



**Submission to the  
Legal Services  
Regulatory  
Authority  
Consultation on its  
third Statement of  
Strategy**

3 August 2022



Coimisiún um  
Iomaíocht agus  
Cosaint Tomhaltóirí

Competition and  
Consumer Protection  
Commission





profession. It is therefore crucial that the LSRA maintains momentum and drives the implementation of these recommendations.

- **Publication of a final report making recommendations for the establishment of a new profession of conveyancer:** The LSRA is currently undertaking a review into the potential establishment of a new profession of conveyancer. A detailed report should be published with recommendations around the area of conveyancing. This should include a strategy or action plan to implement necessary changes enabling the development of e-conveyancing in Ireland.
- **Development of a comprehensive communication strategy for consumers of legal services:** as highlighted in the CCPC's submission on conveyancing, it is important that consumers have access to information on price, service and quality available in a market in order to make informed purchasing decisions and drive competition. The CCPC believes that a key focus of the LSRA over the next 3 years should be to develop a strategy and to implement the tools to enable consumers to review and compare information about legal services and help consumers understand the quality of service offered by competing providers.
- **Publish a report on multi-disciplinary practices (MDPs):** In 2017, the LSRA made a report to the Minister on the issue of MDPs. It recommended that the subject of MDP's would be further considered after the introduction of Legal Partnerships, Limited Liability Partnerships and the commencement of the other important functions of the Authority under the Act. Since 2017, considerable progress has been made with both business models and other key areas of the Act. The CCPC considers that a review of MDPs in the legal sector would be timely and a report with detailed recommendations should be published within the next three years.
- **Develop and roll-out a research programme featuring key issues in the legal services market:** Such issues could include restrictions on consumers switching solicitors, consumers having unlimited direct access to barristers, issues affecting potential entry to the legal professions and barriers affecting career progress, the ability of non-EEA legal practitioners offering services in Ireland, and the potential for legal professionals to organise themselves in other business structures.

### **3. What do you think are the key opportunities as well as the barriers / obstacles to achieving progress towards promoting competition in the provision of legal services and protecting and promoting the interests of consumers?**

The work of the LSRA has enabled rapid reform in the sector, and has led to many positive changes in the short time since its establishment, including the enabling of limited liability partnerships for solicitors and soon legal partnerships for solicitors and barristers, as well as the removal of restrictions on advertising. It is the CCPC's view however that changes are still needed in order to promote competition in the legal services sectors and to reinforce consumer protection:

- As noted in the CCPC's submission to the LSRA on 'Barriers for Early Career Solicitors and Barristers and Increasing Diversity', there are key barriers to entry and career progress in the professions of solicitor and barrister. The CCPC made recommendations for the LPET committee and the LSRA, including:
  - o Consideration of the facilitation of the creation of new routes to legal qualification, including for non-law graduates.
  - o The gathering of evidence and research around the potential issues which might affect entry to the legal professions in Ireland.
  - o Research on factors that limit access to traineeships and internships.
  - o Ensure that training for solicitors reflects the skills needed and takes into account market demand in the sector.
  
- The LPET Committee should also review arrangements in place for switching between the branches of solicitor and barrister and remove unnecessary barriers.
  
- The Competition Authority recommended in its 2006 market study into Solicitors and Barristers that the current system of reciprocity in recognition of legal training of non-EEA lawyers should be replaced by mirroring the existing provisions for EEA lawyers. The LSRA should review existing arrangements for non-EEA legal practitioners to provide services in Ireland and to determine whether unnecessary restrictions are in place.
  
- There are still restrictions in place which affect consumer choice and protection in the legal services sector. In 2017, the LSRA recommended that the Legal Services Regulation

Act 2015 (the Act) be amended to provide for direct access to barristers in contentious matters subject to regulations made by the LSRA. To this day, the Act has not been amended to make this change. The LSRA should also review and remove unnecessary restriction on consumers switching solicitors. Particularly, the practice of solicitors being able to refuse to transfer a client's file to another solicitor until they have been immediately paid for the work they have done.

- A sustained move towards an e-conveyancing model would provide an opportunity to reform the process, simplifying procedures where possible, allowing for a greater ease of access to conveyancing services and ensuring greater transparency between conveyancers and the consumer.
- Restrictions on barristers appearing in Court for their employer should be officially removed. In 2018 the LSRA published a draft code of practice for Barristers and undertook a consultation seeking feedback on the document. The draft Code states that a barrister may: 'Take up paid employment, and, as part of that employment, may provide legal services to his or her employer, including by appearing on behalf of that employer in a court, tribunal or forum for arbitration'. The CCPC would recommend that this code of practice be implemented.
- Finally, as stated in the previous question, a key barrier to competition and consumer protection in the sector is the lack of consumer awareness and knowledge of the legal service sector. Consumers being able to make informed purchasing decisions is key to driving competition in a market. Consumers should also have clear and transparent information regarding their rights in relation to legal services.

**4. What do you think are the key opportunities as well as the barriers / obstacles to achieving progress towards encouraging an independent, strong and effective legal profession with high standards of professionalism and integrity?**

It is important that the legal profession be enabled to embrace opportunities created by technological innovation. Digital developments have meant that certain aspects of certain legal services could now be conducted online, bringing many benefits for professional and

consumers in terms of speed and convenience of the service. This is the case for e-conveyancing.

As highlighted by the CCPC in its submission to the LSRA on conveyancing, the development of an e-conveyancing system in Ireland would bring many benefits to the conveyancing process in Ireland such as the reduction of conveyancing transaction times, as well as the reduction of opportunities for fraud, errors and delays and the improvement of transparency in the process.

However, innovations and changes to the sector must be implemented in a way that is appropriate, and which minimises potential risks related to the change. For example, the automation of conveyancing has certain implications which will need to be considered, such as the accountability of each of the parties involved when the conveyancing process is carried-out through digital means.

#### **5. Would you like to add anything?**

Overall the CCPC believes that measures and reforms which continue to promote competition and diversity in the market will be beneficial to the profession. Competition helps to drive quality of services and innovation in a sector. Therefore, it is important that a key aspect of the LSRA's work should be to identify and remove unnecessary barriers and restrictions in the legal profession. The LSRA should keep regularly reviewing existing rules and regulations to ensure that they remain relevant and justified. Furthermore, the LSRA should also monitor areas of the market where reform may be beneficial for consumers or the functioning of the market. The LSRA's research programme and data collected through its regulatory activities such as complaints should inform these reviews.

ENDS

