

RESEARCH SUMMARY

April, 2016



PRICES OF INDIVIDUAL CONSUMER LEGAL SERVICES

1. About the research

i This research will help us understand changes in prices over time and determine the extent of **competition between providers**, as well as **affordability and access to justice for consumers** – all of which input to achieving the LSB's statutory objectives.

The research provides a **robust picture of the prices** that are currently paid by consumers for some key legal services and develops a **methodology that can be repeated in future to provide an accurate measure of price changes over time.**

1,506 telephone interviews covered services in three areas of legal work: **conveyancing; divorce; and wills, lasting power of attorney and estate administration.**

2. Key findings

i **Prices vary significantly for the same legal services:** it pays consumers to shop around.

17% of firms display their prices on their websites. **Firms who display prices on their websites are generally cheaper than those who do not.**

Legal service providers adopting a **fixed fee approach to charging tended to offer the lowest price on average** when compared with those charging in other ways.

Fixed fees predominate for less complex matters (conveyancing, wills, power of attorney and for simpler uncontested divorces). As the services sought became more complex, providers were more likely to say they would charge either an hourly rate or estimate the total cost.

The majority of firms (67%) stated that their prices had stayed about the same over the last 12 months. However, amongst those reporting a change, more had increased prices (29% reported that prices had increased whereas 4% said that they had decreased).

No significant differences between the prices of ABS and other firms, or by size of firm.

Firms based in the South East of England charged significantly higher prices across each service. Those based in England typically charged higher than those based in Wales. Firms quoted lower prices in deprived areas when compared with more affluent areas.

Most firms stated that usually **services do not cost customers more than was quoted.**

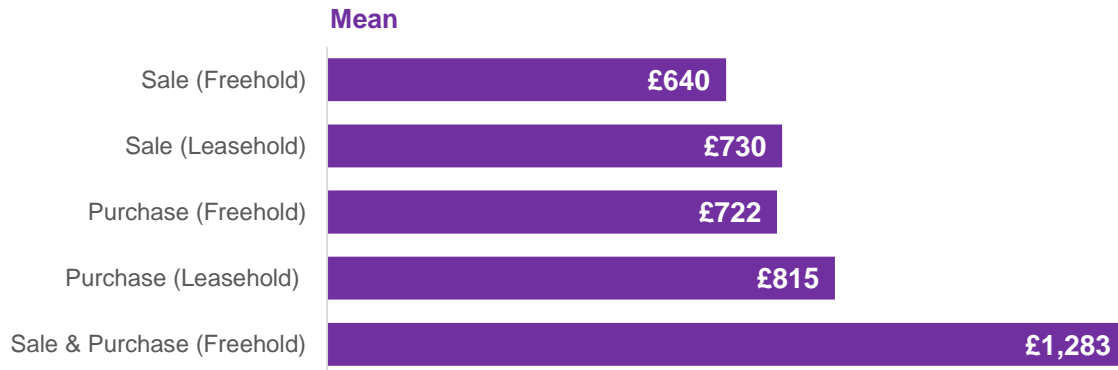
3. Regulatory insights

i **Consumers can often find a better deal if they shop around.** If a firm publishes its prices, then this is often a sign they are less expensive. Fixed fees are also in general less costly than other methods of charging.

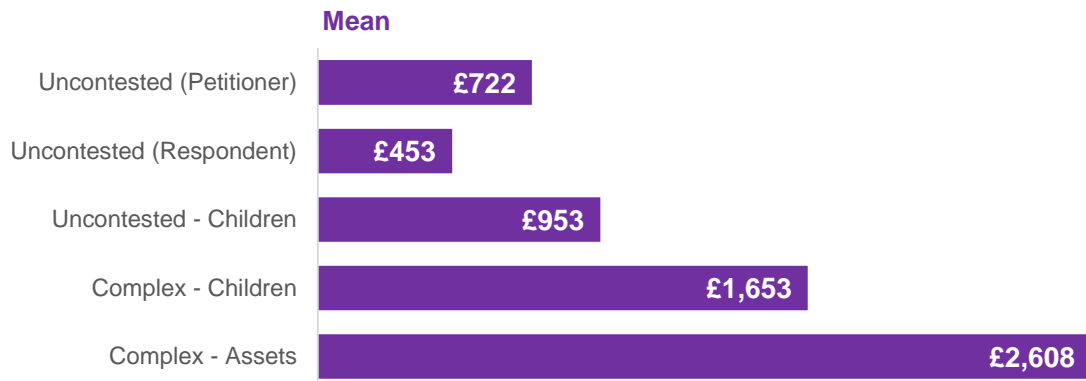
But there is more to be done – by the LSB and others - on transparency to increase competition and choice in legal services.



Conveyancing



Divorce



Life planning

