

Thompsons Solicitors'
formal response to the Competition
and Markets Authority's Legal Services
Market Study Interim Report

August 2016

Thompsons is a UK-wide law firm specialising in personal injury and employment law. At any one time we will, as a firm, be handling over 10,000 employment cases and we run over 35,000 personal injury cases every year.

The interim report from the Competition and Market Authority's (CMA) investigation suggests that it has found a large degree of competition and diversity in the employment law sector, something we would concur with. We support the CMA's findings so far and await its reflections on the Ministry of Justice's findings from its review into the impact of tribunal fees.

Criticisms that are in the interim report focus on a lack of transparency about cost and service leading to both customer dissatisfaction and less competition.

Members of unions for whom we act, in contrast to members of the public, can make uniquely informed purchasing decisions, as we provide them with complete transparency in terms of cost and service. With the legal package which comes with their union membership, our services are free, at the point of access, for all our trade union clients. We do not take a success fee from our trade union clients' personal injury damages and nor do they have to pay for 'After the Event' insurance. Tribunal fees in employment cases are dealt with by way of a loan underwritten by the union with no need for the claimant to pay out in advance and no charge where there is full recovery.

The Legal Services Consumer Panel's [Legal Services Consumer Tracker 2016](#), supported by YouGov, shows that reputation is the most important factor consumers consider when deciding their legal services provider. This is ahead of price, speed and convenience. With a customer satisfaction performance of over 97% and an internal complaint procedure modelled on advice from the Legal Ombudsman, we are confident that the services we provide to union members in personal injury and employment, and in private cases to those with personal injuries, will score well on those criteria.

We have no problem with the concept of greater transparency for statistics on customer complaints and would see it as a welcome development. However it would be important to ensure that the figures were given as a percentage of a case load, not in bald terms. The risk otherwise is that larger firms would appear to provide a poorer service, because they will usually have a higher absolute number of complaints, where in fact levels of dissatisfaction are low when complaints are examined in the context of the high number of cases they take on. We would suggest, as well, that any complaint statistics should be split into specialisations to give customers a better idea of which areas of a firm's practice are receiving the most complaints, enabling consumers to better evaluate different firms' services.

The interim report suggests that the CMA will further consider the services provided by unregulated providers who may supply documents, advice and representation. For trade unions, this would include the provision of officials who supply free and immediate legal advice for their members, avoiding the unnecessary use of lawyers. We play a key role in training many of these trade union officials to perform their invaluable services for their members. While there may be many unregulated providers who do not provide a good enough service for the consumer, this is not the case for trade union officials and, assuming they are trained and updated, we would suggest they should not be the target for regulation.

For more information, please contact:

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