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## **CONSUMER PANEL CALLS FOR REGULATORY INTERVENTION TO ADDRESS MARKET FAILINGS**

The Legal Services Consumer Panel has called on the Competition and Markets Authority to address the failings it found in the legal services market by proposing robust remedies to tackle the lack of transparency and information deficiency especially on price and quality.

In its response to the CMA's interim report, the Panel argues that without regulatory intervention, the sector will continue to trail behind comparable markets and consumers of legal services will continue to struggle with choosing and using legal services providers.

The Panel's response to the CMA's interim report also highlights the need to address the complex and fragmented regulatory framework which contributes to consumer confusion, and hinders good consumer outcomes.

Elisabeth Davies, Consumer Panel Chair said:

*"A strong demand and supply side is fundamental to a well-functioning market, the CMA has found the legal sector wanting in both areas. These findings are not new, our report on Open Data published in February 2016 highlighted chronic deficiencies with transparency in the legal services market. For too long consumers of legal services have struggled to shop around because the information necessary to help them make an informed choice is rarely available. This weak demand side is compounded by a complex and fragmented supply side which is confusing, costly and arguably does not support the delivery of good consumer outcomes.*

*The overall findings are indisputable. What we would like to see now is a concerted effort and leadership towards the necessary solutions. This must start with the CMA formulating the right remedies, targeted at the right players, and reviewed or evaluated at an appropriate time. The approved regulators and the oversight regulator must also show demonstrable leadership and a real commitment to putting the needs of consumers at the heart of regulation".*

**-ends-**

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### **Notes to editors**

1. The Legal Services Consumer Panel was established under the Legal Services Act 2007 to provide independent advice to the Legal Services Board about the interests

of consumers of legal services in England and Wales. We investigate issues that affect consumers and use this information to influence decisions about the regulation of legal services.

2. The Panel's membership is drawn from a broad range of backgrounds with expertise including market research, law, competition, consumer advice, campaigning, and communications.
3. The Panel's response in full can be found here:  
[http://www.legalservicesconsumerpanel.org.uk/publications/consultation\\_responses/index.html](http://www.legalservicesconsumerpanel.org.uk/publications/consultation_responses/index.html)