawyer, 28% considered a recommendation from a family member, 22% went to a local lawyer’s offices, 3% saw a lawyer’s advertisement, 4% used a telephone directory and 1% used a search engine. Twenty three percent used “other” means and 2% said they don’t know.

Directories, including LawyerLocator from LexisNexis, are making great strides in helping to direct the consumer and small businesses to the appropriate firm for their case. The YouGov results should be interpreted within the context of other studies, including the SRA’s consumer research survey in 2008, in which it was revealed that 26% of respondents used the internet to locate a solicitor; a trend which can only be expected to grow.
Networks, Marketing and Community

Networks

One of the greatest differentiators between firms that are thriving and those that are struggling is their ability to promote themselves. It follows that one of the biggest potential breakthroughs of recent years for high street law firms has been the advent of large online networks and 42% of respondents to the YouGov sole practitioners poll had sought new sources of business, such as online panels.

The best recognised network to date is QualitySolicitors, which has brought together over 200 high street firms and re-launched them under the common name, providing “no frills” legal advice on conveyancing, consumer and contract disputes and family law.

Craig Holt, barrister and chief executive of the QualitySolicitors network, said: “What the legal market is desperately missing is a recognisable, customer service-focused national brand name — a ‘household name’ — that people can rely on without having to spend hours researching and choosing between dozens of local law firms.”

The idea of collaboration between solicitors, even outside of a formal network, is catching on rapidly. In Liverpool, Norman Jones is running a ‘relationship’ course which attracts CPD points and brings together local practitioners to face the threats and build up their friendship.

Norman Jones said: “We are looking to see if we have common issues and how we can help each other.”

Marketing and Community

While networks are no doubt invaluable from a marketing perspective, they are far from the only way practitioners are raising their profile. Providing free advice on pressing legal issues in local newspapers is just one way solicitors are getting recognition for providing a helpful public service.

Norman Jones said: “The Wirral Globe is a free paper and we write a column every month. We stick to our core values and tell people about serious issues; it keeps us in people’s minds.”

Other practitioners are taking advantage of free new media, such as social networking sites. One sole practitioner who responded to the YouGov poll said that he kept clients up to date with legal changes via the firm’s website adding: “I use Twitter and tweet about any legal changes. I send out a newsletter by email, I post videos on YouTube with me talking about the law.”

While YouTube may be one step too far for many solicitors, according to Nigel George, sole practitioners need to do more to raise their profile by offering a useful public service. “You’ve got to position yourself and work will come,” he said.

It is perhaps unsurprising in light of the negative publicity directed at the high street over the last few years that morale among practitioners is low and that the prestige surrounding the profession has been dented. However, solicitors have hugely valuable transferable skills.

Nigel George said: “Bury St Edmunds is our local town and I’m director of Bury St Edmunds Chamber of Commerce. That has put my name in front of a number of people in the town centre. They’ve now become a business improvement district and have a budget of £20,000 a year and I’ve offered my services as company secretary.

“That’s getting my name in front of business folk and the more people know about you the more business you tend to get.”

Those practitioners who are capitalising on their ability to provide a useful service within the local community are finding that their reputation grows by word of mouth and they become an established local presence, setting them apart from large and impersonal organisations.

Regulation – Calls for Change

While there is much that the profession needs to do to ensure its own future, Government and the regulators under the Act need to ensure that they also recognise the valuable role that high street firms play within a healthy local community and ensure that the practising conditions in place are not unfair or unevenly weighted.

Insufficient Regulation of ABSs

The fear among many practitioners and senior figures within the legal profession is that as regulators move to meet the 2011 timeframe, not enough time and consideration is being devoted to how ABSs should be regulated.

If, for example, new organisations choose to keep costs to a minimum and maximise profits by using less qualified paralegals and case workers, there is unlikely to be anything in place to stop this.

A spokesman for the SRA said: “Obviously the rule-drafting is in its early stages, but prescriptive requirements about lawyer/paralegal ratios are hugely unlikely.”
The SRA has also said in broad terms that it plans not to prohibit any model of ABS as long as an applicant meets minimum requirements such as the involvement of at least one non-lawyer owner or manager and at least one lawyer manager.

Law Society chief executive Des Hudson told LawyerLocator: “We are deeply concerned about the apparent position of the SRA and LSB that unless there’s a problem we will grant a license. “If you take the example of de-regulation of the bus service, it’s no good to find a major predator has emasculated the competition in town.”

While for the reasons set out above, good practitioners and firms should be able to capitalise on their clear advantages and compete with new entrants to the market, it is imperative that appropriate public and consumer safeguards are put in place and that regulators are clear about the information they require, the scrutiny they intend to undertake, and how they will deal with regulatory breaches.

In his October 2009 report, Lord Hunt of Wirral highlighted the dangers of rushing into licensing of ABSs and stressed that he believes that it is more important to get it “done right” rather than get it “done quickly”.

The Co-operative, currently leading the field in breaking into the legal services arena and unequivocal about its ambition to become an ABS, has denied that the public has any need for concern over service levels provided. It currently employs 37 solicitors, the same number of legal executives and around 80 paralegals. While the ratio of qualified lawyers to paralegals is high compared to most conventional law firms, Sales and Marketing Director Jonathan Gulliford stressed: “To say that all legal advice will be provided by paralegals is absolute rubbish.” Instead, all cases will be assessed as to their complexity and handled accordingly, with cost savings for the consumer, if any, made due to the operation being run as a proper business.

However, questions are being raised as to why, when the consumer interest is said to be paramount, more will not be done to ensure that their interests are really served. Des Hudson echoed the sentiments of many in saying: “What concerns me is that we have a degree of schizophrenia in the Legal Services Act; does it want a free-for-all or a high level of consumer protection?”

A great deal of trust is being placed in the fact that large brands are unlikely to risk reputational damage as a result of incompetent advice. But where a service appears to be properly delivered it will be very hard for the consumer to judge whether they have received the best advice possible by someone who has the commensurate level of knowledge for their legal issue. Norman Jones said: “Having a solicitor is the same as having a GP – they need to know a huge amount of background to give you the right advice.”

Examples of consumers suffering as a result of legal advice that whilst not incorrect is not optimal for their situation, are already being seen within services operating at the ‘legal fringe’, including will writing, probate and claims handling. An example is personal injury advice in which individuals are advised to seek or accept a lesser sum than they should expect.

Furthermore, the majority of consumers instruct a will writer in the belief that they are a qualified solicitor and, with planned regulation as it stands, there is little reason to hope that consumers will become much more informed when it comes to the legal services offered by large organisations.

Norman Jones said: “I am concerned for the public because I do think they’ll get a rough deal out of this; they don’t realise that they will potentially lose access to justice.”

**Lack of Independence within MDPs**

Under rule 9 of the Solicitors Code of Conduct governing referrals, solicitors are obliged to “do nothing which would compromise your independence or your ability to act and advise in the best interests of your clients.”

There is fierce ongoing debate as to whether referral fees compromise this independence. However, where MDPs are concerned, practitioners argue that there is a risk that cases will be referred internally between different groups of specialists purely for mutual financial gain and regardless of whether they are the right adviser for the job.

John Hughes, head of planning firm The John Hughes Law Practice in Birmingham, said: “We could involve planning consultants, surveyors, people who we regularly use in order to deal with certain aspects of what we advise on, but the reason we would never do that is if we are recommending someone to a surveyor, what is right for one person in one circumstance may not be right for another.”

Further questions have been raised as to how MDPs can freely discharge their professional obligations alongside those owed to the company’s shareholders.

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*Fellowship of Professional Willwriters and Probate Practitioners survey, January 2010*
Differing Standards for Different Regulators

One of the biggest grievances among high street practitioners is that they are subject to considerably harsher regulation and conflict rules than their competitors, making business conditions more difficult than is necessary or fair and with potentially serious implications for the consumer.

These criticisms relate to both competitors regulated under the Act and those that are unregulated and dealt with separately below as part of the unregulated fringe of legal services.

Hughes said: “We are very closely regulated, have to pay quite heavy practising certificate fees, we have to be insured and with a limited number of providers the costs are enormous, but we see other people, say on the conveyancing side, being far less regulated.”

Practitioners are calling for change and in its 2010 manifesto the Law Society called for “a proper level playing field to ensure that the regulatory regime applying to all firms is fair and provides the right level of protection for clients and for the integrity of the legal system.”

Sara Ludlam said: “Under the LSA different groups will be able to work with lawyers and I want one body to regulate all of them. “If different regulatory bodies are in place then they should all be enforcing identical regulations.”

The danger for the consumer if regulation continues to stack against solicitors is very clear, say Hughes. “If because of the pressure outside solicitors have to offer very low fees to do the work, then they can’t devote all the time that’s necessary. We see quite a lot of bad conveyancing where if only the lawyer had gone into it properly, it wouldn’t have arisen at all.”

For practitioners who specialise purely in basic conveyancing, competition is going to be extremely fierce unless they can promote themselves, become a local fixture in the community, offer a highly personal service or distinguish themselves in other ways. However, it is only right that the already difficult market conditions in which they operate should be fairly weighted.

The senior consultant with commercial law firm Beachcroft called for an extension of the regulatory net to any area of activity where consumers currently enjoy no regulatory protection, commenting: “I perceive a serious breach of both the public and consumer interest in any area of activity that looks or ‘smells’ like a reserved activity but is allowed to go unregulated.”

Lord Hunt concluded that the consumer would be taken aback to find out that anyone can currently set him or herself up as a will writer, and that some aspects of probate activity can take place without regulation. These conclusions have subsequently been given further foundation by a survey commissioned in January 2010 by the Fellowship of Professional Willwriters and Probate Practitioners, which found that 67% of consumers wrongly believe that all will writers are solicitors.

Furthermore, Lord Hunt concluded that there was a “grey area” of regulation in respect of Claims Management Companies, which oversee many personal injury claims that ultimately come before a court and yet are not regulated by the SRA. Lord Hunt’s recommendation that the Claims Management regulator should come fully under the aegis of the LSB as soon as is practical has yet to be actioned, yet high street firms give anecdotal evidence attesting to the fact that these unregulated advisers can give poor quality advice.

Ian Lithman, member of the Law Society Council and Solicitors Sole Practitioners Group Executive Committee, said: “I’ve got a personal injury case where a client has come to me and said ‘for God’s sake help me because I’m dealing with this large company and the girl I’m speaking to knows nothing about my case.’

“I look at a beautifully prepared computerised document, which contains a medical report, and the suggestion is she should accept £1,500 for whiplash when £3,500 would have been the appropriate figure and the facts that are in that medical report are totally wrong.”

Further steps now need to be taken for the benefit of both the consumer and the profession to ensure that consumers are only advised by those with the commensurate level of skill for their case.

The Unregulated ‘Fringe’ Legal Services

While good high street practices will be able to compete with well regulated new entrants to the market, in Lord Wirral’s report he found that large swathes of legal activity including will writing, probate work and claims handling are operating without regulation, leaving consumers vulnerable to incompetence, negligence and even fraud.
Conclusion

Local high street law firms are at a critical junction, with serious choices to make about the road ahead and the level of commitment they are prepared to give to operating within the context of the new legal services era.

Those who are embracing change and leveraging their obvious strengths are demonstrating that there are opportunities to capitalise on consumers’ very clear desire to use the services of local and approachable lawyers.

There are steps that need to be taken in order to ensure that the practising conditions of high street lawyers are no harder than for new entrants and that the consumer interest is protected.

However, it is high time that practitioners took measures into their own hands in order to restore and bolster their public image as high profile and valuable members of the community, in doing so ensuring their own future in the eyes of the public.

Rob Farquharson said: “Lawyers will survive if they provide a service that the community in which they operate values & recognises, including using the opportunities they have to operate more efficiently.”

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