

Summaries of certain responses from individuals to the interim report

Legal services market study

Respondent 1

1. The respondent raised as a concern that lawyers can charge high fees because they have monopoly access to ‘precedents’ (old court opinions) and that that court procedures are too complex and inefficient. To address these concerns, the respondent advocated the publication of user-friendly summaries for every case and suggested requiring solicitors to itemise out of pocket expenses and what can be charged.
2. The respondent noted that a probate solicitor was struck off for quoting £1,500 and charging £100,000 (allegedly, this was not the first time that this probate solicitor had engaged in such practices). To counteract misleading practices related to estimates, the respondent suggested the following measures:
 - a. A mandatory requirement for estimates to be forwarded to the Law Society so that they can be registered on a public registry hosted by the Law Society.
 - b. A requirement for solicitors to provide an actual bill for archiving plus a web address for people to check.
 - c. A requirement for solicitors’ estimates to include a statement which states clearly that they are non-binding.

Respondent 2

3. The respondent raised the concern that the SRA was subject to regulatory capture because it had not responded to high-profile cases implicating solicitors in money laundering schemes by introducing additional regulation in that area.
4. The respondent also raised the concern that consumers may face difficulties in suing their solicitor for overcharging or misadvising them because solicitors typically have better access to litigation support (for example, solicitors may receive litigation support from their insurer).
5. The respondent claimed that there is a “huge mismatch in power between solicitors and the general public and without a proper regulator the public is vulnerable to what a relatively well know economist (Stiglitz) explained as the rule of lawyers rather than the rule of law.”

Respondent 3

6. The respondent identified probate costs as an area where reform is needed and stated that, in situations in which a solicitor is the executor, the beneficiaries of an estate cannot negotiate probate fees because they cannot appoint another solicitor or carry out the necessary work themselves. The respondent claimed that this arrangement allowed probate solicitors to “charge anything they like, [which] often results in colossal fees [that] bear no relation to the time spent carrying out the work.”
7. The respondent observed that while beneficiaries could theoretically challenge such fees in court, this would involve finding another firm of solicitors to act for them and paying that firm's fees.
8. Finally, the respondent claimed that in Scotland beneficiaries can change executors if they wish, which meant that in practice executors' fees were often negotiated by the executor and the beneficiary. They suggested that this system should be introduced in England and Wales.