

## **CLC response to Transparency Consultation 2024**

### **1. Extension to all legal services provided to consumers**

#### **a) Interpretation (no issue)**

CLC does not foresee any issues and considers that extending the rules to all practices will end differential treatment of consumers ensuring that all consumers can benefit from having access to this 'regulatory information.

#### **b) Implementation (issue)**

CLC Yes, as currently drafted, the proposed amendment means that consumers who elect to instruct a practice that does not have a website will need to make a request for the information set out in Rules 2 to 7, however, this assumes the consumer know what this information is and understands that they are entitled to ask for it. Whereas consumers who use a practice with a website will more readily have access to that information. It may therefore be in the interests of ensuring equal access to information for all consumers that practices without websites are required to provide this information to consumers without the consumer having to request it.

### **2. Publish prominently in a clear and accessible format**

#### **a) – b) Interpretation / Implementation (no issue)**

### **3. Consumer Information Leaflet**

#### **a) Interpretation (no issue)**

#### **b) Implementation (issue)**

CLC: as with amended Rule 1.2., we are of the view that practices without a website should be required to provide their Consumer Information Leaflet to consumers so they do not need to request it and for the same reasons, i.e. if a consumer does not know what information to ask for, or that they have a right to ask for it, they will remain at a disadvantage. A proactive duty on practices to provide this information would better serve consumers and advance consumer education and protection.

### **4. stylistic change (service requirement added to section on price)**

#### **a) Interpretation (no issue)**

#### **b) Implementation (issue)**

Yes, whilst the revised provision aims to ensure transparency on pricing, an important point which is not addressed is clear information about the charge out rate of non-qualified staff versus the charge out rate of authorised persons.

Whilst we do not suggest that regulated entities would charge out at a higher rate when a non-qualified person works on a matter, we nevertheless consider it important that consumers understand the different rates that they may be charged.

Where blended rates are quoted, similarly, we consider it important that consumers are provided with information which clearly explains the proportion of work, or specific pieces of work that will be done by the respective individuals.

## **5. mix of staff**

### **a) Interpretation (issue)**

It is important that consumers are advised of who the authorised person is with overall responsibility for their matter, and in any case where that is not an authorised person under the Legal Services Act 2007, consumers should be provided with information making it clear who the person is regulated by.

It is unclear what is meant by the term 'qualifications'. Is this intended to be an indication of whether someone is a chartered legal executive, a solicitor or a lawyer for instance, or is 'qualification' intended to denote the exact qualification that each staff member who will be providing legal services on a particular matter holds e.g. an indication of which members of staff hold an LLB, LLM, Bachelor of Arts plus LPC etc.

It is also unclear whether the requirement is to inform clients of the qualification of every professional in the practice, whether they will or may be involved in delivering legal services in relation to that client or not, or whether it is pertains to only those professionals who will or may be advising on a particular matter.

### **b) Implementation (issue)**

The CLC agrees that it is important that consumers are informed and assured that their matter will be dealt with by professional(s) with the necessary qualifications and appropriate level of experience, and we agree that for costs estimates to be transparent and clear, it is necessary to inform consumers of the level of seniority and experience of staff members who will be handling their matter.

However, in the CLC's view there may potentially be some disbenefits to requiring practices to provide exact details of qualifications the professionals advising on a matter, this is particularly so in the context of entity based regulation which, in some respects, renders the question of individual qualifications less important.

The first potential implementation obstacle is that it may be rather onerous for practices to provide clients with information regarding the exact qualification of each member of staff, particularly where multiple members of staff may work on a single matter, and therefore, it may become a requirement which is not fully complied with.

The second is that to require practices to disclose the exact qualifications of every member of staff or at least every professional who will or may be involved in a matter may

unintentionally perpetuate bias and incorrect perceptions that professionals with well recognised legal qualifications are somehow more capable or experienced than their counterparts who have what are viewed as less traditional legal qualifications, obtained otherwise than through conventional university attendance.

The point directly above ties in with consumer understanding of qualifications more generally and legal qualifications in particular. Transparency is important of course, however, the challenge is whether consumer empowerment will truly be advanced by a requirement to advise consumers of the qualifications of those involved in their matter, if they do not understand what a qualification denotes. For example, if consumers are advised that a person is a paralegal, some may believe they have a legal qualification, however, not all paralegals hold a legal qualification. However, it will be important for the consumer to understand who the regulated individual(s) with carriage of their matter is(are).

## **6. Link to Legal Ombudsman decision data website page**

### **a) Interpretation (no issue)**

We do not foresee any issues with interpretation of this new Rule.

We do however question whether this change will result in differential provision of information to consumers depending on whether they are digitally excluded or not, and if so, whether this provision will inadvertently perpetuate information asymmetry for those consumers who are digitally excluded.

### **b) Implementation (issue)**

Potentially yes, there may be a disincentive for practices that have a higher number of Legal Ombudsman (LeO) decisions to comply and refer potential or new consumers to the LeO decision data webpages, if they fear the published data may act as a deterrent to potential consumers engaging their services.

This is particularly so where for example, the LeO data does not necessarily provide sufficient or comprehensive contextual information to enable consumers to fully understand the meaning or relevance of the published data. For example, whilst the guidance on the LeO page explains that 'If a provider has more than one complaint with us, it could be because they are a big provider and deal with thousands of cases. In this situation it is not unusual for them to have a few complaints listed with us. Always look at the decision we make, not just the number of complaints', it does not explain to consumers how they might differentiate a big provider from a smaller provider.