

Conveyancing hit hardest by COVID-19

Common sense might tell you that being in the middle of a pandemic, being restricted to your own home and most businesses being closed would result in a big drop in levels of business for the legal industry.

After all, as of 21st May 2020, 16% of the courts and tribunals in England and Wales have been suspended to protect those involved in trials¹. The Government also advised that anybody moving to a new house delay until after lockdown measures have been lifted², and social distancing measures have made the witnessing requirements for wills difficult to comply with³.

The results of our survey, therefore, may surprise you.

Law firms in general see only minor effects

We asked 100 people how various practice areas had been impacted in their practice. They were given the options for Company & Commercial, Conveyancing, Crime, Employment, Family, Immigration, Personal Injury and Wills & Probate.

For each practice area, respondents were able to select from 5 options. These are numbered, which means we can then find a weighted average.

1. Significantly less business (More than 25% less)
2. A little less business (Up to 25% less)
3. No Change
4. A little more business (Up to 25% more)
5. Significantly more business (More than 25%)

The overall average response across all 100 respondents was 2.66, which shows only a slight reduction in business across the board. This is a positive sign as it shows that law firms have largely seen only a minor impact to business levels.

However, 60% of our respondents have also made use of the Coronavirus Job Retention Scheme (the furlough scheme). This 60% figure is even skewed downwards by the 1 – 10 category of firms, where only 36% of firms have put employees on furlough. Discounting this group, 66% of firms with 11+ employees made use of the furlough scheme.

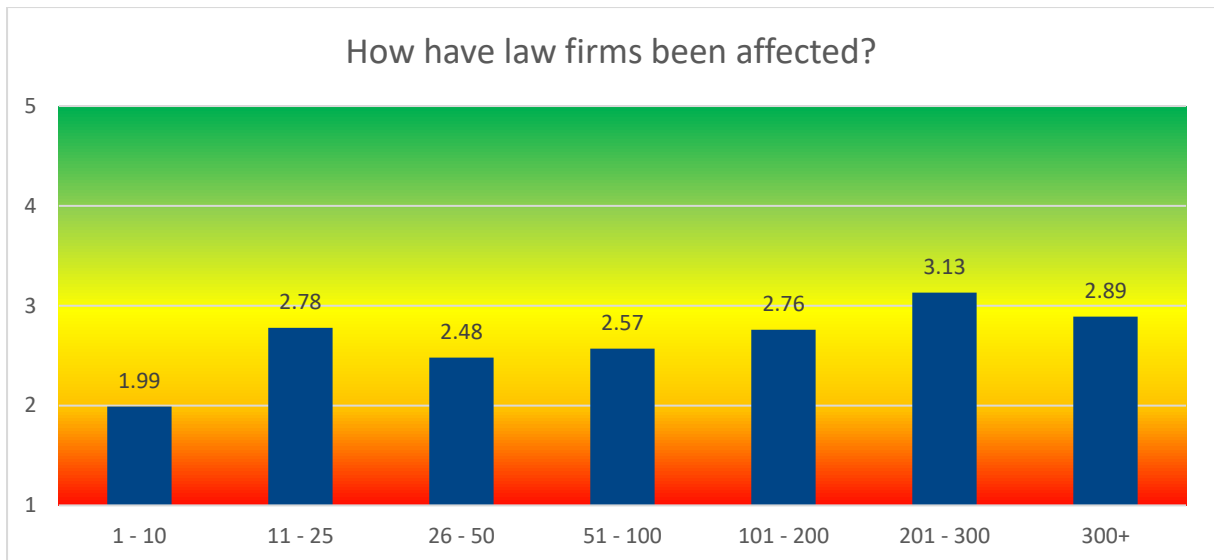
This conflicts with the idea that law firms have been largely unaffected. To get to the bottom of this, we have to look a little deeper into the figures.

We can see from the results that smaller firms have seen the biggest reduction in business, with an average of 1.99 across all practice areas, which still, would only represent a little less business.

¹ <https://www.gov.uk/guidance/courts-and-tribunals-tracker-list-during-coronavirus-outbreak>

² <https://www.lawsociety.org.uk/support-services/advice/articles/coronavirus-covid-19-and-residential-conveyancing-transactions/>

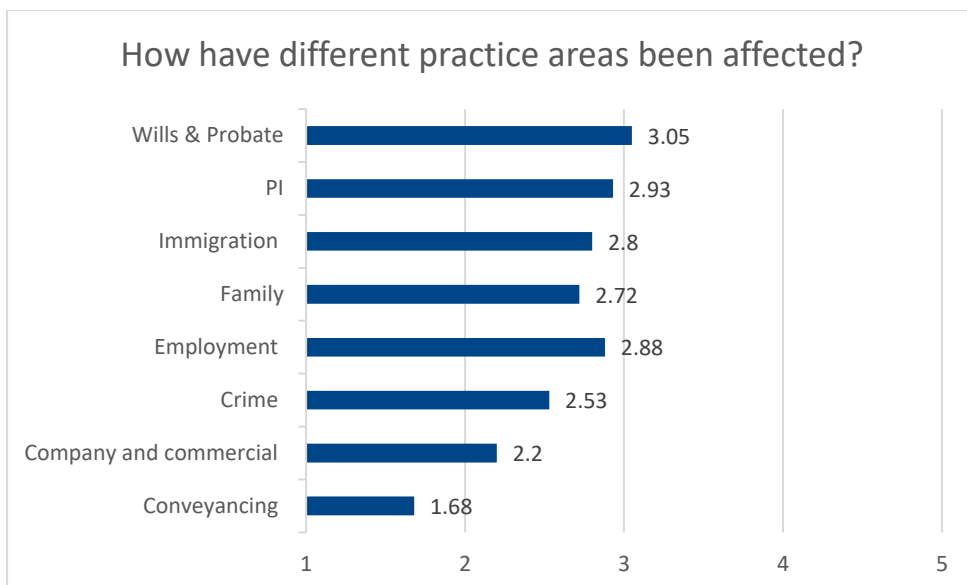
³ <https://www.bbc.co.uk/news/business-52215141>



This perhaps shows the benefit of having a strong brand when a crisis hits as bigger firms, who are more likely to have a stronger brand and more marketing power have fared the best and been affected least.

Conveyancing has taken the biggest hit

When we look at how the different practice areas have been affected by the lockdown, we can see that conveyancing has been hit hardest.



Conveyancing has an average score of just 1.68, which would represent a significant reduction in business, especially compared to other practice areas. This is understandable as the conveyancing industry essentially came to a halt as home movers delayed their plans following government advice. Social distancing measures meant that viewing homes, attending solicitors' offices for meetings and to sign documents became almost impossible.

The second hardest hit sector was Company and Commercial. Again, this is understandable as more companies essentially pause their business, there would be a significant reduction in their legal requirements.

Crime is the only other sector to fall below the average of 2.66, with a score of 2.53. As already discussed, as courts have been suspended to aide with the safeguarding of juries, judiciary, counsel, defendants and court staff, court cases have been reduced to a minimum, with only those being classed as essential taking place.

Wills and probate appears to be faring best, with a score of 3.05, which would show that there has been no change to business levels despite the difficulty in creating a will in the circumstances. This is likely due to the nature of the media during the pandemic, with a daily death toll being on every TV screen, people are naturally worried, and their thoughts turn to what would happen should they fall victims to COVID-19.

Personal Injury, Immigration, Family and Employment show a negligible decrease in business levels, to the point where you can say there has been little if any change in business levels.

To see the full survey results and find out how firms have made use of the furlough scheme, how many redundancies have been made and how the industry will change post-COVID-19, see our full report at <https://www.dpssoftware.co.uk/blog/how-has-covid-19-affected-the-legal-business/>