

Research report:

The supply of private practice legal skills in Wales

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The Law Society



**SCHOOL OF LAW
SWANSEA UNIVERSITY**

RESEARCH REPORT

The Supply of Private Practice Legal Skills in Wales

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PREFACE

This Research Report emanates from suggestions made during the Lord Morris of Borth-y-Gest seminars and lecture, delivered by The Right Honourable Lord Justice Thomas in Swansea.

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Iwan Davies and Lynn Mainwaring
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OVERVIEW

1. In the wake of devolution, Wales is increasingly emerging as a distinct legal jurisdiction.
2. The continued development of the process of devolution rests upon the ability of the legal profession in Wales to service the legal sphere of the devolutionary settlement. While in part this can be provided outside of Wales, to overly rely upon this source would undermine the methodology and logic of devolution.
3. A vibrant, Welsh legal service is a vital element in promoting local competitive advantage and also in protecting the integrity of the emerging Welsh legal jurisdiction.
4. The Welsh Assembly Government has, in its economic strategy, outlined an ambitious strategy to raise GDP per capita closer to the UK and EU average. An essential part of that strategy is to engineer a shift in economic activity into those sectors that feed an existing knowledge and create new knowledge. Many aspects of legal provision satisfy these criteria and convergence of standards and legal provision would seem to be an essential part of the broader, economic objective. Our observations show that in relation to England the conversion process in Wales has yet to begin. In almost every specialist area of business law, Wales does poorly compared, for example, with the South West of England.
5. In volume terms, Wales has 60% of the solicitors available in England when adjusted for population. This is substantially lower than the GDP ratio of about 80%.
6. Despite the fact that one-third of all solicitors in Wales are located in Cardiff, nevertheless, London dominates the supply of specialist legal provision in Wales. Whilst the largest firms of solicitors in Cardiff, and to a lesser extent in Swansea, are able to offer clients a fairly wide-range of legal services, they cannot provide the highly specialist expertise to be found in London. Such expertise needs to be nurtured and through adopting an appropriate procurement strategy, the Welsh Assembly Government could have a significant impact in fostering this development in Wales.
7. Average firm size in Wales is lower than any region in England and this compromises the development of economies of scope and scale among firms in Wales.
8. As is set out in detail in Appendix 2, it appears that Welsh legal firms are generally experienced in personal, family and social areas of law but are relatively inexperienced with regard to specialised areas of law, notably business law. Welsh firms are particularly vulnerable to the commodification of legal services which is sometimes referred to as "Tesco Law". Few Welsh firms are engaged in complex, high value, specialist work which will always require the judgement, experience and knowledge of a skilled legal practitioner or team of practitioners working on the basis of traditional consultation.
9. The stark conclusion to emerge from the analysis of legal service supply is the weak or non-existent provision of key areas of business law. Compared to our chosen comparator region, SW England, Wales as a whole is notably weak in a wide set of legal skills which are applicable to most areas of commercial activity. These are Corporate Finance, Finance and Investment, Banking, Insurance, Bankruptcy, Insurance, Taxation, Mergers, Computers and IT, Intellectual Property, Planning, Environment, Professional Negligence, Commercial Mediation, and International Law. Many of these are areas which are critical to growth in the modern, knowledge-based economy.

10. The supply deficiencies in business law are not spread evenly in geographic terms. Two rural areas, the old counties of Gwynedd and Powys, are particularly poorly served with many areas of specialism simply not catered for at all. Only the greater Cardiff area can claim to have a degree of parity with SW England, though even there we find weaknesses in Finance and Investment, Taxation and Trusts. Given their commercial significance in the Welsh economy, Clwyd, Gwent and West Glamorgan all have substantial weaknesses or even complete gaps in the supply of key legal skills.
11. The declared expertise of solicitors' practices in Wales shows that in terms of the conventional areas of practice, they have either met or adjusted to the market need. The means of delivering the advice is done traditionally, doubtless at some stage being reduced in writing, normally after a face to face consultation on an hourly basis. This is a restrictive approach in terms of access to the profession and is problematical in sparsely populated areas such as those areas of rural Wales. This limitation has already been recognised by the Legal Services Commission in Wales through the launching of Community Legal Services Direct.
12. Legal firms in Wales have mainly relied upon orthodox ways of bringing their expertise to the attention of clients, notably through local advertising and their local reputation. Where Welsh firms do submit themselves to a process of selection, typically through tendering, only slightly more than half of the surveyed respondent firms indicated that they had tendered for work, for example, through seeking a franchise with the Legal Services Commission. Under the restructured franchising rules, many rural firms are not sufficiently resourced to obtain a franchise for public funded work. This is partly the rationale for establishing Community Legal Services Direct.
13. Size matters in terms of quality and the low percentage of membership by Welsh firms of the professional standards body Lexel is, in part, due to size. In the South West of England, successful firms tend to be medium and large-sized firms – 5 firms in the South West of England have in excess of 100 partners plus fee earners. The largest Welsh firm has 86 partners plus fee earners.
14. Despite the development of Legal Wales, there is little cohesion in terms of a Welsh legal identity among legal practitioners in Wales. There are few formal linkages between Welsh firms. Furthermore, half of the solicitor firms in our survey regularly use chambers outside of Wales and fewer than two-thirds regularly use Welsh chambers. Significantly, chancery, commercial and specialised work is proportionately more important in “exported” referrals.
15. From our survey, firms in Wales are not seeking training courses in business law areas. It seems that firms are anticipating the need for expansion in taxation and civil liberties, while contracting areas are business affairs, construction, banking, energy and finance and investment. The last four are areas which have very little representation in Wales, not just absolutely but also proportionately, as compared to the South West of England.
16. The current distribution of legal services in the UK indicates that Wales is near the bottom of the UK league table in terms of both the number of people employed and the percentage of the local labour force in legal services. Wales needs more legal expertise and it needs it most in specialist areas of law if the legal profession within Wales is to service the *Winning Wales* economic strategy of the Welsh Assembly Government.
17. In stimulating the development of specialist areas of legal expertise, knowledge networks such as those seen in Technium, are highly beneficial. Here, there is an important role for Welsh law schools to play in interfacing with law firms as businesses.
18. The Clementi proposals and the impact of advances in technology will have a radical impact upon the structure of the profession in Wales. Welsh firms will only be able to compete with

providers of legal services elsewhere if they develop knowledge management systems. The average size of Welsh firms is an obvious constraint to this process.

19. The traditional client service relationship has changed and many Welsh firms have yet to adapt.
20. There are significant opportunities for suppliers of legal services in Wales. The development and furthering of technology can provide a solution for Welsh firms in overcoming the problem of smallness through the development of referral models of legal practice and virtual models of legal practice. These developments require a radical re-consideration of the basis of the conventional lawyer-client relationship and its replacement by a new set of relationships, based upon a legal knowledge network in Wales.
21. The development of a virtual legal network firm in Wales would allow for specialised areas of business and related legal expertise to grow and be acknowledged as such, in particular members or teams within the network firm. Such an approach would facilitate the ability of Welsh firms, in the near future, to access the commercial opportunities arising out of the potential outsourcing of legal work by, for example, public authorities in Wales. This will require formalised client relationship systems which small firms would otherwise have no prospect of providing. Such systems must be based on technology platforms and require considerable investment. Where local authorities in Wales are seeking to outsource their legal services, the procurement strategy and tendering processes employed by such bodies could provide significant opportunities for the development of such virtual legal networks.
22. By enabling direct third party equity style investment in legal services, the Clementi reform proposals offer real opportunities for shifting the paradigm of legal services provision in Wales, making it fit for 21st Century legal practice.
23. Legal knowledge in the same way as technological knowledge produces public benefits. This Report offers two practical suggestions for developing the public effectiveness of legal services provision. One is to build on the existing Technium programme, adding legal services to its subscribers' existing virtual private network, and then broadening its subscription base. The other is to develop a dedicated legal virtual network along similar lines (a 'Lexium') so that practitioners can offer a fuller spectrum of services. This second approach might be more appropriate in rural areas. The investment needed to support such projects would constitute an imaginative and socially productive use of future structural funds.

1. Introduction

Devolution has acted as a catalyst for the development of Wales as a jurisdiction. Whilst the devolution settlement is, strictly speaking, set out in the Government of Wales Act 1998, since the passing of this Act, there have been further significant additional devolutionary forces within the political branches of Government which have also impacted upon the judicial branch. These developments will be formalised and further enhanced by amendments made to the Government of Wales Act 1998 as anticipated in the White Paper, *Better Governance For Wales*.¹

There has been increasing recognition² that whilst there is unity in the legal system of England and Wales, this does not mean that the law of Wales is or has ever been identical to that of England.³ Indeed, following the establishment of the Assembly, the number of Wales-only statutory instruments has dramatically increased each year compared to the number of such instruments made by the Secretary of State for Wales in 1998, the year before the Assembly was formally established.⁴ At the same time, as the White Paper has pointed out,⁵ since its creation, the Assembly has made 23 bids for primary legislation 17 of which resulted in legislation or proposals for legislation often in Bills with a significant number of Welsh only clauses.⁶

Pursuant to the devolutionary settlement, the court structure in Wales has developed. There is now available within Wales the full range of civil and criminal courts. The Court of Appeal and Employment Appeal Tribunal sit at the Cardiff Civil Justice Centre. High Court and Administrative Court cases are listed and heard in Wales. Specialist Chancery, Mercantile and Technology and Construction Judges are available to hear cases in Wales. The Court of Appeal (Civil Division), for example, has sat regularly in Cardiff since 1999 and the Master of the Rolls has committed the court to termly sittings in Wales.⁷

In the wake of the establishment of these courts, two possible models have emerged for the future development of the legal system in Wales. One would be to establish a court structure and legal profession substantially independent of that in England, even though much of the law would remain the same, as in the case, for example, of Northern Ireland. A practical consequence of this approach is that lawyers in Wales would need to demonstrate competency to practise in Wales, such as through holding a separate practising certificate for Wales.⁸ The second model is that of the creation within the unitary legal system of more identifiable Welsh institutions. This can already be seen in the establishment of an Administrative Court in Wales and the possibility of establishing within the near future a Wales Division of the High Court.⁹ A similar development could occur with the Court of

¹ *Better Governance For Wales* (Cmnd 6582) June 2005.

² See generally Jones and Williams, "Wales as a Jurisdiction" [2004] *Public Law* 78.

³ The Secretary of State for Wales exercised a significant legislative function through his role in respect of delegated legislation.

⁴ In an analysis of Welsh Assembly legislation presented by the Counsel-General to the Richard Commission, it was stated that in 2001 approximately 31% of the total Assembly legislation were "either unique to Wales or where they paralleled similar legislation passed in England, involved significant differences in drafting reflecting Welsh circumstances". See Report of the Richard Commission, *Commission on the Powers and Electoral Arrangements of the National Assembly for Wales*, Spring 2004.

⁵ *Op cit* fn 1 at para 1.20.

⁶ Annex 5 of the Richard Commission Report *op cit* fn 4 lists Acts of the UK Parliament affecting Wales that were made between 1 July 1999 – 31 December 2003. Legislation that confers functions on the Assembly during the period amounted to 42 Acts of Parliament. The number and scope of the function conferred by individual Acts varies considerably.

⁷ *The Court of Appeal Civil Division, Review of the Legal Year 2000-2002*, p5.

⁸ See Rawlings, "Living with the Lawyers" *Journal of the Institute of Welsh Affairs* (Summer 1999) 32; Jones and Williams *op cit* fn 2 at p99.

⁹ See Davies I and Evans R, *The Implications For the Court and Tribunal System of an Increase in Powers* (2003), paper commissioned for the Richard Commission *op cit* fn 4.

Appeal.¹⁰ The implementation of these changes would be a matter for executive action, the rationale here being to respect the “Welsh dimension of the England and Wales legal system”.¹¹

The emergence of Wales as a jurisdiction or “Legal Wales” is evidenced by the development of a distinctive corpus of Welsh law which somewhat uniquely in UK terms operates within a bilingual environment.¹² There is equality of status of the two languages within the court system¹³ and the emergence of bilingual legislation¹⁴ within the Assembly has linguistic implications for lawyers and judges. The Assembly has developed a bilingual executive and legislature¹⁵ and a monolingual profession and judiciary could not be consistent with the modern government of Wales.

The continued vibrancy of the process of devolution rests upon the ability of the legal profession in Wales to service the legal sphere of the devolutionary settlement. While it is the case that such a legal service can at least, in part, be provided outside of Wales, to overly rely upon this source would undermine the methodology and logic of devolution. The true implications of devolution for the legal system in Wales relate to correcting the historic weaknesses of the legal system in Wales.¹⁶ Indeed, the White Paper promises to continue the momentum of devolution through enhancing the Assembly’s legislative powers and facilitating the expedition of primary legislation for Wales, notably through Orders in Council.¹⁷ The implications of these developments will be to increase the divergence between the law of Wales and that of England which will, in turn, require in the near future the emergence of a judiciary and a legal profession expert in the law of Wales. The ultimate irony in the process of devolution would be if Wales was to look for and rely upon this expertise primarily from elsewhere.

At the same time, it is important to consider the role of legal services in fostering economic development. In the Welsh context, the economic development strategy is set out in the Welsh Assembly Government’s Report, *A Winning Wales*¹⁸ which sets out a blueprint to transform the economy of Wales (traditionally reliant upon heavy industry, especially extraction-based industries) into a “knowledge economy”. The pivotal role of technologically focused small and medium sized enterprises (SMEs) in achieving this goal is championed in this Report¹⁹ and the incidence of IP activity is specifically referred to as a barometer in

¹⁰ The issue of a Welsh presence in the Supreme Court for the UK has provoked some controversy. See Jones, “The New Supreme Court – A Welsh Perspective” (2003) 3 *Wales Law Journal* 369.

¹¹ See Department for Constitutional Affairs, *Constitutional Reform: A Supreme Court for the UK* CP11/03 (July 2003).

¹² Welsh Language Act 1993; Government of Wales Act 1998. For a general discussion on the use of Welsh within the legal environment in Wales see Davies, “The Welsh Language and the Legal Process in Wales” (2001) 1 *Wales Law Journal* 9.

¹³ See, for example, *Practice Direction Relating to the use of the Welsh Language in Cases in the Civil Courts in Wales* (1999) available at www.courtservice.gov.uk/cms/Wales/3261.htm.

¹⁴ The Assembly operates upon the basis of equality of the Welsh language and English language in its own administration and this duty is enshrined in s47(1) of the Government of Wales Act 1998. The Assembly is normally required by virtue of s66(4) of the Government of Wales Act 1998 to draw up statutory instruments in both Welsh and English.

¹⁵ In evidence provided by the Counsel-General to the Richard Commission *op cit* fn 4, the Assembly was described as “having evolved out of its corporate shell”. The White Paper *op cit* fn 1 proposes to regularise the position and formally change the provision in the Government of Wales Act 1998 to allow for the creation of a separate executive for Wales, fully accountable to the National Assembly but legally distinct from it.

¹⁶ See generally Thomas J, “Legal Wales: Its Modern Origins and its role after Devolution: National Identity, the Welsh Language and Parochialism” in Watkin (ed), *Legal Wales: Its Past Its Future* (2001) pp113-165.

¹⁷ *Op cit* fn 1 at paras 3.14-29.

¹⁸ See <http://www.wales.gov.uk/themes/budgetandstrategic/content/neds/index>.

¹⁹ The Welsh economy has a heavy reliance on SMEs. These are defined as including firms with less than 250 employees or having a turnover of less than 40 million euros and having no

measuring the development and progress of the knowledge-driven economy. The significance of legal services cannot be under-estimated in this process because increased innovation may fail fully to deliver for the local economy if IP rights are not properly registered or protected, whilst encouragement to new business formation will be compromised if appropriate commercial and financial legal advice is not readily available.

The percentage of GDP in Wales accounted for the provision of legal services is already quite high²⁰ but it is a large percentage of a comparatively small cake.²¹ As such, the significance of law and the legal process cannot be ignored in any discussion on the future economic development of Wales, not least because the provision of legal services track economic trends. Moreover, as the Welsh economy develops and moves into the knowledge based industries of the future, it is self-evident that more specialist legal support becomes necessary to cover such areas as IP rights and issues surrounding the knowledge and e-business environment. This has implications for the Welsh Assembly Government because as Price has pointed out: "Wales needs more of a service sector and, in particular, the well paid service sector jobs such as those found in Financial and Business services, for example, in the legal and accountancy fields."²²

Whilst there are approximately 2500 solicitors in Wales in private practice,²³ little is known about whether the portfolio of legal skills available in Wales²⁴ matches the current demand or whether it provides an adequate basis for the kind of economic growth that is underpinned by the existence of high quality professional services. This Research Report seeks to provide an analysis of legal skills in Wales, the objectives being: to compare the characteristics of legal service supply in Wales and a selected English region (South West England); to determine the distribution of legal skills on a Wales regional basis (the regions being Unitary Authorities (UAs) or groupings of UAs); to compare the availability of each skill with a set of presumed demand determinants (or 'drivers') derived from official statistics; to present the results of a unique survey of 61 solicitors' firms in Wales (amounting to 12 per cent of the full firm population); and to draw appropriate inferences, in the light of the Clementi Review of Legal Services in England and Wales²⁵ and also the likely impact of development of technology upon the future of legal practice, especially in Wales.

To put the findings into context, it will be helpful to begin with some comparisons of an aggregate nature between Wales and the English regions generally.

2. Private Practice Solicitors in England and Wales

In its *Corporate Plan, 2004-2006*,²⁶ the Law Society records the number of private practice firms and solicitors in Wales and the standard regions of England. In Table 2.1 we present

more than 25% ownership by non-SMEs. Within Wales in 2002/2003, SMEs accounted for 71,740 out of the total of 71,870 registered enterprises for value added tax purposes.

²⁰ Wales input output tables indicate that legal services in Wales generate around £250 million of GDP, approximately 1% of the Wales total. See Williams, "The Courts, The Legal Profession And The Economy: The Challenges and Opportunities of Legal Wales – Seminar Report and Recommendations" (2001) 1 *Wales Law Journal* 240.

²¹ For a discussion see Price, "The Welsh Economy And Professional Services" (2001) 1 *Wales Law Journal* 236.

²² *Ibid* at p237.

²³ *Trends in the Solicitors' Profession: Annual Statistical Report, 2003* (2004).

²⁴ Each solicitor does supply a record of up to six specialisms to the Law Society each year when renewing their practising certificate.

²⁵ *Review of the Regulatory Framework for Legal Services in England and Wales*, December 2004, www.legal-services-review.org.uk.

²⁶ The data in the *Corporate Plan* imply a little under 2,500 private practice solicitors in Wales. Data made available by the Law Society in April 2005 indicate 2,671 solicitors. Our own count (at April 2004) comes to 2,501. This gives a figure of 0.86 solicitors per 1,000, on the basis of the 2001 Census. The figure of 0.83 is retained in Table 2.1 for consistency in comparing regions.

two simple indicators derived from this information: the number of solicitors per thousand population, and the number of solicitors per firm. The regions are ranked according to the first indicator. It can be seen that Wales ranks eighth out of ten in terms of the general availability of solicitors. Its coefficient (0.83 per one thousand people) compares with an average English coefficient of 1.40.²⁷ Put another way, Wales has about 60 per cent of the solicitors available in England when adjusted for population. This is substantially lower even than the GDP ratio of about 80 per cent.

Table 2.1: Solicitors in Wales and English Regions

Region	Solicitors per '000 population	Solicitors per firm
Greater London	3.85	11.33
North West	1.21	7.43
South West	1.14	7.60
Yorks. & Humberside	1.04	8.60
South East (excl. London)	0.98	5.75
West Midlands	0.92	6.88
Eastern	0.90	5.36
Wales	0.83	5.16
North East	0.77	6.44
East Midlands	0.70	6.88
England	1.40	8.04

This picture is not simply the result of historical factors. The Law Society's *Annual Statistical Report, 2003*²⁸ shows that in 2002-03 (the latest available figures) 3 per cent of trainee placements in England and Wales took place in Wales, which compares with Wales' 5.6 per cent share of population. This means that trainee placements in Wales run at about 54 per cent of those for England which hardly signals an up-turn in the fortunes of the profession in Wales. The figure may not be surprising given that starting salaries for trainees are lower in Wales than in any region in England. Moreover, proportionately more trainees (61.2 per cent) have starting salaries below the Council recommended minimum than any other region. (For England and Wales together the proportion is 20.1 per cent.) Further back in the pipeline, Welsh law schools (Cardiff and Glamorgan) accounted for only 3.4 per cent of LPC places in England and Wales in 2003-04. Even if we were to add in 100 new places at Swansea (and assume no change in England), this percentage would rise only as far as 4.7.

The overall picture is, of course, distorted by the gravitational attraction of professional services to the Greater London area. This raises a fundamental issue in any attempt to evaluate the matching of supplies and demands on a spatial basis. Modern transport and telecommunications infrastructures have made increasingly feasible inter-regional (and, indeed, international) trade in services. If particular legal skills are available conveniently and cost-competitively in London, does their relative scarcity in Wales matter? After all, countries and regions specialise in goods manufacture, so why should they not also specialise in service provision?

It is undoubtedly the case that specialist suppliers tend to congregate in particular geographical areas. Historical examples in manufacturing (for example, cutlery in the Sheffield, small arms in Birmingham) have long been recognised and analysed.²⁹ Such agglomerations remain widespread (Silicon Valley being the modern archetype) and are nowadays commonly referred to as 'clusters'.³⁰ Such clusters are also common among service providers: witness the mutual attraction of estate agents in most towns. Indeed, the very existence of urban centres is a consequence of the economies of market agglomeration.

²⁷ *How the Law Society Will Work to Promote Solicitors as Independent and Effectively Self-regulated Providers of Legal Services: Corporate Plan, 2004-2006* (2003).

²⁸ *Op cit fn 23.*

²⁹ The seminal treatment is Marshall A, *Industry and Trade* (1919).

³⁰ For example, Porter M, *The Competitive Advantage of Nations* (1990).

In the case of London, the concentration of legal service suppliers is partially the result of 'derived' demands. London is not only a government capital but also a financial and commercial capital, and these public and private service clusters are major consumers of legal skills.³¹ The London effect is most noticeable on its neighbouring regions. It is, otherwise, surprising how low the South East, East and East Midlands score on the solicitors-per-head ranking. But the gravitational ripples will extend throughout England and Wales (and beyond). This means that even comparisons between Wales and England will be subject to the London effect and (to a lesser extent, those due to Liverpool, Chester, Birmingham and Bristol).

The case for competitive inter-regional trade in services has to be qualified in the case of information services because knowledge is a vital element in local competitive advantage³² and, further, in the case of legal information because of the need to protect the integrity of the local jurisdiction. Even so, it cannot be dismissed altogether. With that in mind, a more useful benchmark for Wales might be an English region that has similar spatial characteristics. An obvious example is South West England which has the same degree of peripherality, relative to London, and a similar internal spatial structure, dominated as it is by one large, favourably located city and a number of smaller urban centres. Relative to South West England, Wales has about 73 per cent of the number of solicitors per head. This still-significant shortfall is, no doubt, attributable in part to differences in the economic structures and wealth levels of the two regions. However, to the extent that legal skills availability is a constraint on growth possibilities, convergence to the standards of a good-practice region of similar spatial characteristics would be a reasonable aspiration. This comparison is undertaken in greater detail in section 4 below.

The second column of Table 2.1 shows the average number of solicitors per firm. Just as there are efficiency gains from concentrating firms within a small area, so there are gains from concentrating individuals within the same firm. Given the nature of specialisation, an individual is unable to provide the full spectrum of legal services, yet these are often highly complementary in nature. The problem is that the complementary bundles vary from client to client. The larger the firm, the greater the 'economies of scope' and the more effective the service provided.³³ This principle is of general validity but its significance increases as professional knowledge becomes more fragmented and specialised. Greater specialisation has become unavoidable as a result of new technologies, the ethical issues arising therefrom, the evolution of increasingly sophisticated market-based institutions (due, for example, to the greater recognition of intellectual property rights), and the development of the legal institutions themselves (thanks in part to the European Union and UK devolution).

Again we see that Greater London has, by far and away, the highest average firm size with 11.33 solicitors per firm. The English average is 8.04; that for Wales, at 5.16, is lower than for any of the English regions. If there are significant economies of scope, then Welsh firms are operating at sub-optimal sizes, that is, they are imposing significant costs on clients and potential clients. These clients may turn outside Wales for their needs; but while this is possible, it too will usually be at some cost. More importantly, from a dynamic perspective, the scarcity of large, one-stop practices may well hinder the attraction to and retention within Wales of enterprises needing a portfolio of specialised business-related legal skills. Given its potential importance, the issue of firm size deserves fuller consideration and we exploit the returns from our survey for that purpose in section 6.

³¹ We would expect a similar capital-city bias to operate within Wales - and this is borne out by our findings.

³² See Porter *op cit* fn 30.

³³ Economies of scope arise when it is more efficient to provide two (or more) services together than to provide them separately. Greater scope generally implies larger size firms, but the concept is distinct from economies of scale which arise when the unit cost of providing a (single) service falls as the scale of provision increases.

3. The Supply of and Demand for Legal Skills

Assessing the adequacy of the supply of a skill is far from straightforward. Solicitors (at least the ones that concern us) exist in private practice and, given the large numbers of firms, one would expect the market for legal advice to be reasonably competitive. If that were so, then the market could be relied on to equate supply and demand. But it is by no means certain that the market does operate so smoothly, especially in rural and more deprived areas where practitioners may be discouraged from settling for a variety of reasons (as appears to be the case of NHS dentists, for example). In that event, measures to encourage the number of solicitors may have to work alongside measures to increase the attractiveness of particular locations as places to work and live. But if this consideration is applicable to those areas of law that satisfy personal, family and social needs (that is, the traditional fare of the high-street practice) there is another that applies (with some force) to those areas that underpin commercial enterprise generally and knowledge-intensive enterprise particularly. In this latter case, it is not a matter of finding a static supply-demand equilibrium. The two sides of the market interact in a dynamic fashion. Given the amount of intellectual property currently generated in Wales³⁴, there may be a sufficient number of IP specialists. But that number may also place a constraint on the growth of IP generation. More generally, an expansion of business-related legal specialisms may be a prerequisite to economic expansion. There is a strong sense in academic analyses and in policy documents that Wales suffers from a lack of professional services,³⁵ and that must surely be true of the lack of particular types of legal skill.

An implication of this argument is that it may be helpful to give separate consideration to different groups of solicitors. Ideally, we would want to analyse the specific determinants of the demand for each individual specialism. A more practical approach would be to gather the specialisms into two broad (and partially overlapping) groups: one concerned with personal, family and social needs – the traditional high-street practice; and one servicing the needs of business. The former group, like personal services generally, impact on the quality of life and the quality of life is itself a factor in helping generate economic development. The latter group, however, are inputs into the entrepreneurial process and thereby stimulate economic growth directly. The distinction is inevitably, to a degree, subjective and some skills, such as tax law and employment law, are clearly relevant to both broad sets of client.

The Law Society asks each solicitor to identify up to six areas of legal specialism that he or she is willing to offer the public. The areas are drawn from a list of 56.³⁶ In this study, the areas 'Family' and 'Mediation – Family' have been aggregated, as have 'Immigration and Nationality', 'Immigration - Asylum' and 'Immigration - Other' (whose practitioner numbers in Wales are very small) and Maritime, Aviation, and Road and Rail - here called 'Transport' (also having little representation in Wales). Of the resulting 51 areas, 35 are deemed to be relevant to the 'personal, family and social' group of clients and 29 to the 'business' group (implying that 13 are relevant to both).

The identification of specialist skills gives a crude indicator of supply in each geographical area. It is crude because one person offering six specialisms clearly does not represent the same level of supply as six persons each offering one of the specialisms. Yet we have no idea how individuals allocate their time between specialisms or how much flexibility they have to switch from one to another. It has also been suggested to us that respondents to the Law Society's questionnaire may be lax in up-dating their specialist areas as their careers progress.³⁷

³⁴ See Mainwaring and Moore, *Intellectual Property In The Welsh Production Sector: A Comparative Analysis*, IP Wales Report (2004).

³⁵ The Welsh Assembly Government's National Economic Development Strategy, *A Winning Wales* (WAG, 2002) has a target of increasing employment in financial and business services of 20,000 by 2010.

³⁶ Full descriptions are given in the Appendix 3.

³⁷ Wales Committee Law Society Panel.

The degree of validity of the specialism counts depends on whether they are used for comparative purposes or whether they are intended as measures of absolute availability in a particular region. So far as Wales and South West England comparisons are concerned, biases in the counts should not matter too much unless there are any reasons to believe that the nature of the biases vary from region to region. If not, the effects will be statistically neutralised by the large numbers involved.³⁸ This argument is less reassuring when comparative numbers are small³⁹ and this is a factor that must be borne in mind when assessing Welsh Unitary Authorities (UAs).

As far as absolute availability is concerned, there is the possibility of triangulating estimates by use of Legal Services Commission contracts in particular areas of specialism and our own survey results. The survey asked firms whether they were partly or very experienced in each of the Law Society's defined specialisms and also asked whether they held LSC contracts for particular panels. Consider, for example, the case of Medical/Clinical Negligence. Two of the 61 survey respondents have representation on the Clinical Negligence Panel. Heroic extrapolation from this small number suggests roughly 17 Panel members out of all 514 firms in Wales. There, are in fact 14 members, which is reassuringly similar. Ten of the surveyed firms claim to be very experienced in this area and 12 partly experienced. Assuming no more than one specialist per firm, then, depending on whether we treat partial experience as implying no specialists, one specialist, or something in between, we would predict somewhere between 84 and 185 specialists in total, which compares with 175 on our count. The predicted range would be higher if we allowed more than one specialist per firm.

These issues are explored in more depth in the Appendix 1. This contains a scatter diagram relating Law Society counts and extrapolations from the survey based on 'very experienced' claims. There are two areas of specialism that give particular cause for concern: Advocacy and Common Law. Survey responses imply a vastly greater level of experience in these areas than is indicated by the Law Society data. These may be matters of interest in their own right⁴⁰ but, as we have no survey data for SW England, we continue to base our comparisons on Law Society counts on the grounds that statistical biases should be neutral across regions.

Despite the difficulties of estimating supply, assessing the demand for legal skills is altogether more problematic. The best approach would be a large-scale survey of consumer needs. But even this would produce results of doubtful validity. A large part of the consumer benefits from the local availability of legal skills is in the form of 'option values'. That is to say that few people are in need of legal advice at any one time but most want the option of consulting a solicitor at some time. Some future demands (for example, conveyancing, wills and probate) may be predictable, but many are not. It is probable that few survey respondents would be able to predict accurately their future demands for legal advice. Given the huge resource costs of a sufficiently large survey and the limitations of the resulting data, we have opted instead to use readily available statistics as indicators of demand. Since actual demands are functions of individual budgets (and access to legal aid), it would be better to think of these indicators as 'demand drivers': they show where legal skills are needed rather than where they can be profitably deployed.

Given the volume of available statistics, practical considerations dictate a considerable degree of discrimination. In any case, many indicators will be highly correlated (such as personal incomes, household incomes, GDP per capita, average earnings) and little extra information is generated by the inclusion of more than one of a group of co-related drivers. The selection of a manageable set of drivers is necessarily subjective but the replication of the methodology for any other selection is straightforward, bearing in mind that most candidate indicators are easily obtained from internet sources.

³⁸ A biased coin flipped a thousand times in Wales and a thousand times in South West England should deliver approximately the same proportion of 'heads' in each region.

³⁹ Consider two series of five coin flips.

⁴⁰ It may simply be that these are broad areas of Law in which firms consider they have some experience without thinking themselves as specialists.

There follows a list of the demand drivers chosen for each group of clients, together with a brief justification for their inclusion. The choice of drivers has, in part, been dictated by the ease of collecting statistics and, in particular, by the categories reported in the *Census of Population, 2001*. The demand drivers are reported as column headings in the sub-regional supply-demand tables. The columns also include percentage values and sub-regional rankings (either of 22 UAs or 7 'counties'), as explained below.

Personal/Family/Social Legal Skills

1. Population	Rank /22	This is a fundamental driver for all skill categories. Other things equal, we would expect the optimal supply of a legal skill to be roughly proportionate to population.
2. Population under 15 years old	Per cent of [1]; percentage rank/22	This is assumed to impact on such areas of law as Family, Children's, Welfare Benefits and Neighbour Disputes.
3. Population over 75 years old	Per cent of [1]; percentage rank/22	There are likely impacts here on Family, Wills and Probate and Debt.
4. Population born outside the UK	Per cent of [1]; percentage rank/22	The main implications here will be for Immigration and Asylum Law but also, possibly, for Civil Liberties and Welfare Benefits.
5. Persons separated or divorced	Per cent of population 16 years and over; percentage rank/22)	The effects here again will be on the need for Family, Children's and Debt advice.
6. Lone parent households with Dependent children	Per cent of all households; percentage rank/22	This is likely to drive needs for Children's, Benefits and Debt Law.
7. Persons with limiting long-term illness	Per cent of [1]; percentage rank/22	This will impact on Welfare Benefits and Debt and Money advice.
8. Persons aged 16-75 in employment	Per cent of population aged 16-75; percentage rank/22	This is provided as a general indicator of social health. It may, specifically, impact positively on areas such as Finance and Investment advice and Employment Law.
9. Persons aged 16-75 not in Employment (i.e. unemployed; looking after home/family; sick or disabled; or otherwise inactive)	Per cent of population aged 16-75; percentage rank/22	This, obviously, is the obverse of the above. It will drive needs relating to Debt and Benefits.
10. Owner-occupied households	Per cent of all households; percentage rank/22	This we might expect to influence the need for Conveyancing and Insurance specialists.
11. Non-owner-occupied households	Per cent of all households; percentage rank/22	The main impact here will be on the need for Landlord and Tenant advice, though there may also be effects on Debt and Neighbour Disputes.
12. Earnings	Rank/22	Average gross weekly earnings of full-time employees, weighted by employment. Again, an indicator of social health, as for 8 above.
13. Crime (violence against the person; sexual offences; robbery; burglary from dwellings; theft of and from motor vehicles); total crimes notified	Rank/22	Notifiable crimes, other than Fraud, ought to be related to the need for Criminal Lawyers and, defensively, for Insurance specialists.
14. Fraud: total crimes notified	Rank/22	Likewise, fraud incidence will imply a need for specialists in criminal and civil aspects of Fraud and, also, Insurance.

Statistics for drivers 1-11 are obtained from the *Census of Population, 2001*; those for 12 from *Nomis*, using the *New Earnings Survey, 2003* and *Local Labour Force Survey, 2001*; those for 13 are for 2000-01, from *Neighbourhood Statistics, 2004*; and for 14 are for 2001-02, from *Regions in Figures, 2003*.⁴¹ In addition, for Wales, we have included drivers for employees in Socio-economic categories 1-3 (managerial, professional and technical), 4-6 (administrative, skilled trades and personal services) and 7-9 (sales, production and elementary occupations),

⁴¹ Website addresses for these sources are as follows:

Population statistics: www.statistics.gov.uk/census2001/;
 Crime statistics: <http://neighbourhood.statistics.gov.uk/>;
 Labour-market statistics: www.monisweb.co.uk/reports/;
 UK regional summaries: www.statistics.gov.uk/STATBASE/.

where 1-3 clearly represent the highest skilled and paid occupations, and 7-9 the lowest. These have been obtained by aggregation of Wales Unitary Authority statistics from *Neighbourhood Statistics, 2004*, and thereby provide a benchmark for UAs.⁴²

Business-related Legal Skills

1. Working Population	Rank /7	These are indicators of the human magnitude of the economy and, more particularly, of degree of enterprise. We would expect most of the generic business skills (i.e. those that are not sector-specific) to be positively related to these drivers. (For Wales, we have also included Socio-economic categories 1-3.)
2. Self-employed	Per cent of [1]; Percentage rank/7	
3. Stock of VAT and registered businesses	Rank/7	
4. Manufacturing 5. Construction 6. Distribution, hotels and restaurants 7. Transport and communications 8. Finance, IT and other business services 9. Public Administration, education and health 10. Other services	Per cent of each sector relative to all employment in these seven sectors percentage ranks/7	The remaining drivers are the numbers employed in the main economic sectors:
And, for Wales and SW England only:		
11. Agriculture		
12. Utilities and Mining		
[4] – [12] are assumed to drive demands for sector-related specialisms. Measures 1-3 are obtained from <i>Nomis, 2003</i> , and 4-12 from <i>Regions in Figures, 2003</i> .		

The supply-demand balances for each region are presented in the form of tables, one for each broad legal grouping ('personal/family/social' and 'business'). The rows list the specialist areas together with the number of solicitors claiming expertise in those areas. The columns show the demand drivers as described above. Each cell in the table is the demand value divided by the number of specialists. Thus, for Wales as a whole, there are 587,155 persons under the age of 15 and 176 solicitors claiming expertise in Children's Law. The corresponding cell is $(587,155 / 176) = 3,336$, that is, there is one specialist for every 3,336 under-15 year olds. In principle, a coefficient could be inserted into every cell in the tables, but most of them would not be relevant and we have included only those that have some prima facie direct relationship.⁴³

4. Legal Skills in Wales and South West England

The Welsh Assembly Government has outlined an ambitious strategy to raise GDP per capita closer to the UK and EU average.⁴⁴ An essential part of that strategy is to engineer a shift in economic activity into those sectors that feed on existing knowledge and create new knowledge. Many aspects of legal provision, especially those supporting commercial enterprise, satisfy these criteria, and convergence of standards in legal provision would seem to be an essential part of the broader economic objective. Our observations in Section 2 suggest that, in relation to England, the convergence process has yet to begin. It would nevertheless be useful to have a more detailed current benchmark by which to measure (any) future progress. Given the overwhelming influence of London on the law profession we have chosen an appropriate English region rather than use the English average.

⁴² Each group is noted as a percentage of all jobs and for the UAs the percentages are ranked out of 22.

⁴³ The choice is clearly open to dispute but it is a straightforward matter to calculate any coefficient of interest.

⁴⁴ *A Winning Wales, op cit fn 18.*

The geographical centres of gravity of Wales and South West England are, more or less, equidistant from London. The regional 'capitals' are strategically located adjacent to the M4 with Cardiff at only a slight proximity disadvantage compared to Bristol. In both cases, much of the regional hinterland consists of rural areas with low population densities and served by small market towns. In Wales, the urban areas outside of Cardiff are the legacy of heavy industries, to the passing of which their communities are still adjusting. In South West England, the larger urban centres have inherited the relative wealth of their mercantile past. It would be surprising if many socio-economic indicators would show Wales in a favourable light compared to South West England. The reason we have chosen it as a comparator is that it provides an appropriate aspirational benchmark.

The results of the exercise are summarised in the series of Tables WALES and SW ENGLAND which follow.

Consider first the **personal/family/social law** grouping. In the WALES Table, the coefficients are printed in bold where number per specialist exceeds that for SW England by more than 50 per cent (that is, by a factor $> 3/2$) and in italic if it is less than 66.7 per cent (that is, $< 2/3$). These thresholds are arbitrary but they allow us to pick out areas in which Wales does notably well or notably poorly. In what follows we focus on the population coefficients.

It can be seen that Wales does notably well in the following areas: Family; Welfare Benefits; Consumer Problems; Debt and Money; Personal Injury; Crime (General); Litigation; and Immigration and Asylum.

It does notably poorly in: Common Law; Finance and Investment; Taxation; Insurance; Professional Negligence; Libel and Defamation; Mediation (Civil); Charity; Education; Travel and Tourism; Trusts; Administration and Public; and Planning.

In many of the 'traditional' practice areas, such as Children's, Wills and Probate, and Conveyancing, Wales also does better (but within the $2/3$ threshold). It may be a welcome surprise that there are areas of legal expertise in which Wales is well-supplied. But this is partly a reflection of the social structure of the nation and, particularly, its relative deprivation. It shows that in areas of established and traditional need, the market for legal skills has adjusted reasonably well. The areas of deficiency, on the other hand, are those that address the demands of more professional groups of clients. It cannot be argued that this reflects a shortage of potential demand since the coefficients relate supplies to the demand drivers (for example, there are 9,000 owner-occupied households per planning specialist in SW England compared to 23,000 in Wales). Really, it is a failure of the legal-skills market to respond to potential needs.

If we turn to the **business law** grouping we find an altogether starker and more worrying picture. Coefficients in the first column show the numbers of the working population per specialist. For Wales, those in bold are values which exceed those for SW England by $3/2$, while values in italic fall below the $2/3$ threshold. Most of the entries in this column are in bold. There are none in italics. For the sector specialist areas of law (Transport, etc.), notable differences appear in the appropriate columns. These nearly all show Wales at a notable disadvantage. Only one coefficient that we have highlighted shows Wales to be well supplied: in relation to the size of the 'Distribution, hotels and restaurants' sector, Wales has a considerably higher number of liquor and licensing experts.⁴⁵ In almost every specialist area of business law, Wales does poorly. Only in Business Affairs, Employment, Commercial Property, Fraud and EU Law is there some degree of parity.

5. Legal Skills within Wales

In this core part of the report, we attempt to assess the balance of legal services supplies and demands at a regional level within Wales. Given the availability of official statistics, the regions are most conveniently based on Unitary Authorities. UAs are, however, defined for the convenience of government and are not necessarily appropriate for the analysis of markets. The spatial principles driving service supply at the England-and-Wales level clearly operate within Wales also. Services are located according to a spatial hierarchy, with higher-order (that is, more specialist and more sophisticated) services generally the most concentrated (usually in the very largest urban centres). The various tiers of government exemplify this hierarchical provision, but the same principles apply to the provision of private professional services. In the case of law, for example, we would expect to see a solicitor with the ability to undertake residential conveyancing in most small towns and clients would not expect to travel far to access such a service. Intellectual property lawyers, on the other hand, would be fewer and further between and clients would anticipate a journey to a major urban centre to meet one.

It is clearly impractical to choose a particular spatial domain appropriate to each type of legal skill; compromise is necessary. Our assumption is that clients in the personal/family/social

⁴⁵ This may imply something about Welsh culture that is not entirely flattering.

group are less prepared to travel long distances to access services, or are significantly inconvenienced by having to do so. For this group, analysis based on UAs is, in most cases, appropriate since most UAs approximate well to common-sense notions of travel-to-work and travel-to-shop areas. There are obvious exceptions: Powys, for example, is simply too large to qualify on this basis. Unfortunately, inadequate sub-UA statistics are available to allow us to derive a complete set of fully comparable areas. In assessing the availability of services in the larger UAs, the costs and inconvenience of longer journey times should be borne in mind.

For the second - business - group of clients, the geographically small, densely concentrated UAs do not seem to be sensible units of analysis. It would not be exceptional for a business person to travel from Neath to Swansea, from Aberdare to Cardiff, or from Amlwch to Caernarfon to access business-related legal skills. For this group we have chosen to use aggregations of UAs that approximate to the former counties of Clwyd, Gwynedd, Powys, Dyfed, West Glamorgan, Mid-plus-South Glamorgan (here called 'East Glamorgan') and Gwent. Note that in these aggregations, the size of population is not a relevant factor; all that matters is the ease of access from points within the area to the main centres. For parts of some counties, the nearest main centre may be in another county; it may even be in England - think, especially of Chester. These problems are unavoidable if we are to use pre-defined spatial units. Ignoring English centres is justified by concern for the national integrity of the profession within the context of Wales as an emerging jurisdiction.

The demand drivers employed in this analysis are essentially the same as those used in the previous section. The main differences are as follows:

Among the social drivers: the inclusion of Socio-economic classes 1-3, 4-6 and 7-9; a more limited set of notifiable Crimes; and the exclusion of Fraud.

Among the business drivers; the inclusion of Socio-economic classes 1-3; and the omission of Utilities and Mining and Agriculture employee numbers.

These differences are due entirely to the availability of data at the level of UAs. In particular, utilities and agriculture employee numbers are now so small that they are no longer reported at local authority level.

For the purpose of intra-Wales UA comparisons, the aggregate Wales coefficients are used as a benchmark for both groups of specialism. For the business group we also provide comparisons with South West England. For each UA, we have highlighted those coefficients that deviate from the Wales (South West England) average by more than a factor of 3/2 (in bold) and less than a factor of 2/3 (in italic). However, care must be taken when interpreting coefficients where specialist numbers are low: the difference between one and two specialists implies a 50 per cent difference in a coefficient. We have already stressed that specialism counts have lower reliability the lower the numbers involved. Compared to the Wales-England regional counts, within sub-regions small numbers will be more common across a wider range of skills. Moreover the major concern in many sub-regions will be the complete absence of a specialist: the dearth of entries will be more telling than the appearance of entries in bold font.

Before turning to the individual sub-regions, it is worth pointing out the most obvious finding. There is an extreme difference between the skill endowments of the Cardiff area (that is, 'Cardiff' in the personal/family/social grouping, and 'East Glamorgan' in the business grouping) and the rest of Wales. Cardiff has an almost complete set of personal/family/social skills and virtually all of the coefficients are printed in italic. Despite dilution by the much larger population of the sub-region, the vast majority of East Glamorgan's business coefficients are also in italic. Since the Wales average includes the Cardiff area, this means that the difference with 'the rest of Wales' is greater than implied by the appearance of fonts in these tables. Cardiff's profile is as good as, and in many respects better than, that of SW England (though not necessarily better than Bristol).

Because of their extensive nature, the sub-regional tables have been placed in Appendix 2. Clearly, there is little point in reiterating every item in the Tables for each sub-region and we confine ourselves to some brief summary observations with particular reference to notable

under- and over-supply relative to population and working population. Clearly, the absence of a specialist implies absolute under-supply. Elsewhere, the terms under-supply and over-supply are not intended in any absolute sense; they merely indicate positive values outside the {3/2, 2/3} thresholds. Relative to the benchmark, therefore, the total under-supply is the sum of zero entries and positive entries in excess of the 3/2 threshold.

As we discussed, there are 35 specialisms in the personal/family/social group (abbreviated below as PFS) and for these Wales is used as the benchmark. There are 29 business specialisms, of which 21 are generic, and these are reported at 'county' level and benchmarked against both Wales and SW England.

Also noted below are the numbers of solicitors in each UA and the solicitor:population ratios. These are emboldened if they are less than 2/3 of the Welsh average.⁴⁶

CLWYD

Denbighshire

76 solicitors; 0.82 per 1,000. 24 PFS needs covered, 3 of these with under-supply, 4 (including Trusts) with over-supply. This is a relatively good performance, despite proximity to Chester. It may reflect the influence of the legal standing of Mold.

Flintshire

61 solicitors; **0.41** per 1,000. 22 PFS needs covered, 9 with under-supply and 3 with oversupply (one resulting from a single specialist in Finance and Investment, a scarce skill in Wales).

Wrexham

87 solicitors; 0.67 per 1,000. 30 PFS needs covered with 4 under-supplied and 6 over-supplied.

Clwyd: Business

26 of the 29 business specialisms are catered for. Clients in Clwyd have no local access to specialist advice on Banking, Commercial Mediation or Travel and Tourism. There are single specialists only in Finance and Investment, Transport, Energy and International Law. Where there are specialists, 6 of the (21) generic skills are undersupplied, and 2 (EU and International) oversupplied, compared to Wales. Compared to SW England, 15 are undersupplied, one oversupplied. In relation to working population, that region has five times as many (or more) specialists in Finance and Investment, Bankruptcy, Insurance and Professional Negligence.

DYFED

Carmarthenshire

130 solicitors; 0.75 per 1,000. 24 PFS needs are covered, 3 with under-supply.

Ceredigion

62 solicitors; 0.83 per 1,000. 24 PFS needs are covered, 2 with under-supply and 10 with over-supply. The performance here seems surprisingly good (in relative terms). It may be that Ceredigion's relative isolation is working to its benefit. Compared to Carmarthenshire, travel to Swansea or Cardiff is a costly option and the sub-region may be more immune to the 'ripple effects' from these centres.

Pembrokeshire

82 solicitors; 0.72 per 1,000. 23 PFS needs covered, 3 with under-supply and 6 with over-supply (but two of these on the basis of single specialists). Given its intermediate degree of accessibility, relative to its neighbours, it may not be surprising to find an intermediate pattern of supply.

Dyfed: Business

Only 20 of the 29 areas are catered for. There is no provision for Finance and Investment, Banking, Professional Negligence, Transport, Construction, Energy, Travel and Tourism, Commercial Mediation or Fraud, and only one specialist in the areas of Corporate Finance, Mergers and International Law. Of the remaining areas, 7 generic skills are undersupplied and only one (on the basis of a single International specialist) oversupplied, compared to Wales. Compared to SW England, 10 are undersupplied and none oversupplied. In

⁴⁶ On our count, there are 0.86 solicitors per 1,000 people for Wales as a whole.

proportionate terms that region has 13 times as many Corporate Finance specialists, 14 times as many in Mergers and six times as many in Insurance.

EAST GLAMORGAN

Caerphilly

78 solicitors; **0.46** per 1,000. 24 PFS needs covered, 9 with under-supply and 3 with over-supply.

Cardiff

887 solicitors; 2.90 per 1,000. 34 PFS needs covered, the only zero entry being for Travel and Tourism (of which there is just one specialist in the whole of Wales); 27 of these areas are in over-supply. It is clear that in relation to Wales, Cardiff acts in much the same way as London does in an England-and-Wales context. One third of all Welsh private practice solicitors are located in the capital city.

Merthyr Tydfil

45 solicitors; 0.80 per 1,000. 26 PFS needs covered, 4 with under-supply and 12 with over-supply.

Rhondda-Cynon-Taff

120 solicitors; **0.52** per 1,000. 25 PFS needs covered, but 18 of these are under-supplied (and none oversupplied). It is curious that Rhondda-Cynon-Taff should be so much more poorly served than Merthyr Tydfil despite their similar socio-economic profiles. It may be that Merthyr is acting as a service pole for the entire Heads of the Valleys area and thereby filling gaps in the provision for Blaenau Gwent (see below).

Vale of Glamorgan

68 solicitors; **0.56** solicitors per 1,000. 21 PFS needs covered, 8 with under-supply and one with oversupply). The Vale of Glamorgan, a generally prosperous area, has mediocre coverage. That is presumably accounted for by its close proximity to Cardiff (in much the same way as the south east England regions suffer from London).

East Glamorgan: Business

There is coverage in 27 of the 29 areas, the missing skills being Travel and Tourism and International Law. Otherwise, compared to Wales, 15 generic skills are notably over-supplied and only Trusts are under-supplied. (The latter seems to be a north Wales speciality!). Of the sector-specific skills, Transport, Construction, Media and Administrative and Public are all over-supplied. Compared to SW England, 5 generic skills are oversupplied (none by more than a factor of two) and 3 undersupplied: SW England has proportionately three times as many Trusts lawyers and over twice as many in Finance and Investment and Taxation. Apart from these deficiencies, south east Wales, as represented by this sub-region, has a degree of provision to which the rest of Wales might reasonably aspire. As might be expected, however, there is a concentration of business practice in Cardiff, with Rhondda-Cynon-Taff being the least advantaged UA.

GWENT

Blaenau Gwent

25 solicitors; **0.36** per 1,000. 17 PFS needs covered of which 12 are under-supplied (4 on the basis of a single specialist). Potential clients in this (recognisably deprived) UA are clearly poorly served.

Monmouthshire

67 solicitors; 0.79 per 1,000. 21 PFS needs covered, 2 with under-supply and 8 with over-supply.

Newport

134 solicitors; 0.98 per 1,000. 30 PFS needs covered, 1 with under-supply and 10 with over-supply. Newport is, clearly, acting as a service pole for its Gwent neighbours. This may mitigate, to some extent, the situation in Blaenau Gwent and Torfaen (below).

Torfaen

44 solicitors; **0.48** per 1,000. 25 PFS needs covered, 9 with under-supply and 4 with over-supply. The northern part of this UA shares many of the characteristics of Blaenau Gwent; the southern part has easy access to Newport.

Gwent: Business

25 of the 29 areas are provided for; the absences being Commercial Mediation, Energy, Travel and Tourism and International Law. Banking, Insurance, Construction and Media each have just one specialist. Relative to Wales, 5 generic skills are undersupplied, and 2

oversupplied. Relative to SW England, 11 are undersupplied: in proportionate terms, there are 13 times as many specialists in that region in Insurance, eight times as many in Professional Negligence and seven times as many in Banking; in Corporate Finance, Mergers and Computers there are four times as many. One area (European Law), however, is oversupplied: Gwent has twice the representation in this specialism compared to SW England. Overall, this is a rather disappointing picture. The region does include one of the more prosperous UAs in Wales and one might have expected a more complete array of services. It may be that Gwent suffers in proximity to both Cardiff and Bristol.

GWYNEDD

Anglesey

30 solicitors; **0.44** per 1,000. 17 PFS needs have positive cover, though 7 of these are under-supplied. The entries, generally, are rather thin. It is likely, though, that Bangor (and points further east along the north Wales coast) act as service centres for the island, so the picture is partly the result of the way boundaries are drawn.

Conwy

65 solicitors; 0.59 per 1,000. 23 PFS needs covered, 5 of these with under-supply and 2 with over-supply. For some reason, the area is well-endowed with Trusts specialists.

Gwynedd (UA)

80 solicitors; 0.68 per 1,000. 26 PFS needs covered, 8 with under-supply and 6 with over-supply. There appears here a degree of compensation for the lack of coverage in Anglesey.

Gwynedd: Business

A mere 13 of the 29 areas are provided for. Gwynedd has no representation in Corporate Finance, Finance and Investment, Banking, Insurance, Mergers, Computers, Intellectual Property, Professional Negligence, Transport, Construction, Energy, Media, Travel and Tourism, Fraud, European Law and International Law. There are single specialists in Bankruptcy and Mediation. Of the generic skills available, 5 are undersupplied relative to Wales and 9 relative to SW England. What this means is that only 4 specialisms lay within the benchmark thresholds for SW England. This, without doubt, is an exceptionally poor level of provision.

POWYS

78 solicitors; 0.62 per 1,000. 24 PFS needs covered of which 5 are under-supplied and 3 oversupplied (all on the basis of a single specialist). Powys is a very large Unitary Authority, implying high travel costs to access what specialists there are. It is also distant from major urban centres (a client in Llanidloes, for example, would have to travel over 90 miles to Cardiff or Birmingham).

Powys: Business

Only 13 business areas are covered, implying complete absence of provision in Finance and Investment, Banking, Insurance, Bankruptcy, Computers, Professional Negligence, Transport, Construction, Energy, Media, Travel and Tourism, Administrative and Public, Mediation, Fraud, European Law and International Law. There is just one specialist in Corporate Finance, Mergers, Intellectual Property, Planning, and Environment. Thus only eight areas have multiple specialists. It is not surprising that in those generic areas with some representation, six are under-supplied compared to Wales and nine compared to SW England. The only areas where there is some degree of parity relative to SW England are Employment and Commercial Property. The problems here are clearly similar to those of Gwynedd. Although provision may partially reflect existing needs, it is potentially a major fetter on firm expansion and new-firm creation.

WEST GLAMORGAN

Bridgend

66 solicitors; **0.51** per 1,000. 23 PFS needs covered, 13 of which are under-supplied and 2 (Common Law and Chancery, each with a single specialist) over-supplied.

Neath Port Talbot

56 solicitors; **0.41** per 1,000. 28 PFS needs covered, but 14 of these under-supplied (7 with only a single specialist) and 4 over-supplied.

Swansea

281 solicitors; 1.20 per 1,000. 31 PFS needs covered, 3 of which are under-supplied and 9 over-supplied. Missing areas are Insurance, Fraud, Libel and Travel and Tourism.

No doubt, Swansea compensates for the deficiencies of Neath Port Talbot, while Bridgend clients are advantageously situated between Swansea and Cardiff. It is clear, however, that Swansea does not have a similar profile to Cardiff.

West Glamorgan: Business

There are 24 positive entries, the missing categories being Energy, Media, Travel and Tourism, Fraud and International. There are lone specialists in Finance and Investment, Mediation and European Law. Of the generic skills available, 8 are undersupplied relative to Wales and one (Planning) oversupplied. There is also one sector-specific case of over-supply (Public and Administration). Compared to SW England, 12 generic skills are undersupplied. That region has, in proportionate terms, eight times the representation in Insurance, seven times in Mediation, six times in Finance and Investment, four times in Intellectual Property, and three times in Corporate Finance, Mergers and Computers. West Glamorgan is Wales' second most important conurbation. Yet, even here, there are substantial deficiencies in the local availability of business law advice.

General Observations

It is probably clear from this account that, apart from Cardiff/East Glamorgan, provision in Wales' sub-regions is at a very low level, with the rural areas – Gwynedd, Powys and, to a lesser extent, Dyfed – being the most poorly served. In the case of business skills, comparisons with SW England raise important capacity considerations. Take one example from West Glamorgan: this sub-region has one Computer and IT lawyer for every 98,000 of the working population, compared with one per 60,000 for Wales as a whole; yet for SW England the figure is one for every 28,000. We have picked this as an example of a critical business skill deficiency in Wales' second city but it is by no means unrepresentative.

6. Quality: Size Matters

Average firm size, measured by the number of solicitors, was reported for Wales and the English regions in Table 2.1. A size-distribution is reported by the Law Society (2004), but there the number of partners is used as the size measure. Our own survey results of 61 Welsh firms allow the derivation of distributions according to several size variables: partners; solicitors (partners plus fee-earners); all professional staff; and all staff. The results, according to Law Society size classes, are reported in Table 6.1, together with the partner distributions for all firms in SW England and Wales. In relation to the latter, it can be seen that while SW England has a greater percentage of sole-partner firms it also has substantially greater percentages of firms in the large size classes.

Comparison of the partner figures from the survey and the full census data for Wales shows that the survey results are biased towards the middle- and large-size firms (a point to bear in mind when considering other survey outcomes). The remaining rows have no cross-regional comparators and are reported for their inherent interest (and potential use as a historical benchmark). One point to note is that a quarter of the sole-partner firms in the survey have no additional staff whatsoever. These 'one-person bands' are presumably coping with secretarial and clerical burdens as well as professional functions.

Table 6.1: Size Distribution of Firms

	Firm Size					
Law Society (Partners)	Sole	2-4	5-10	11-25	26+	Aver
SW England % all firms	47.1	36.5	10.5	4.3	1.6	
Wales % all firms	39.2	48.0	11.3	1.2	0.4	
No. and (%) 61 Survey respondents, Wales						
Partners	21 (34.4)	25 (41.0)	14 (23.0)	1 (1.6)	0 (0)	3.15
Solicitors	11 (18.0)	23 (37.7)	16 (26.2)	11 (18.0)	0 (0)	5.79
All Professionals*	9 (14.8)	16 (26.2)	23 (37.7)	10 (16.4)	3 (4.9)	8.28
All Staff**	5 (8.2)	6 (9.8)	16 (26.2)	20 (32.8)	14 (23.0)	17.8

*Including two barristers; **Including three librarians.

Do the size distributions say anything about the quality of provision? We have argued on theoretical grounds that there are scale and scope efficiency gains arising from size. A potential empirical yardstick of quality is firm membership of the professional standards body, Lexcel. Table 6.2 summarises the private practice membership characteristics (as at May, 2005) for SW England and Wales.⁴⁷

Table 6.2: Lexcel Membership Characteristics*

	SW England	Wales
No. and (%) firms	66 (8.8)	13 (2.7)
No. and (%) solicitors	2009 (30.4)	237 (9.6)
Aver. size firm (no. solicitors)	37.9	18.2
Lexcel solicitors per '000 population	0.41	0.08

*Currently, Lexcel is considering 5 applications from SW England and one from Wales.

Despite the fact that SW England has a high proportion of sole-partner firms, it is clear from the Table that in that region successful applicants tend to be medium and large firms – indeed, five have in excess of 100 partners plus fee-earners. The largest Welsh firm has 86 partners plus fee-earners. We have already seen that Wales is served poorly in terms of quantity. If Lexcel membership is accepted as a guide to quality, then the last row of Table 6.2 implies that it comes off poorly in that regard also.

7. Survey of Law Firms in Wales

To complement the statistical analysis, we undertook, with the help of the Law Society in Wales Office, a questionnaire survey posted (in March, 2004) to all private legal practices. The 61 firms responding represent 12 per cent of Welsh law firms.

Responses on basic characteristics of the firms corroborates what we already know from the hard statistics: firms in Wales are small on average (see Table 6.1); are generally well experienced in areas of law concerning personal, family and social matters; and are relatively inexperienced with regard to areas of business law (see Appendix 1). The rest of the questionnaire attempted to elicit information that would be difficult to obtain by any other means.

Ownership of Information Technology

Firms were asked about their ownership and use of types of IT: specifically PCs with dial-up connection; PCs with broadband connection; PCs with network (LAN) connection; photocopier, fax machine; electronic diary; telephone conferencing; and video conferencing. The numerical responses are shown in Figure 7.1. Only 19 firms (31 per cent) reported ownership of a website. Upon verification of the website addresses provided, it became clear that the presentation of the websites and the facilities offered were high – home pages, contact information, information about personnel and the services offered were almost universally presented. Yet only 10 of these 19 firms said that their websites had helped them attract new business (and 8 said explicitly that they had not helped). Only 25 firms (41 per cent) reported using the internet to receive instructions and 20 (33 per cent) to send instructions. We were unable to detect any clear relationships between IT use and IT effectiveness, on the one hand, and other firm characteristics (such as size and rurality) on the other.

⁴⁷ The figures exclude three multi-regional firms – one with a branch in Wales, one in SW England, and one with a branch in both - for which there are no branch-level figures.

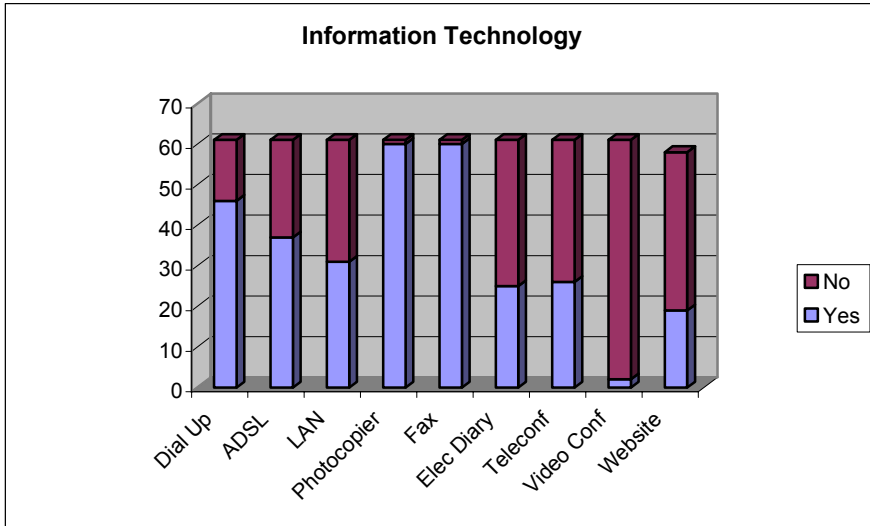


Figure 7.1

Accessibility of Welsh legislation

When asked whether their firm had cause to refer to Welsh secondary legislation, only 13 (21 per cent) reported that they had. Of these, only one considered the legislation as being “accessible” (Figure 7.2).

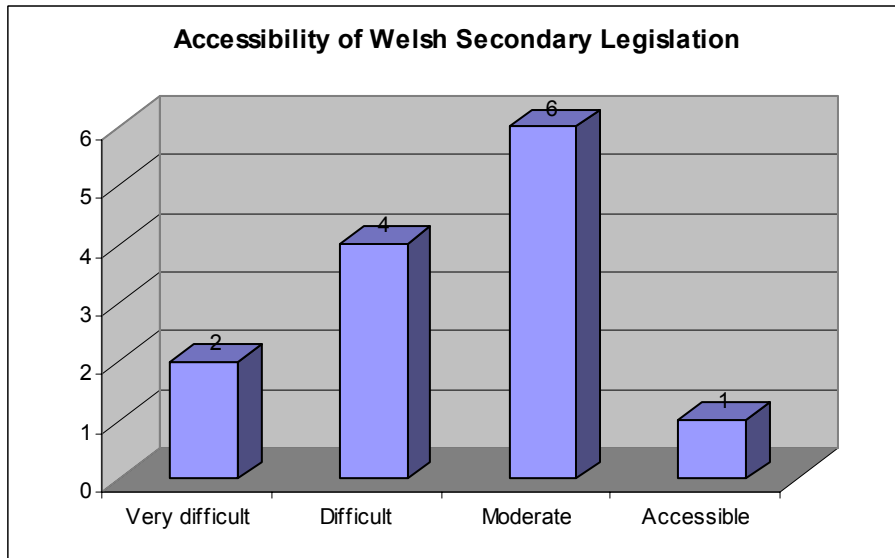


Figure 7.2

The survey indicates that the firms in question have as yet had little cause to refer to Assembly-enacted legislation. This will undoubtedly change over time as a distinctive corpus of Welsh law emerges in the wake of existing and likely developments in the devolutionary settlement.

The current system for disseminating Welsh law is deficient, which reflects the fact that the Welsh Assembly Government website is in a transitional phase. Whilst it does encapsulate primary and secondary legislation and, in this sense, contains much legal material, it does not include “soft law” which characterises, not merely the relationship between the Welsh Assembly Government and UK Government Departments, but also the work of the Assembly itself in the form of administrative directives or circulars in education, planning, health, environment and so on, which have legal effect. It is acknowledged that herein lies a failure of commercial publishers who conventionally disseminate such information in England where there is a much greater legal demand which formulates itself into a commercial imperative. Such a provision in Wales can only be provided by the Assembly itself. The technology lag which exists on the Welsh Assembly Government website is that it must move from mere data processing into knowledge processing. The Law Society of England and Wales has a dedicated *Better Law Making Programme* and, as part of this initiative, is promoting the issue of accessibility of law at a European as well as an England and Wales level. The Wales Committee of the Law Society has spearheaded reform in relation to the publication of legislation made by the National Assembly. As a result, a new method for classification and a new machinery to administer the new system is currently being developed and is scheduled for completion early in 2006.

Staffing and Training

Of the 505 legal professionals employed by the surveyed firms, only 16 (that is, fewer than 3 per cent) had previously worked as such outside of private practice. There is thus little evidence of migration between the public/voluntary sectors and private practice.

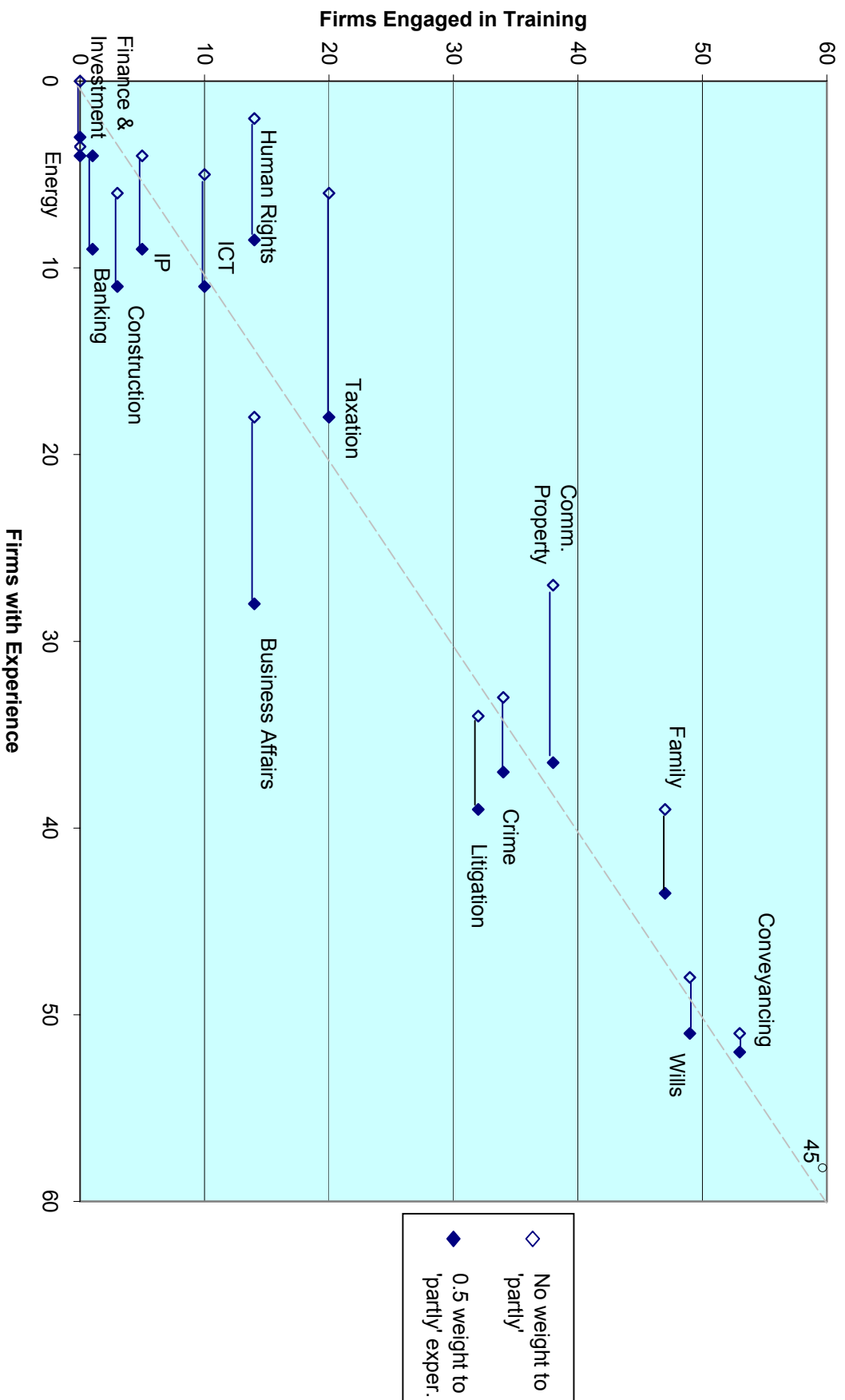
Respondents were then asked to recount their employment practices. It was an almost universal response that employment was advertised on an ad hoc basis via the local press and by word of mouth. In relation to staff retention, many firms reportedly did not employ a formal policy, but stated that factors such as training, promotion, communication and a good working environment were critical.

Firms were asked to state those areas in which their staff were undertaking training. These areas do not necessarily correspond to Law Society specialisms. Thus, staff in 30 firms were being trained in Legal Aid procedures, and in 46 firms in Money Laundering – a response to recent government initiatives. In the case of 14 areas of training which do correspond to Law Society categories, it is interesting to compare firms’ existing areas of experience with their perceived training needs. If training activity is commensurate with experience in a particular area, it implies no change in the direction of development. If training numbers exceed experience numbers, the implication is of potential growth in that area – and vice versa. Figure 7.3 overleaf plots the number of firms engaged in training (on the vertical axis) against the number of firms claiming experience (on the horizontal).⁴⁸

As can be seen in the graph set out overleaf, an observation close to the 45°- line will suggest little change. Those above imply development; those below contraction. Of the 14 areas for which there is information, most of the standard practice areas are close to the 45° - line. It seems that firms are anticipating the need for expansion in Taxation and Civil Liberties, while contracting areas are Business Affairs, Construction, Banking, Energy and Finance and Investment. The last four are areas which have very little representation in Wales anyway (not just absolutely but proportionately as well). It must surely be of some concern that not one of the legal professionals covered by this survey was undertaking training in Finance and Investment.

⁴⁸ Two experience measures are used: one in which ‘partial’ experience is given no weight; and one in which it is given half weight.

Figure 7.3



Links within the Legal Profession in Wales

Firms were asked to say whether they had links with other law firms or association(s) of firms. Only 8 (13 per cent) were able to confirm such links and these are listed below.

Firm / Association	Number
<i>Relief cover / reciprocal referrals</i>	2
<i>Informal links</i>	2
<i>Association of Lawyers for Children</i>	1
<i>LAWNET members</i>	1
<i>Via long-standing personal contacts</i>	1
<i>Sole Practitioners Group</i>	1

Asked whether the firm had referred work to another firm, 53 (87 per cent) said they had done so. Such referrals were almost universally conducted on an ad hoc basis as a result of the work being outside the firms' expertise or due to a conflict of interest. Only a minority of firms reported any formal fee-sharing arrangement. Firms do not appear to have considered developing formal links that allow them to offer a broader set of legal services to clients

Firms were asked whether they regularly used chambers located in Wales and, if so, which ones. The responses are reported below.

Welsh Chambers Work Referred To	Nos of Firms
<i>Park Place, Cardiff</i>	23
<i>Angel, Swansea</i>	8
<i>Iscoed, Swansea</i>	8
<i>Temple, Newport</i>	4
<i>Cardiff</i>	2
<i>All Swansea & Cardiff</i>	2
<i>Pendragon</i>	2
<i>Gower</i>	1
<i>Most Swansea, Cardiff, Newport</i>	1
<i>Various</i>	1

As to the nature of work sent to Welsh chambers, family and criminal work were particularly prevalent:

Nature of Work	Nos of Firms Referring Work
<i>Family</i>	24
<i>Crime</i>	19
<i>Civil</i>	6
<i>Personal Injury</i>	5
<i>Litigation</i>	4
<i>Land / Property</i>	4
<i>Common Law</i>	3
<i>Employment</i>	3
<i>All our work</i>	3
<i>Motoring</i>	2
<i>Chancery</i>	2
<i>Contract</i>	2
<i>Probate</i>	2
<i>Advice</i>	2
<i>Diverse</i>	2
<i>Immigration</i>	1
<i>Company</i>	1
<i>Commercial</i>	1
<i>Administration of Estates</i>	1
<i>Housing</i>	1
<i>Trusts</i>	1
<i>Education</i>	1
<i>30% of all our work</i>	1

Half of the firms report regular use of chambers outside of Wales, the favoured locations being London, Bristol, Liverpool and Chester (Figure 7.4). The immediate cross-border effects are not surprising but the responses do emphasise the extent of London influence.

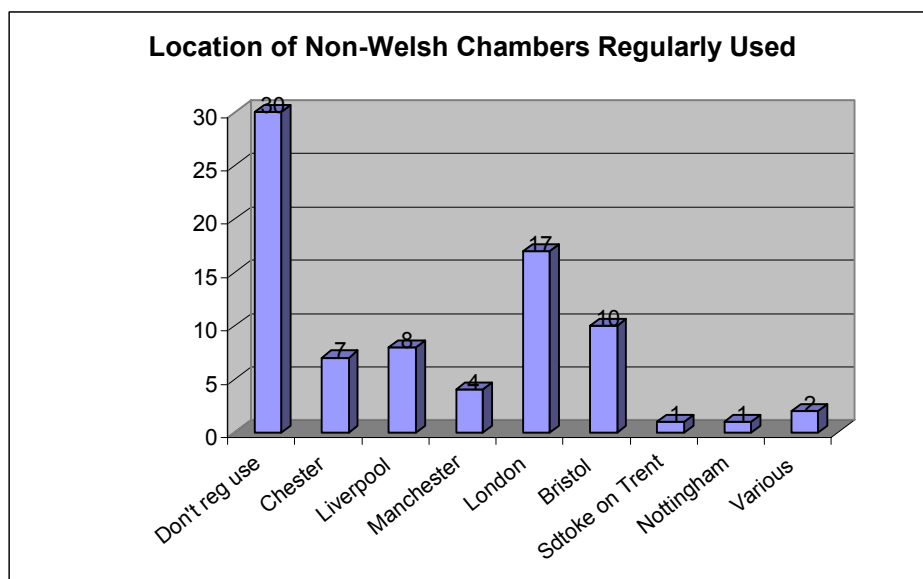


Figure 7.4

Whilst Family and Crime make up a large part of the work sent outside Wales, they are not as significant in proportionate terms as for work retained in Wales. On the other hand, Chancery, Commercial, and 'Specialised' work is proportionately more important in 'exported' referrals. Respondents, generally, made recurrent reference to the fact that more specialised and high-valued claims accounted for much of the work sent to chambers in England.

Nature of Work	Numbers of Firms Referring Work
<i>Chancery</i>	12
<i>Family</i>	8
<i>Crime</i>	7
<i>Litigation</i>	4
<i>Commercial</i>	4
<i>Personal Injury</i>	4
<i>Specialised</i>	4
<i>Probate</i>	3
<i>Tax</i>	3
<i>Civil</i>	3
<i>Diverse</i>	3
<i>Trusts</i>	2
<i>Insolvency</i>	2
<i>Childcare</i>	2
<i>Contract</i>	2
<i>Common Law</i>	1
<i>Immigration</i>	1
<i>Conveyancing</i>	1
<i>Property</i>	1
<i>Clinical Negligence</i>	1
<i>Employment</i>	1

It would appear that fewer than two-thirds of practices in Wales regularly use Welsh chambers. At a geographical and regional level, it is not surprising that Chester and Liverpool hold attractions for firms in North Wales and there has never been a tradition of chambers located geographically in North Wales. However, it is odd that both Cardiff and Swansea are clearly losing a significant percentage of Welsh referrals to Bristol.

Tendering Issues

Firms were asked whether they had experienced any difficulties in tendering for work. 33 (54 per cent) said they had tendered for work and of these 15 had experienced difficulties. The main difficulties were said to be the demands of the Legal Services Commission, problems of staff recruitment and a perception that small firms were unable to provide the necessary quality of service. The perception that small size is a factor limiting the potential breadth of service quality is, in our view, well-founded.

Difficulties mentioned more than once are listed below:

Difficulty Reported	Nos of Firms
<i>Legal Aid – information required, low rate of pay, too many changes, delay in payment</i>	13
<i>Staff recruitment</i>	9
<i>Perception that size of firm equates to quality of service</i>	5
<i>Onerous new requirements – SDLT & money laundering</i>	4
<i>Competitors – with particular reference to national, cut-price competitors</i>	3
<i>Limited client base</i>	2

Changes to the franchising rules for public funded legal services have created problems for rural legal firms. This is due to the fact that under the restructured franchising rules, many rural firms are simply not sufficiently resourced to obtain franchises for publicly funded work.⁴⁹

8. The Clementi Review and the Impact of Technological Developments upon Legal Practice in Wales

In December 2004, Sir David Clementi delivered to the Government his report, *Review of the Regulatory Framework for Legal Services in England and Wales*.⁵⁰ It was immediately welcomed by many bodies, including the Lord Chancellor.⁵¹ Much has been made of the development of the Legal Services Board and its overseeing regulatory function, together with the proposal for the establishment of an Office for Legal Complaints to deal with the handling of complaints. Nevertheless, for practitioners, the third area in which major change is recommended will have the greatest impact, that is, the development of alternative structures through which the delivery of legal services to the public can be achieved. There are two aspects to this: first, legal disciplinary practices (LDPs) in which participants (whatever their background) would be able to deliver only legal services to the client; and multi-disciplinary practices (MDPs) which would be able to deliver a range of services and would, effectively, be

⁴⁹ See Kirby C, "The Constitution of the Legal Profession to the Future Economic and Social Development of Wales" (2002) 2 *Wales Law Journal*, 94.

⁵⁰ See www.legal-services-review.org.uk.

⁵¹ Lord Falconer, the Lord Chancellor, said: "The Government welcomes the main recommendations ... We can affirm our commitment to putting in place a regulatory framework that ensures a better deal with consumers through increased competition, innovation and transparency, and safeguards the independence of the legal professions."

an outlet for a range of services currently only available from different firms and professions. The Report concluded that MDPs may be a future development in that MDPs should only be considered in the light of experience gained from operating LDPs.

The creation of LDPs effectively entails the admission of non-solicitors into partnership through the vehicle of a limited company or a limited liability partnership. The Report refers to the establishment of a “management group” and that non-lawyers who were part of this group would have to sign up to a code of practice indicating the primacy of the interests of clients.⁵² Other eligible groups to solicitors or lawyers include barristers, legal executives, licensed conveyancers, patent agents and trade mark attorneys. No rules specifying what percentage of different groups are stipulated, merely that the appropriate front-line regulator would be likely to depend on where the majority lay, though there might be cases where more than one body be used.

An important proposal is in respect of external capital investment, that is, direct capital investment by non-lawyers in businesses that are responsible for providing legal services to the public. It concluded that such investors could bring fresh capacity to the market, thus lowering prices;⁵³ bring innovative ideas; bring more efficient management practices; address consumer service concerns better than lawyers. In this sense, LDPs were considered to complement the objectives outlined by Clementi, notably, the “promotion of competition and promoting public understanding of the citizen’s legal rights”.

LDPs and outside investment has raised fears of “supermarket law” and the demise of small, particularly rural firms which could impact adversely in Wales. As our survey has pointed out, the average firm size in Wales is small or smaller on average than in any English region whilst, at the same time, there is little in the way of a Welsh organisational network, few inter-firm linkages and fewer than two-thirds of practices in Wales regularly use Welsh chambers. It follows that the Clementi Review has clear implications for the future structures of the legal profession in Wales. This is particularly the case because there has been a “shift in paradigm”⁵⁴ in the provision of legal services and process brought about by technology. As our Survey demonstrates, this appears to be in large part in respect of many firms in Wales.

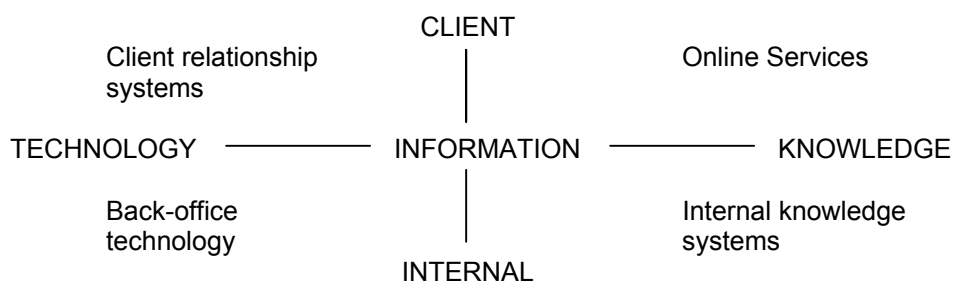
The advancement of technology can be seen in the development of knowledge management systems which can be interrogated as part of the function of delivering legal information. A useful way of representing the impact of technology is by reference to the following model:⁵⁵

⁵² Investment in LDPs could come from outside owners but they would need “fit to own” clearance from the regulatory authority and would have to give an indemnity for loss of clients’ money. An LPD could not take instructions in a case where an outside owner had a conflict of interest and outside owners could not interfere in individual client cases or even have access to client files. Each LDP would have to have a named lawyer responsible for the firm’s service standards.

⁵³ As the Report outlines: “In general economic terms, new capital from outside the industry would be permitted, which should increase capacity and exert a downward pressure on prices. In a business service, new investors might bring not just new investment but also fresh ideas about how legal services might be provided in consumer-friendly ways.”

⁵⁴ See Susskind R, *Transforming The Law* (2003) at p28.

⁵⁵ See Susskind R, *Transforming The Law* (2003) at pp4-17.



The horizontal axis refers to a “legal information continuum”⁵⁶ – the further along the axis, the more sophisticated is the process so that at the stage of “knowledge” this is essentially the powerful tool leading to the provision of formal advice.⁵⁷ In terms of the vertical axis,⁵⁷ the southerly point at “internal” describes when overlaid upon the horizontal axis, the various technology systems being applied by the legal entity to deliver the advices on an organizational level. On the northerly point there are issues of client contact which relate to external technology links and also the mechanism employed to communicate or access the knowledge/advice.

The dynamic and systems implications of this approach are to provide new ways of effectively providing legal services. In the context of the systems in the bottom-right quadrant, the point here is to improve the efficient dissemination of know-how within a firm, for example, precedent libraries, intelligent checklists for legal procedures, bibliographical lists – all of these can be captured and are re-usable. The bottom-left quadrant is concerned with the smooth running of the office, including operating and accounting systems – essentially these systems provide the infrastructure or platform for the delivery of all the other elements of legal business. The top left quadrant purpose is to provide new ways of accessing and delivering legal services. The emphasis here is upon enhancement. In the context of the top-right quadrant, the focus is upon online legal services where there is a recognition that in certain contexts lawyers are no longer the sole conduits between non-lawyers and the law, that is, through the one-to-one consultation and that, through, for example, the worldwide web, clients can gain access to sophisticated online facilities, that is, they act as legal guidance systems. The issue of whether a firm charges for such “virtual” lawyers services is not the relevant consideration – it is the fact that such provision exists which is significant and that firms may wish to enhance their presence in the legal services market by participating in this process.

The grid approach provides an important framework to understanding the structure of legal firms in Wales, as emerges from our Survey. In terms of the bottom-left quadrant, it appears that whilst all of the respondent firms had a fax and a photocopier, the range and use of standard office systems is not impressive.⁵⁸ At the same time, in respect of Lexel, only 13 firms in Wales have achieved this status, that is, demonstrating by external review competencies in system management. In terms of HR strategies, it appears from the respondents that most advertised on an ad hoc basis and via the local press and by word of mouth, and in terms of staff retention policies, many of the firms reported that they did not employ a formal policy. The implication of these findings are that in many, if not most of the Welsh firms the infrastructure for managing clients are very fragile.

Turning to the top left-hand quadrant, that is providing new ways of delivering traditional services, only 41% of the respondents reported using the internet to receive instructions. It follows that as far as the position in Wales is concerned, it is still essentially reactive with the client-solicitor face-to-face relationship. As such, the catalyst for the lawyer’s engagement in Wales is the client’s call for assistance in respect of a legal matter which has arisen, for example, the service of a claim, or the need to enter into a legal transaction or negotiations. To this end, the declared expertise of solicitors’ practices in Wales shows that in terms of the

⁵⁶ See Susskind R, *The Future of Law* (1996) at pp85-91.

⁵⁷ See Susskind R, *Transforming The Law* (2003) at pp6-7.

⁵⁸ See Figure 7.1.

traditional areas of practice, they have either met or adjusted to the market need, whilst the means of delivering the advice is done traditionally, doubtless at some stage being reduced in writing, normally after a face-to-face consultation on an hourly billing basis. Essentially, this is a restrictive approach in terms of access to the profession and the phenomenon is compounded in sparsely populated areas such as those areas in rural Wales. This limitation has already been recognised by the Legal Services Commission in Wales. On 28 June 2005, the First Minister launched Community Legal Services Direct which consists of an easily accessible bilingual legal helpline and also website where enquirers can find information to help themselves or search for details of quality legal advice, including best advice sites in the UK.⁵⁹

It is acknowledged that the process of selecting the source of legal advice is not scientific. The traditional ways in which the capability of a firm has been brought to the attention of clients is through local advertising and the fact of a local physical presence accompanied by a local reputation. This seems to be the case among firms in Wales.⁶⁰ Where firms do submit themselves to a process of selection, typically through tendering, only slightly more than half of the respondent firms indicated that they had tendered for work, for example, through seeking a franchise with the Legal Services Commission. Under the restructured franchising rules, many rural firms are not sufficiently resourced to obtain a franchise for public funded work. This is partly the rationale for establishing Community Legal Services Direct. In turn, this will have implications for rural practices because advice accessed through this facility will direct people to make contact with a *legal aid* solicitor, that is, the nearest holder of a franchise within a particular area.

The traditional client service relationship, as described above, will be additionally compromised by the development of the new knowledge economy which is characterised by immediate communication and the enhancement of information services: it appears that Welsh firms are poorly prepared. Few Welsh firms are engaged in complex, high value, specialist work which will always require the judgement, experience and knowledge of a skilled legal practitioner or team of practitioners working on the basis of traditional consultation. The challenge in Wales which emerges from our Survey is that of commodification of legal services. As Susskind has pointed out:⁶¹

“Non-lawyers have for long bemoaned the cost of apparently routine legal work and many have clamoured for precisely the proceduralisation that IT can and will bring. Just as debt collection systems in operation today enable large volumes of cases to be processed efficiently and cost-effectively by paralegal staff with relatively little supervision and intervention by lawyers, then so too will countless other areas of legal work, especially where the caseloads are large, the problem types are recurrent and the tasks involved are highly procedural in nature.”

Such a phenomenon has sometimes been referred to as “Tesco law”.⁶² In a sense, the challenge for Welsh lawyers is to tap into both the highly specialised work and also the latent legal market, that is, those situations in everyday life of all non-lawyers where individuals could benefit from legal advice but which is perceived now to be too costly or too cumbersome in terms of delivery.

⁵⁹ See www.clsdirect.org.uk. On the website, clients can ask a question on a series of issues including debt, housing, welfare benefits, education problems and be directed to the right place on the best advice sites in the UK. They can also view, download or print legal information leaflets on a wide range of subjects, as well as checking their eligibility for legal aid.

⁶⁰ There are exceptions to this in niche areas such as personal injury where the introduction of conditional fees have had a great impact on the structure of legal services within this particular context.

⁶¹ *Op cit* fn 53 at p113.

⁶² Tesco started to sell DIY legal services in 2004. The suspicion of some lawyers is that Tesco are taking a long-term view and will, over time, build its knowledge of the market and consumers to launch their own legal services for high-volume, low-margin work.

9. Conclusion

That Wales is poorly served in terms of the availability of professional legal advice we already know from the data presented in the Law Society's *Annual Statistical Report*. What our research has done is to identify those areas of expertise that are particularly scarce in Wales and its sub-regions and to identify the sub-regions at greatest disadvantage. The statistical basis of the research means that we have been able to quantify the relative supply-demand imbalances quite precisely. It may be that the findings offer little in the way of surprise, but they are no less valuable for confirming presumptions, for, by doing so, they provide a solid basis for any policy prescriptions that may follow.

As a first step we used SW England as an 'aspirational' benchmark. We expected this English region to do better in view of its more favourable socio-economic background; hence the basis of our aspirations. What we found was that in some of the more traditional areas of law, Wales was pretty much on a par with SW England. The more glaring weaknesses appeared in relation to the more specialist and more contemporary concerns of the business sector. In many such areas, SW England has twice as many specialists as Wales, when deflated by working population.

The second step was to use Wales as a benchmark for its sub-regions. It became evident that there is a strong polarisation between Cardiff and the rest of Wales, with large tracts of the country being having little local provision. While Cardiff is on a par with SW England, the rest of the nation lags a long way behind. Even Swansea significantly underperforms on that measure. Again, the variance between the better and the poorer sub-regions is more marked in the case of business law.

The final, survey-based component of the report drew out some additional characteristics of the profession in Wales as well as confirming inferences from the benchmarking exercises. Among the findings here is that the profile of expertise of Welsh chambers appears to resemble that of solicitors, with more specialist, higher-value referrals lost to England.

The current distribution of legal services in the UK indicates that Wales is near the bottom of the UK league table in terms of both the number of people employed and the percentage of the local labour force in legal services. The fundamental conclusion from the data presented in this Report is straightforward: Wales needs more legal expertise and it needs it most in specialist areas of business law if the legal profession within Wales is to service the *Winning Wales* economic strategy of the Welsh Assembly Government. Whilst the largest firms of solicitors, based principally in Cardiff and to a lesser extent in Swansea, are able to offer clients a wide range of legal services in business law, they cannot provide the highly specialist expertise to be found in London. Such expertise needs to be nurtured and this has policy implications for the Welsh Assembly Government in terms of its procurement strategy.

The dilemma is how to grow these specialist services in Wales. In this respect, the *nature* of the legal expertise which is being sought to develop, should assist, not least because it is an international, tradeable service and is not location-dependent. As Price has pointed out,⁶³ firms in Wales using new technologies can access legal markets within Wales, as well as elsewhere currently being served by more successful UK centres. Furthermore, Wales should be in a position to compete on the basis of cost advantage because support staffing costs and office accommodation costs can be as much as 50% less than the prices achieved in London and the South East of England.⁶⁴ With a good IT infrastructure and a supply of graduates in law from Welsh Law Schools, including Legal Practice Course provision, there is no reason why this cannot be achieved.

Within Wales, encouragement to new business formation will be wasted if commercial and financial legal advice of the right quality is not readily available. In stimulating the

⁶³ See Price, "The Welsh Economy And Professional Services" (2001) 1 *Wales Law Journal* 236.

⁶⁴ *Ibid* at p238.

development of such commercial law expertise, knowledge networks can be highly beneficial. Although services can be brought in, there is increasing evidence of the external benefits of the proximity of knowledge suppliers and users, resulting particularly from the development of informal networks.⁶⁵ The network of users, suppliers, competitors and collaborators stimulate the process of knowledge diffusion within a region and such an approach has justified the Welsh Assembly Support for programmes such as the Technium Project which focuses upon the interface between higher education and business.

There is a second issue which arises from this Report and it is for the profession itself to address. Law firms in Wales are too small. Such firms cannot provide the same breadth of services with the same efficiency as larger firms. It is apparent from our Survey that the limitations of smallness are understood by potential clients. The challenge is how to grow the range of expertise of the legal profession in Wales in a way which can overcome the constraint of smallness. This is difficult, especially taking into account the problem of low population densities but its effects can be mitigated through formal inter-firm linkages and alliances. From our Survey, currently firms do not appear to have considered developing formal links that allow them to offer a broader set of legal services to clients and this, of course, impacts upon the quality and range of legal advice available in the various regions in Wales. In short, the policy challenge is to transform the provision of legal services in Wales.

The development and furthering of technology can provide a solution for Welsh firms in overcoming the problem of smallness. This requires a radical reconsideration of the basis of the conventional lawyer-client relationship and its replacement by a new set of relationships, based upon a legal knowledge network in Wales. The local lawyer through connections to a wider pool of expertise would, under this proposed model, effectively become a "legal information engineer".⁶⁶ The nature and the demands of the client will inevitably change arising out of this relationship so that the "client" may be transformed into a user who may therefore expect to see much legal information integrated with other disciplines. In the case of a non-business user, there may be an expectation to combine legal advice with general advice in respect of debt or consumer advice, whereas in the case of a business user, multi-disciplinary guidance may be expected, almost a one-stop centre reflecting their business reality where law challenges have to be seen in the context of other disciplines such as accounting, finance, business and management consultancy.

The facilitation of such a development in Wales relates to the need to promote the emergence of virtual private networks involving multi-disciplinary systems and services, as these are necessary to control the handling of legal information with other relevant information. In the wake of such a development, the virtual legal team should be encouraged to emerge. This is possible through the use of fairly conventional information technology, for example, intranet, video conferencing, broadband technologies all imply that it is not necessary for lawyers to be co-located. Such a virtual law team could, through careful nurturing and management, operate with effective and practical collaboration, combining the collective talent of numerous small firms, thereby attaining collectively an impact which singularly they could not possibly achieve. At the same time, the emergence of such virtual firms could provide effective competition for larger firms in Wales and also in England. As Susskind has pointed out:⁶⁷

"[T]he Internet enables new configurations of legal teams; such as the "dream team" model, whereby individual specialist lawyers from different firms can be brought together to collaborate on one matter alone; or "virtual law firms" where a group of smaller practices, for instance, band together to provide a range of services as though they were one single practice."

Such a development would underscore meeting the needs of clients in their selection of legal services.

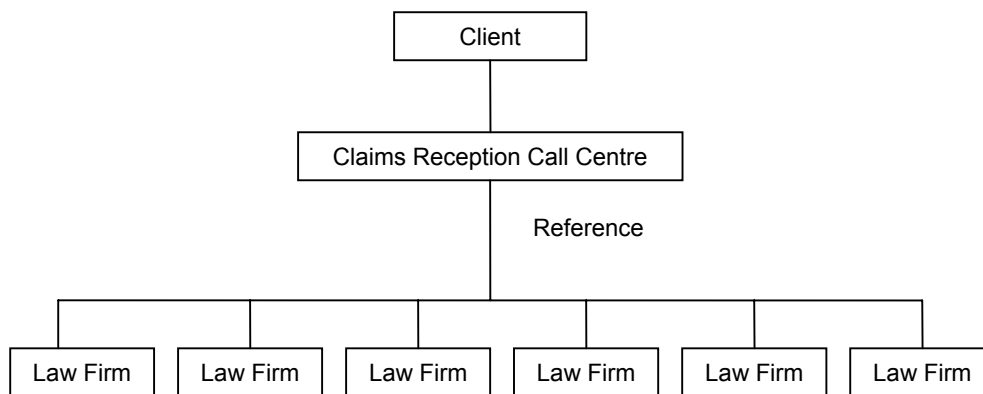
⁶⁵ From a very large literature, see, for example, Keeble D, Lawson C, Moore B and Wilkinson F, "Collective Learning Processes, Networking and 'Institutional Thickness' in the Cambridge Region" (1998) *Regional Studies*, 33.

⁶⁶ Compare Susskind R, *Transforming The Law* (2003).

⁶⁷ *Ibid* at p50.

The sophisticated procurer of legal services has traditionally selected a choice of legal adviser by reference to personal experience or reputation, or by matching skills sets elaborated and perhaps confirmed in a directory with the legal problem in hand. Some clients have initiated a tendering process, usually accompanied by so-called “beauty parades”. The emergence of the virtual legal network in Wales would allow for specialisms to be developed and nurtured and could significantly expand the opportunity for small firms who are currently unable to engage in this process.

A careful distinction needs to be drawn between the “virtual legal practice” and the “referral model of practice”. Under the latter approach, as the Clementi Review noted, the client initially contacts a claims reception call centre or other intermediary point specialising in helping clients to understand the nature and scope of their legal problem. This is the model currently being exercised by Community Legal Service Direct. Essentially, the intermediary acts on behalf of a large number of consumers and can secure favourable rates on the strength of the purchasing power of the set of consumers represented. The model can be illustrated as follows:



Such a model in the context of Welsh Firms would develop and market the traditional legal practice skills which provide most areas of current legal practice in Wales and is within the spirit of the Clementi Report.⁶⁸

An alternative model is the “virtual legal network firm” which would allow for specialised areas of business and related legal expertise to grow and be acknowledged as such, in particular members or teams (including barristers) within the network firm. Such a development would facilitate the ability of Welsh firms to access the commercial opportunities arising out of the potential outsourcing by public authorities in Wales in the near future of legal work.⁶⁹ Local authority clients and possibly even the Welsh Assembly Government in their *Delivering Better Services For Wales Agenda*⁷⁰ will require formalised client relationship systems which small firms would otherwise have no prospect of providing. Such systems would presumably be based on technology platforms by way of intranet connection, allowing the client to track progress of matters, virtual case rooms whereby documents can be posted and assessed securely online, which in turn would be complimented by an online archive facility. At the heart of such a system is a case management service allowing the client to monitor progress in respect of the suite (if relevant) of matters referred, as well as a mechanism of assessing the collective workload so as to allow the client to filter the flow of work. As part of this facility,

⁶⁸ As was noted: “This review favours a regulatory framework which permits a high degree of choice: choice both for the consumer in where he goes for legal services and for the lawyer in the type of economic unit he works for.”

⁶⁹ Most notably, the City and County of Swansea.

⁷⁰ This arises out of the merger to the Assembly of the Wales Tourist Board, ELWA and the WDA. See generally, *Report on the Responses to the Consultation by the Welsh Assembly Government on the mergers with ELWA, the WDA and WTB* (May 2005).

online instructions would need to be facilitated, thereby avoiding the need for a formal exchange of letters or face-to-face instructions. The approach adopted by local authorities in Wales in terms of procurement of outsourcing of legal services will be pivotal to the development of a virtual legal network within Wales.

The low level of the incidence of Lexel accreditation in Wales clearly implies the currently overwhelming majority of firms in Wales are not capable of providing such a service. Such systems include sophisticated document management, practice management, human resource management, hardware and operating systems which are not only costly but are also technically challenging in terms of establishing and enhancing these systems. This would be a huge task and would be essentially a matter for information systems consultants taking into account the needs of each "virtual firm". At the same time, it would be necessary to develop within the "virtual firm" robust internal knowledge systems so as to allow for expertise to flourish, not least because this will be the basis of its commercial strength. Since knowledge and expertise are at the heart of what the client demands, such knowledge must be systematically exploited.

The establishment of internal knowledge systems in respect of the virtual firm is therefore no easy task. It will be essential to ensure that the collective expertise of the firm is available to all and should be appropriately archived so as to minimise duplication and ensure consistency of service over time.⁷¹ The creation of such systems compliments the training function within the firm by building up expertise⁷² and furthering it by providing access to knowledge. Ultimately, this may lead to the creation of "knowledge nuggets", that is, the commodification of legal knowledge, either for external sale (for example, online services) or for internal use, for example, "know-how" procedure manuals, intelligent checklists and diagnostic systems.

The cost implications for the delivery of such systems are likely to be substantial. It is in this context that the Clementi reform offers real opportunities for the delivery of a virtual law firm network which could effectively compete for legal services work in Wales and beyond, that is, by matching the legal skills sets with the needs of clients. The financing of such a venture is now possible because it appears, post-Clementi, that third party equity style investment is now permissible.⁷³ Significantly, in June 2005, one private equity house (CB Equity Partners) was seeking investors for a new fund, LexCap, to be launched later in 2005. This fund is aimed specifically at investing in law firms⁷⁴ by providing quasi-security in the form of non-recourse debt or mezzanine capital. Post-Clementi, LexCap will seek to provide equity in what its memorandum describes as "a unique asset class" and is hoping to raise £66m for investments in small to medium sized law firms in order to acquire new teams, fund new offices or restructure. The model used is different from bank debt in that it includes risk-sharing and would be non-recourse to the partners. Given his background, it is not surprising that Sir David Clementi would support such an investment, as it would introduce commercial funding practices into the legal business which is currently undeveloped. The LexCap memorandum expresses the present position to be as follows:

"Law firms have traditionally funded themselves cash on cash, with no borrowings or leverage whatsoever. In the legal community, some partners of law firms still wrongly consider the absence of borrowings a sign of extraordinary health."

⁷¹ See Susskind *op cit* fn 53 at pp21-26.

⁷² This can be achieved, for example, by importing knowledge, notably counsels' opinions, and by capturing these within a knowledge system.

⁷³ See "Third-party Investment In Law Firms Loans" [2005] June 6, *The Lawyer* at p3.

⁷⁴ External investment in a law firm raises, as in other businesses, the issue of valuation. This should not necessarily be problematical, as similar evaluation methods can be applied as to any other business, including a multiple of current earnings, discounted cashflow of the contracted income and the value of the asset base, including work in progress. The major challenge in valuation, however, is evaluating the ability and talent of the lawyers within the business, the spread of legal work, the openings and possibilities for further work, management structures, current gross and net margins, the extent to which revenue streams are contracted.

While expanding private-sector investment opportunities offers new possibilities for modernising legal-services provision, there is also a legitimate role for public-sector funding of reforms. The critical point is that legal services, particularly those aimed at the business community, have the potential to create major public benefits. It has long been recognised, in relation to manufacturing, that research, development and innovation have the ability to create social benefits that are not always appropriable by the private individuals involved in these processes. That is why most governments have more or less sophisticated means of stimulating and supporting technological progress and firm growth. But the success of the processes is predicated on the quality of legal advice available to firms and, particularly to young and rapidly growing firms. If legal knowledge is a critical input into a process which creates public benefits then, by extension, it also has the qualities of a public good.

What form of public policy initiative might be appropriate in a Welsh context? We have already alluded to the successful launch of the Technium programme. Technium brings together key stakeholders: the WDA, the universities and the local authorities. Unlike ordinary incubator schemes, it encourages new and globally mature firms to interact and learn from one another. Its tenants have access to a virtual private network including state-of-the-art business tools such as IBM's product life-cycle management software (PLMS). Most importantly, by bringing firms together it promotes information sharing and mutual learning.

Two ways of developing this concept to aid the reform of legal services suggest themselves. One would be to integrate legal services more comprehensively into the existing Technium programme, promoting the supply of legal knowledge to the same level as that of more technical knowledge like PLMS. One law firm has already created its own links with Technium, presumably because it expects private benefits from doing so. Our argument is that Technium provides opportunities for numerous firms with presently limited scope to co-operate within a virtual legal network under the Technium umbrella. But this, at least initially, will need some pump-priming investment from the public purse. The alternative would be to set up a wholly new and independent Technium-like network dedicated to legal services (a 'Lexium' perhaps). This would be a tougher challenge and probably more expensive, but it might also spread its benefits more widely, particularly to rural areas.

Would either of these proposals be justified in terms of public expenditure? A widespread reaction to the emergence of China (and other formerly less developed economies) as global competitors in manufacturing has been that the mature economies need to shift their comparative advantage to exploit their knowledge base. That explains and justifies the WDA's current emphasis on 'the knowledge economy'. But it would be a mistake to interpret knowledge merely in terms of technology. The 'soft' knowledge that underpins business success is just as important in the long run and there is a clear danger that policy-makers are failing to recognise this. Now that Wales has in place a comprehensive public strategy for promoting technological progress, it is arguable that larger returns may now be available from public investment in the complementary inputs to business growth. Providing that there is to be some continuation in EU structural funding of the Welsh economy, the development of some model of a virtual legal network would be an appropriate and exciting new initiative for the WDA or its successor.

The demands for the creation of sustainable legal services in Wales, together with the development of the legal skills set required to deliver in Wales the economic strategy set out by the Welsh Assembly Government requires a shift in paradigm in the legal services provision. Law provides the framework in which economies flourish and legal services provide the basis for the delivery in Wales of a market based economy within an emerging jurisdiction. The reforms anticipated in the Clementi Review, if embraced in the way described, could provide "Legal Wales" with the impetus it needs to overcome both the current smallness of legal professional structures which exist within Wales and the clear deficit in legal specialisms necessary to develop the knowledge economy.

The real challenge is whether there exists sufficient creative and entrepreneurial flair among lawyer decision makers to facilitate, organise and deliver a legal service provision fit for 21st Century practice in Wales.

Appendix 1

Appendix 1

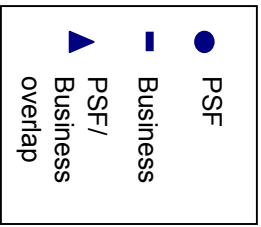
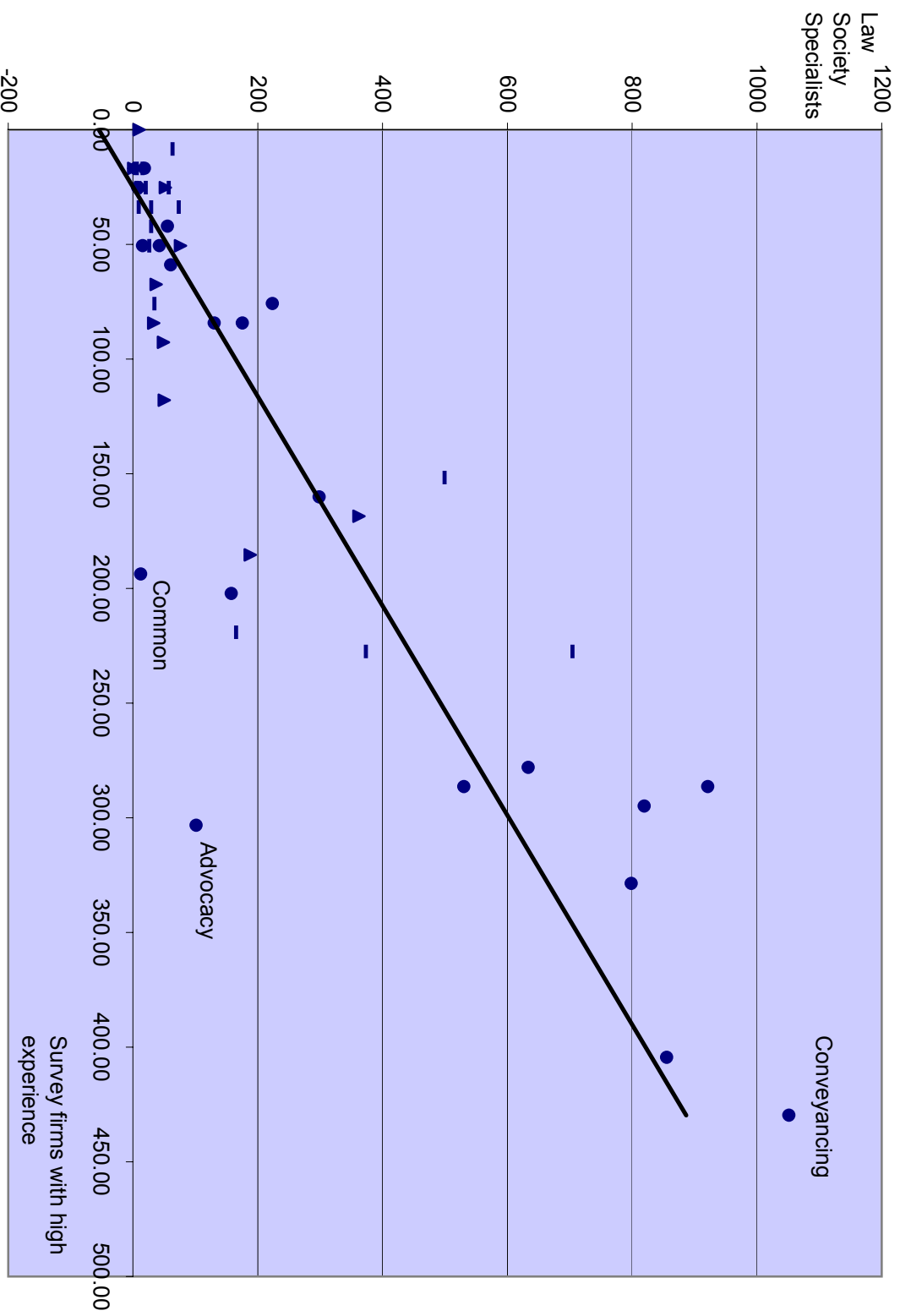
The benchmarking analyses make use of specialism counts derived from returns made to the Law Society. It is possible that these suffer from subjective interpretation and inadequate updating. Provided these factors do not vary in a systematic fashion across regions and provided the numbers of specialists in each region are large, the biases will have a neutral effect in the comparisons. For many UAs, however, numbers of particular specialists are low and the comparisons correspondingly less reliable. In any case, it would be reassuring to know to what extent the specialist counts do measure the absolute availability of particular skills. The survey data do allow us to cross-check specialist counts against the respondents' own assessments of 'experience' in each of the specialist areas.

How we interpret these responses is itself problematic. Here, we restrict positive responses to firms who claim to be 'very experienced' and assume that such a claim implies one specialist per firm. This latter assumption is likely to be inappropriate for larger firms and the more common areas of specialism. The survey responses have been 'grossed up' to yield predictions for the full stock of 514 Welsh firms.

The accompanying graph plots the specialist counts against the experience claims. Clearly, if weight were given to 'partial experience' many observations would be pushed to the right (cf. Figure 7.3); the same would happen if we credited firms with more than one specialist. An Ordinary Least Squares line has been plotted as a visual aid but it should not be taken too seriously. The underlying relationship is almost certainly non-linear: beginning at the origin, rising slowly at first and then more steeply to converge with a vertical line at 514 firms.

On the whole, the graph shows a reasonable concordance between the two measures. There are two disconcerting outliers, Common Law and Advocacy, as noted in the main text. Other variations are not so surprising given the elements of uncertainty in the two measures. They not so great as to undermine confidence in the general validity of the specialist counts but they are sufficient to remind us to exercise caution when making small-number comparisons.

Appendix 1



Appendix 2

	Total % Rank/22	Population		0-15 yrs		75+ yrs		ex-EU		Separated		Lone Par.		Illness		Employment		Unempl.		Owner-oc.		Non-Owner oc.		Earnings		Soc 1-3		Soc 4-6		Soc 7-9		Crime						
Common Law																																						
Advocacy																																						
Chancery																																						
Civil Liberties																																						
Family	18																																					
Children's																																						
Welfare Benefits	1																																					
Wills & Probate	13																																					
Consumer Problem	3																																					
Finance & Invest.																																						
Debt & Money	5																																					
Taxation	1																																					
Insurance																																						
Insolvency																																						
Landlord&Tenant	12																																					
Conveyancing(fees)	21																																					
Neighbour Dispute	2																																					
Employment	2																																					
Personal Injury	17																																					
Profess. Neglig.	1																																					
Medical Neglig.	1																																					
Medical Health	1																																					
Mental Health	1																																					
Crime General	17																																					
Fraud																																						
Libel & Defam.																																						
Litigation	17																																					
Mediation (civil)																																						
Charity	1																																					
Education																																						
Travel & Tourism																																						
Trusts																																						
Immigrat. & Asyl.																																						
Admin. & Public																																						
Planning																																						
Environment	1																																					

Personal Family Social Legal Skills

Bridgend

	Populat.	0-15 yrs	75+ yrs	ex-EU	Separated	Lone Par.	Illness	Employm.	Unempl.	Owner-oc.	Non-Owner oc.	Earnings	Soc 1-3	Soc 4-6	Soc 7-9	Crime
Total	128645	26296	9933	1931	11119	3847	32164	51347	23645	41132	12210	24824	18000	19000	20000	3901
Rank	22	20	7	1	10	7	2	5	2	7	2	2	1	3	3	3
%	91	11	14	11	8	12	7	6	7	2	21	9	18	12	5	11
Common Law	128645															
Advocacy	128645															
Chancery	128645															
Civil Liberties	128645															
Family	4288	877	331		371	128										
Children's	18378	3757			1588	590										
Welfare Benefits	25729	6260			2224	769	6433									4000
Wills & Probate	4766															2857
Consumer Problem	18378						4595									
Finance&Investm.	25729				2224	769	6433									4000
Debt & Money	64323									41132		12412	9000			3901
Taxation	128645															
Insurance	128645															
Insolvency	6432															
Landlord&Tenant	3784															
Conveyancing(fes)	128645															
Neighbour Dispute	128645	26296						7336								
Employment	18378															
Personal Injury	6432															
Profess. Neglig.	128645															
Medical Neglig.	42882						10721									
Mental Health	128645															
Crime General	8040															244
Friend	5893															
Libal & Defamm.	5893															
Litigation	5893															
Mediation (Cvll)	5893															
Charity	5893															
Education	5893															
Travel & Tourism	18378															
Trusts	18378															
Immigration&Asyl-	18378															
Admih. & Public	18378															
Planning	18378															
Environment	128645									41132		3546				

	Work Pop.	Self-empl.	VAT-reg.	Soc 1-3	Manufact.	Construct.	Distrib.	Transport	Finance	Public Ad.	Other
Total	47900	800	3720	13000	1231	782	6263	815	2187	10129	1505
%		16.7		19.4	5.3	3.4	27	3.5	9.4	43.7	6.5
Rank/22											
Business Affairs	3421	57	266	929					2187		
Corp. Finance	47900	800	3720	13000					2187	10129	1505
Finance & Investm.											
Banking	47900	800	3720	13000	1231	782	6263	815	2187	10129	1505
Insurance											
Bankruptcy	23950	400	1860	6500					1094		
Taxation	47900	800	3720	13000							
Mergers	39922	67	310	1083	103	65	522	68	182	844	125
Employment	47900	800	3720	13000	1231	782	6263	815	2187	10129	1505
Computers	47900	800	3720	13000	1231	782	6263	815	2187	10129	1505
Intell. Property	23950	400	186	650	62	39	313	41	109	506	75
Comm. Property	15967	267	1240	4333	410	267	2088	272	729	3376	502
Planning	23950	400	1860	6500	616	397	3132	408	1094	5065	753
Environment											
Profess. Neglig.											
Transport											
Construction											
Energy											
Agriculture											
Media											
Liquor							2088				502
Travel & Tourism											
Adm. & Public											
Mediation											
Trusts	11975	200	930	3250						3376	
Fraud											
Comm. Litigation	9580	160	744	2600							
Europ. Com. Law	47900	800	3720	13000							
International Law	47900	800	3720	13000							

	Popul.	0-15 yrs	75+ yrs	0x-EU	Separated	Lone Par.	Illness	Employ.	Unemploy.	Owner-oc.	Non-Owner oc.	Earnings	Soc 1-3	Soc 4-6	Soc 7-9	Crime
	Total Rank/22															
Common Law	27398															
Advocacy	109596	20189		12689	1748	10157	2869	42387	16530	35285	12797	18489	17000	16000	14000	2764
Chancery	3425	184		116	16	113	6	553	216	734	286	18489	382	34	296	21
Civil Liberties	27398	15		1	7	4	18	8	14	6	17	14	8	10	13	15
Family	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Children's	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Welfare Benefits	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Wills & Probate	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Consumer Problem	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Finance & Invest	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Debt & Money	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Taxation	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Insurance	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Insolvency	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Landlord/Tenant	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Conveyancing(ies)	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Neighbour Dispute	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Employment	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Personal Injury	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Profess. Neglig.	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Medical Neglig.	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Mental Health	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Crim. General	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Family	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Trusts & Estates	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Litigation	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Litigation (Civill)	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Charity	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Education	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Travel & Tourism	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Trusts	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Immigration&Asyl.	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Admin. & Public Planning	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15
Environment	27398	21		1	2	4	18	8	14	6	17	14	8	10	13	15

Business-Related Legal Skills

Flintshire

	Work Pop.	Self-empl.	VAT-reg.	Soc 1-3	Manufact.	Construct.	Distrib.	Transport	Finance	Public Ad.	Other
Total	92300	8000	3840	28000	20454	3172	13014	2727	5194	11971	2411
%		8.7		18.7	34.4	5.3	21.9	4.6	8.7	20.1	4.1
Rank/22											
Business Affairs	5429	471	226	1647					2597		
Corp. Finance	46150	4000	1920	14000					5194		
Finance & Investm.	92300	8000	3840	28000					5194		
Banking											
Insurance											
Bankruptcy											
Taxation											
Mergers	30767	2667	1280	9333					325	748	151
Employment	5769	500	240	1750	1278	198	813	170	325	390	804
Computers	30767	2667	1280	9333	6818	1057	4338	909	1731	2597	1206
Intell. Property	46150	4000	1920	14000	10227	1586	6507	1364	2597	5986	1206
Comm. Property	3846	333	160	1167	852	132	542	114	216	499	100
Planning	30767	2667	1280	9333	6818	1057	4338	909	1731	3990	804
Environment	46150	4000	1920	14000	10227	1586	6507	1364	2597	5986	1206
Profess. Neglig.	46150	4000	1920	14000	10227	1586	6507	1364	2597	5986	1206
Transport						1057		2727			
Construction											
Energy											
Agriculture											
Media											
Liquor							1446				268
Travel & Tourism											
Adm. & Public											
Mediation											
Trusts	23075	2000	960	7000							
Fraud											
Comm. Litigation	10256	889	427	3111							
Europ. Com. Law	46150	4000	1920	14000							
International Law	92300	8000	3840	28000							

	Work-Pop.	Self-empl.	VAT-reg.	Soc 1-3	Manufact.	Construct.	Distrib.	Transport	Finance	Public Ad.	Other
Total	68700	9000	4615	19000	4670	1536	12905	1314	3532	17786	3361
%		13.1		17.9	10.2	3.4	28.2	2.9	7.7	38.6	7.3
Rank/22											
Business Affairs	5266	692	356	1462							
Corp. Finance											
Finance & Investm.											
Banking											
Insurance											
Bankruptcy	68700	9000	4615	19000					3532		
Taxation	13740	1800	923	3800					706		
Mergers											
Employment	8588	1125	577	2375	584	192	1613	164	442	2224	420
Computers											
Intell. Property											
Comm. Property	2544	333	171	704	173	57	478	49	131	659	124
Planning	22900	3000	1538	6333	1557	512	4302	438	1177	5929	1120
Environment	68700	9000	4615	19000	4670	1535	12905	1314	3532	17786	3361
Profess. Neglig.											
Transport											
Construction											
Energy											
Agriculture											
Media											
Liquor							1291				
Travel & Tourism											
Adm. & Public											
Mediation											
Trusts	9814	1286	659	2714						8994	
Fraud											
Comm. Litigation											
Europ. Com. Law											
International Law	13740	1800	923	3800							

	Popul.	0-15 yrs	75+ yrs	ex-EU	Separated	Lone Par.	Illness	Employ./m.	Unempl.	Owner-oc.	Non-Owner oc.	Earnings	Soc 1-3	Soc 4-6	Soc 7-9	Crime
Common Law																
Advocacy	4	13995														
Charcey	3	18660														
Civil Liberties	3	3293	708	244	63	286	744	131	4377	448						
Family	17	2006	2006			807	372	5606	4377	2538						
Children's	6	9330	4013		63	1619	744		1313							
Welfare Benefits	3	18660		1385			223	1682								
Wills & Probate	3	5598														
Consumer Problem	10															
Finance & Investm.	3	18660		1385			744	5606	4377	2538						
Debt & Money	3															
Taxation	1	55981														
Insurance	1															
Insolvency	8	6998														
Landlord/tenant	6	9330														
Conveyancing(fees)	4	13995	3010							2538						
Neighbour Dispute	6															
Employment	10	5598							1385							
Personal Injury	27	2073														
Profess Neglig.	3	18660														
Medical Neglig.	10	5598														
Mental Health	5	11196						1682								
Crime General	27	2073														93
Fraud	1	55981														
Libel & Defamm.	31	1806														
Litigation	1															
Mediation (civil)	1	55981														
Charity	1	55981														
Education	1	55981														
Travel & Tourism	1	55981														
Trusts	2	27991			245											
Immigration&Asyl.	2	27991														
Admin. & Public	1	55981														
Planning	1	55981														
Environment	6	9330														
Total	222	55981	12038	4154	491	4866	2231	18817	18353	13130	15532	8687	6000	7000	8000	2506
%	22	21.5	7.4	0.6	11.1	9.6	30	48.6	33	67.1	32.9	28.5	33.3	39.1	4.5	
Rank/22	3	19	20	6	1	1	1	20	1	19	4	22	12	2	6	

	Popul.	0-15 yrs	75+ yrs	ex-EU	Separated	Lone Par.	Illness	Employ./m.	Unempl.	Owner-oc.	Non-Owner oc.	Earnings	Soc 1-3	Soc 4-6	Soc 7-9	Crime
	84885	16937	7157	1593	6723	1865	18183	37282	11064	28937	8376	17576	18000	11000	10000	2721
	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
	Rank/22															
Common Law																
Advocacy																
Charceury																
Civil Liberties																
Family	26	651	275	398	259	71	4046		2764	322						
Children's	4	4234	779		1881	465	4046		2764	2094						
Welfare Benefits	40						4046		2764							
Wills & Probate	4						4046		2764							
Consumer Problem	1						4046		2764							
Finance & Investm.	1						4046		2764							
Debt & Money	12						4046		2764							
Taxation	8						4046		2764							
Insurance	1						4046		2764							
Insolvency	1						4046		2764							
Landlord/tenant	17						4046		2764							
Conveyancing(ree)	39						4046		2764							
Neighbour Dispute	8	2177					4046		2764							
Employment	10						4046		2764							
Personal Injury	22						4046		2764							
Profess Neglig.	4						4046		2764							
Medical Neglig.	4						4046		2764							
Mental Health	4						4046		2764							
Crime General	18						4046		2764							191
Fraud							4046		2764							
Libel & Defamm.							4046		2764							
Litigation	21	4042					4046		2764							
Mediation (civil)							4046		2764							
Charity	8	10671					4046		2764							
Education							4046		2764							
Travel & Tourism							4046		2764							
Trusts	10	8489					4046		2764							
Immigration/Asyl.	1	84885					4046		2764							
Admin. & Public Planning	1	84885					4046		2764							
Environment	3	28295					4046		2764							

	Work-Pop.	Self-empl.	VAT-reg.	Soc 1-3	Manufact.	Construct.	Distrib.	Transport	Finance	Public Ad.	Other
	50700	6000	3470	18000	4928	1271	10531	2034	3918	11754	1627
		11.8%		23.1%	13.6%	3.5%	29%	5.6%	10.8%	32.3%	4.5%
	Rank/22										
Business Affairs	2204	261	151	763							
Corp. Finance	50700	6000	3470	18000					3918		
Finance & Investm.	50700	6000	3470	18000					3918		
Banking	50700	6000	3470	18000					3918		
Insurance	50700	6000	3470	18000					3918		
Bankruptcy	6338	750	434	2250					490		
Taxation	6338	750	434	2250					490		
Mergers	5070	600	347	1800					392		163
Employment	5070	600	347	1800					392		163
Computers	25350	3000	1735	9000	493	127	1053	203	392	1175	163
Intell. Property	1950	231	133	692	2664	636	5268	1017	1959	5877	814
Comm. Property	1950	231	133	692	190	49	405	78	151	452	63
Planning	16900	2000	1157	6000	1643	424	3510	678	1306	3918	542
Environment	16900	2000	1157	6000	1643	424	3510	678	1306	3918	542
Profess. Neglig.											
Transport											
Construction											
Energy											
Agriculture											
Media											
Liquor											
Travel & Tourism							1755				
Adm. & Public											
Mediation											
Trusts	5070	600	347	1800							
Fraud	5070	600	347	1800							
Comm. Litigation	5633	667	386	2000							
Europ. Com. Law	25350	3000	1735	9000							
International Law	25350	3000	1735	9000							

Personal Family Social Legal Skills

Neath Port Talbot

	Popul.	0-15 yrs	75+ yrs	ex-EU	Separated	Lone Par.	Illness	Employm.	Unempl.	Owner-oc.	Non-Owner oc.	Earnings	Soc 1-3	Soc 4-6	Soc 7-9	Crime
Total	134468	26400	11845	1327	11983	4549	39488	48777	28667	41077	16532	23250	15000	18000	17000	4043
%	8	19.6	8.8	1	11.1	7.9	29.4	50.6	29.8	71.3	28.7	250	30	36	34	3
Rank/22	8	15	7	18	6	6	2	18	3	10	13	11	20	5	7	11
Common Law	734469															
Advocacy	336177															
Chancery																
Civil Liberties																
Family	4637	910	408		413	157					570					
Children's	16809	3300			1498	569					2755					
Welfare Benefits	22411	4400		221	1997	758			4778						2833	
Wills & Probate	7470		688						2806						1545	
Consumer Problem	12224					414	3590									
Finance & Investm.	12224				1089	414	3590		2806		1503					
Debt & Money	12224		1077						2806							
Taxation	134468									41077		23250	15000	18000		4043
Insurance	134468															
Insolvency	134468								28667							
Landlord&Tenant	11206															
Conveyancing(ies)	6112									1867	1378					
Neighbour Dispute	134468	26400						3747			16532					
Employment	10344															
Personal Injury	7470															
Profess. Neglig.	67234															
Medical Neglig.	44823						13163									
Mental Health	134468								28667							150
Crime General	4980															
Fraud																
Libel & Defamm.	5172															
Litigation																
Mediation (Civil)	134468															
Charity	134468															
Education	134468															
Travel & Tourism																
Trusts	26894											4652				
Immigration&Asy.	134468			1327												
Admin. & Public	16809															
Planning	26894															
Environment	44823									82/15						

	Popul.	0-15 yrs	75+ yrs	0x-EU	Separated	Lone Par.	Illness	Employm.	Unempl.	Owner-oc.	Non-Owner oc.	Earnings	Soc 1-3	Soc 4-6	Soc 7-9	Crime
	Total Rank/22	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Common Law	2	57066														
Advocacy	39	2926	600	256		249	91									
Chancery	3	38944	7798		206	3234	1179	2631	2185			378				
Civil Liberties	9	72887	2599	227		1078	393	1820	1405			1638				1596
Family	44	2594					253									1000
Children's	14	8152					253									778
Welfare Benefits	18	6341		554		539	197	1415	1092			819		4590		
Mills & Probate	4	28533														
Consumer Problem	22	5188														
Finance & Investm.	46	2481	1800													
Debt & Money	13	10376										1134				
Insurance	11	3936						3879								
Taxation	29	28533														
Insolvency	4	3854					6389									
Landlord/Tenant	30	3854														
Conveyancing(Res)	3	3854														
Neighbour Dispute	40	2853														
Employment	2	114131														
Persons Injury	1	2853														
Profess. Neglig.	11	10376														
Medical Neglig.	1	10376														
Mental Health	2	114131														
Crim General	1	2853														
Travel & Pedamm.	40	2853														
Litigation	2	57066														
Mediation (Cvill)	1	114131														
Charity	1	10376														
Education	11	10376														
Trusts & Tourism	1	10376														
Immigration&Asyl.	1	10376														
Admin. & Public Planning	1	114131														
Environment	2	57066														

	Popul.	0-15 yrs	75+ yrs	0x-EU	Separated	Lone Par.	Illness	Employm.	Unempl.	Owner-oc.	Non-Owner oc.	Earnings	Soc 1-3	Soc 4-6	Soc 7-9	Crime
	Total Rank/22	%	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Common Law	1	126354	24519	121469	1944	10167	2747	25620	15907	37269	16690	24504	20000	24000	17000	1963
Advocacy	3	11	194	96	15	10	51	204	156	692	308	10	15	383	276	15
Chancery	1	126354	18	3	11	21	21	18	22	16	7	10	1	1	17	21
Civil Liberties	1	42118														
Family	33	3828	743	368	972	308	83	12910	7954	503	503	8296	5000	6000	8500	82
Children's	5	25271	4904	284	2033	549	549	3699	2272	8296	8296	2429			2429	
Welfare Benefits	2	63177	12360		5094	1374	1374	3699								
Wills & Probate	46	2747		284		392	392									
Consumer Problem	7	18051				250	250									
Finance & Investm.	11	11487		1104		924	2347		1446	1508	1508	6126			1545	
Debt & Money	4	31589														
Taxation	11	11487														
Insurance	29	4357														
Insolvency	47	2886														
Landlord/Tenant	9	14039	2724							793	572					
Conveyancing(ies)	9	14039									1843					
Neighbour Dispute	11	11487														
Employment	31	4076						5099								
Persons Injury	6	21056					4303									
Profess. Neglig.	6	21056														
Medical Neglig.	24	5265														
Mental Health	24	5265														
Crim General	38	3325														
Travel & Pedamm.	3	42118														
Litigation	3	126354														
Mediation (Cvill)	1	14039														
Charity	1	126354														
Education	9	14039														
Travel & Tourism	1	126354														
Trusts	1	126354			1944											
Immigration&Asyl.	1	126354														
Admin. & Public Planning	1	126354														
Environment	1	126354								37268						

	Popul.	0-15 yrs	75+ yrs	ex-EU	Separated	Lone Par.	Illness	Employm.	Unempl.	Owner-oc.	Non-Owner oc.	Earnings	Soc 1-3	Soc 4-6	Soc 7-9	Crime
Common Law	45475															
Advocacy	30316															
Chancery																
Civil Liberties	90949															
Family	4331	924	333	940	386	2775	132	2775	15879	25651	11925	15489	12000	12000	14000	3722
Children's	12993	2772	2772	2772	1159	396	925	5293	568	68.3	31.7	320.9	31.6	31.6	36.6	4.1
Welfare Benefits	30316	6469	438	313	2704	925	7530	5293	568	17	6	18	17	18	4	7
Wills & Probate	5684															
Consumer Problem	18190															
Finance & Investm.																
Debt & Money	6996															
Taxation	30316		539		624	213	1738	1221	15879	25651	11925	15489	12000	12000	14000	3722
Insurance																
Insolvency	90949															
Landlord&Tenant	8268															
Conveyancing(es)	4547															
Neighbour Dispute	18190	3881						3587	1283	1084	2385					
Employment	9095															
Personal Injury	6496															
Profess. Neglig.	12993															
Medical Neglig.																
Mental Health	7579															
Crime General	90949															310
Fraud																
Libel & Defamm.	4787															
Litigation																
Mediation (civil)	90949															
Charity	45475															
Education																
Travel & Tourism	30316															
Trusts																
Immigration&Asyl.	45475															
Admnin. & Public	90949									25651						
Planning																
Environment																
Total	90949	19406	7002	940	8113	2775	22591	35872	15879	25651	11925	15489	12000	12000	14000	3722
%	21.3	7.7	1	11.3	3.1	3.1	24.8	39.6	17.4	28.3	13.2	17.0	13.2	13.2	15.4	4.1
Rank/22	17	5	14	18	4	10	8	6	9	17	6	18	17	18	4	7

	Work-Pop.	Self-empl.	VAT-reg.	Soc 1-3	Manufact.	Construct.	Distrib.	Transport	Finance	Public Ad	Other
Total	80400	7000	3025	20000	12498	1852	11537	1859	3910	14118	2362
%		8.7		16.3	25.5	3.8	23.5	3.8	8	28.8	4.8
Rank/22											
Business Affairs	5743	500	216	1429					1955		
Corp. Finance	40200	3500	1513	10000					1955	14118	2362
Finance & Investm.					12498	1852	11537	1859	3910		
Banking	80400	7000	3025	20000					1955		
Insurance	40200	3500	1513	10000					1955		
Bankruptcy											
Taxation	80400	7000	3025	20000					1955	14118	2362
Mergers	6185	538	233	1538	961	142	887	143	301	1086	182
Employment											
Computers	26800	2333	1008	6667	4166	617	3846	620	1303	4706	787
Intell. Property	3092	269	116	769	481	71	444	72	150	943	91
Comm. Property	40200	3500	1513	10000	6249	926	5769	930	7955	7059	181
Planning	40200	3500	1513	10000	6249	926	5769	930	7955	7059	181
Environment											
Profess. Neglig.	80400	7000	3025	20000	12498	1852	11537	1859	3910	14118	2362
Transport											
Construction											
Energy											
Agriculture											
Media											
Liquor											
Travel & Tourism							1848				
Adm. & Public											
Mediation											
Trusts	13400	1167	504	3333						7059	
Fraud	80400	7000	3025	20000							
Comm. Litigation	7309	636	275	1818							
Europ. Com. Law											
International Law	80400	7000	3025	20000							

CLWYD compared to Wales

	Work. Pop.	Self-empl.	VAT-reg.	Soc 1-3	Manufact.	Construct.	Distrib.	Transport	Finance	Public Ad.	Other
Total	227300	21000	9775	65000	37408	7081	32482	6146	11395	39685	6409
%											
Rank/22											
Business Affairs	4639	49	4639	49							
Corp. Finance	45460	5	45460	5					2279		
Finance & Investm.	227300	1	227300	1					11395		
Banking											
Insurance	113650	10500	4888	32500	18704		16241	3073	5698	19843	
Bankruptcy	113650	10500	4888	32500	18704		16241	3073	5698	19843	3205
Taxation	32471	3000	1396	9286					1628		
Mergers	37883	3500	1629	10833							
Employment	5166	477	222	1477	850	161	738	140	259	902	146
Computers	56825	5250	2444	16250	9352	1770	8121	1537	2849	9921	1602
Intell. Property	28413	2625	1222	8125	4676	885	4060	768	1424	4961	801
Comm. Property	2772	256	119	793	456	86	396	75	139	484	78
Planning	32471	3500	1629	10833					1899	6614	1066
Environment	32471	3000	1396	9286	5344	1180	5414	1024	1628	5669	916
Profess. Neglig.	75767	7000	3258	21667	12469	2360	10827	2049	3798	13228	2136
Transport								6146			
Construction						1770					
Energy											3205
Agriculture											279
Media							1412				
Liquor											
Travel & Tourism											
Adm. & Public										19843	
Mediation											
Trusts	9471	875	407	2708							
Fraud	113650	10500	4888	32500							
Comm. Litigation	7332	677	315	2097							
Europ. Com. Law	56825	5250	2444	16250							
International Law	227300	21000	9775	65000							

CLWYD compared to SW ENGLAND

	Work. Pop.	Self-empl.	VAT-reg.	Soc 1-3	Manufact.	Construct.	Distrib.	Transport	Finance	Public Ad.	Other
	227300	21000	9775	65000	37408	7081	32482	6146	11395	39686	6409
	Total %										
	Rank/22										
Business Affairs	49	4639	429	199	1327						
Corp. Finance	5	45460	4200	1955	13000				2279		
Finance & Investm.	1	227300	21000	9775	65000				11395		
Banking	0										
Insurance	2	113650	10500	4888	32500	18704	3541	3073	5698	19843	3205
Bankruptcy	2	113650	10500	4888	32500	18704	3541	3073	5698	19843	3205
Taxation	7	32471	3000	1396	9286				1628		
Mergers	6	37883	3500	1629	10833						
Employment	44	5166	477	222	1477	850	161	140	259	902	146
Computers	4	56825	5250	2444	16250	9352	1770	1537	2849	9921	1602
Intell. Property	8	28413	2625	1222	8125	4676	885	768	1424	4961	801
Comm. Property	82	2772	256	119	793	456	86	75	139	484	78
Planning	6	37883	3500	1629	10833	6235	1180	1024	1899	6614	1068
Environment	7	32471	3000	1396	9286	5344	1012	878	1628	5669	916
Profess. Neglig.	3	75767	7000	3258	21667	12469	2360	2049	3798	13228	2136
Transport	1							6146			
Construction	4					1770					
Energy	1										
Agriculture	4										
Media	2										
Liquor	23						1412				3205
Travel & Tourism	0										279
Adm. & Public	2									19843	
Mediation	0										
Trusts	24	9471	875	407	2708						
Fraud	2	113650	10500	4888	32500						
Comm. Litigation	31	7332	677	315	2097						
Europ. Com. Law	4	56825	5250	2444	16250						
International Law	1	227300	21000	9775	65000						

DYFED compared to SW ENGLAND

	Work.Pop.	Self-empl.	VAT-reg.	Soc 1-3	Manufact.	Construct.	Distrib.	Transport	Finance	Public Ad.	Other
Total	217000	20800	15145	52000	10130	4799	29951	4941	8498	4270	6345
%	16.7	9.3	7.0	23.9	4.7	2.2	13.8	2.3	3.9	1.9	2.5
Rank/22											
Business Affairs	3741	359	261	897							
Corp. Finance	217000	20800	15145	52000	10130	4799	29951	4941	8498	4270	6345
Finance & Investm.	1										
Banking	108500	10400	7573	26000	5069	2400	14976	2471	4249	21350	3173
Insurance	2										
Bankruptcy	108500	10400	7573	26000	5069	2400	14976	2471	4249	21350	3173
Taxation	19272	1891	1377	4727					773		
Mergers	217000	20800	15145	52000	10130	4799	29951	4941	8498	4270	6345
Employment	5564	533	388	1333	260	123	768	127	218	1095	163
Computers	108500	10400	7573	26000	5069	2400	14976	2471	4249	21350	3173
Intell. Property	54250	5200	3786	13000	2535	1200	7488	1235	2125	10675	1586
Comm. Property	2333	224	163	559	709	52	322	53	91	459	68
Planning	54250	5200	3786	13000	2535	1200	7488	1235	2125	10675	1586
Environment	31000	2971	2164	7429	1448	685	4279	705	1214	6100	906
Profess. Neglig.											
Transport											
Construction											
Energy											
Agriculture											
Media											
Liquor											
Travel & Tourism							1576				
Adm. & Public											
Mediation											
Trusts	7233	693	505	1733						14233	
Fraud											
Comm. Litigation	12755	1224	891	3059							
Europ. Com. Law	108500	10400	7573	26000	10130	4799	29951	4941	8498	4270	6345
International Law	217000	20800	15145	52000	10130	4799	29951	4941	8498	4270	6345

EAST GLAMORGAN to SW ENGLAND

	Work.Pop.	Self-empl.	VAT-reg.	Soc 1-3	Manufact.	Construct.	Distrb.	Transport	Finance	Public Ad.	Other	
	Total	551900	33000	17625	147000	50341	15165	73453	17906	54443	116212	20559
	%											
	Rank/22											
Business Affairs	235											
Corp. Finance	41	2349	140	75	626				93	1328		106
Finance & Investm.	5	13461	805	430	3585				716	2778		822
Banking	24	110380	6600	3525	29400				332	1008		380
Insurance	48	22996	1375	734	6125				67	204		77
Bankruptcy	27	11498	688	367	3063				253	2593		978
Taxation	26	20441	1222	653	5444				853	2533		708
Mergers	36	21227	1259	678	5654				527	1877		604
Employment	193	15331	917	490	4083				1990	1601		
Computers	25	2860	171	91	762					282		
Intell. Property	25	22076	1320	705	5880					278		
Comm. Property	54	10220	611	326	2722					1008		
Planning	267	2067	124	66	551					204		
Environment	21	26281	1571	839	7000					2593		
Profess. Neglig.	29	19031	1198	608	5069					1877		
Transport	34	16232	971	518	4324					1601		
Construction	9						722					
Energy	21											
Agriculture	3											
Media	5											
Liquor	27											
Travel & Tourism	63											
Adm. & Public	21							1166				
Mediation	11	50173	3000	1602	13364						5534	
Trusts	11	15769	943	504	4200							
Fraud	35	30661	1833	979	8167							
Comm. Litigation	18	2379	142	76	634							
Europ. Comm. Law	232											
International Law	7	78843	4714	2518	21000							

WEST GLAMORGAN compared to Wales

	Work Pop.	Self-empl.	VAT-reg.	Soc 1-3	Manufact.	Construct.	Distrib.	Transport	Finance	Public Ad.	Other
Total %	295100	15000	9395	70000	33647	8953	45269	7864	25223	65372	7710
Rank/22											
Business Affairs	3883	197	124	921							
Corp. Finance	49183	2500	1566	11667					4204		
Finance & Investm.	295100	15000	9395	70000					25223		
Banking	59020	3000	1879	14000	6729	1791	9054	1573	5045	13074	1542
Insurance	147550	7500	4698	35000	16824	4477	22635	3932	12612	32686	3855
Bankruptcy	26827	1364	854	6364					2293		
Taxation	42157	2143	1342	10000					3603		
Mergers	42157	2143	1342	10000							
Employment	5365	273	171	1273	612	163	823	143	459	1189	140
Computers	98367	5000	3132	23333	11216	2984	15090	2621	8408	21791	2570
Intell. Property	59020	3000	1879	14000	6729	1791	9054	1573	5045	13074	1542
Comm. Property	2784	142	89	660	317	84	427	74	238	617	73
Planning	22700	1154	723	5385	2588	689	3482	605	1940	5029	593
Environment	22700	1154	723	5385	2588	689	3482	605	1940	5029	593
Profess. Neglig.	26827	1364	854	6364	3059	814	4115	715	2293	5943	701
Transport						1492		2621			
Construction											
Energy											
Agriculture											
Media											
Liquor							1617				275
Travel & Tourism											
Adm. & Public											
Mediation	295100	15000	9395	70000						4669	
Trusts	9837	500	313	2333							
Fraud											
Comm. Litigation	5465	278	174	1296							
Europ. Com. Law											
International Law	295100	15000	9395	70000							

Appendix 3

Appendix 3

Law Society Areas of Legal Specialisms

Business Affairs	Education
Financial and Investment Services	Litigation – Commercial
Advocacy	Energy & National Resources
Children Law	Medical Negligence
Charity Law	Mediation – Civil/Commercial
Administrative and Public Law	Mental Health
Consumer Problems	Fraud
Agricultural Law	Neighbour Disputes
Conveyancing Residential	Insolvency & Bankruptcy
Aviation	Personal Injury
Commercial Property	International Law (Non-EC)
Banking Law	Welfare Benefits
Crime- General, Motor, Juvenile	Libel & Defamation
Chancery	Wills & Probate
Debt and Money Advice	Maritime/Shipping/Admiralty
Civil Liberties/Human Rights	Taxation
Environmental Law	Media/Entertainment Law
Common Law	Trusts
Employment	Mergers & Acquisitions
Mediation- Family	Liquor Licensing/ Gambling
Computer & IT Law	Planning Law
Landlord and Tenant –Residential	Intellectual Property
Construction/Civil Engineering	Professional Negligence
Immigration and Nationality	Insurance
Immigration – Asylum	Transport Road and Rail
Immigration – Other	European Community Law
Corporate Finance	Travel & Tourism
Litigation – General	