

**Minutes of the eight meeting of the  
Alternative Business Structures (ABS) Implementation Group**

**Held on Thursday 29 April 2010 from 12:00 to 12:50**

**Legal Services Board, Victoria House, Southampton Row, London, WC1B 4AD**

**Attendees**

Attendees

Chris Kenny	Legal Services Board (LSB)
Fran Gillon	Legal Services Board (LSB)
Chris Baas	Legal Services Board (LSB) (reporting comments made by SRA)
Luke McInerney	Legal services Board (LSB)
Ann Wright	Intellectual Property Regulation Board (IPREG)
Imelda Moffat	Institute of Chartered Accountant England and Wales (ICAEW)
Gemma Burnett	ILEX Professional Standards (IPS)
Victoria Swan	Council for Licensed Conveyancers (CLC)
Clare Vicary	Bar Standards Board (BSB)
Geraint Davies	Bar Standards Board (BSB)
Alanna Linn	Legal Services Board Consumer Panel
Stephen Borton	Master of the Faculties
Dawn Sanderson	Ministry of Justice

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**Background**

This was the eighth meeting of the ABS Implementation Group.

**Agenda**

1. Minutes
2. Matters arising
3. Update on progress towards ABS implementation
4. Appellate bodies planning and progress
5. Update on s69 open letter
6. Future of the ABS implementation group
7. Any Other Business

**Minutes**

1. The minutes from the previous meeting were considered.
2. No amendments were proposed.

### **Matters arising out of the minutes**

3. No significant matters arose out of consideration of the minutes from the previous meeting of the ABS Implementation Group.
4. It was noted that the next ABS road-trip will be in Cardiff on 12 May 2010.
5. The minutes were then approved.

### **Update on progress towards ABS implementation**

#### *IPREG*

6. Entity fee requests are being finalised and currently IPREG are sending out a questionnaire to members to identify if they intend to transition to an ABS model in the future. The purpose of the questionnaire is to gauge the perception in the market place of whether firms will embrace the ABS model and to garner views amongst members whether IPREG should be a Licensing Authority.
7. The questionnaire is to be circulated next month.

#### *ICAEW*

8. ICAEW noted that they are currently engaged in information dissemination with members about reform of the legal services industry and ABS. ICAEW reported that some firms are uncertain about the proposed ABS model and worried about its implementation.
9. The ICAEW anticipate contributing to the SRA's consultation in May.

#### *IPS*

10. The primary issue for IPS is their May Board meeting where their Board will decide whether they are to become a Licensing Authority.

#### *CLC*

11. The CLC reported that they are redrafting their code of conduct and enforcement procedures so that it reflects outcome based regulation.

*SRA (Chris Baas reporting comments made by SRA who were unable to attend)*

12. Consultation will be out by end of May and will set out a new code of conduct for the SRA.
13. SRA noted that a consultation is scheduled for October on compensation rules.
14. SRA indicated that MDP work-stream is continuing with the next meeting scheduled for 4 June 2010.

*BSB*

15. The BSB have instructed YouGov to issue a survey to members of the profession to see how many people are interested in ABS and informed about the new changes in the legal services industry, and to gauge their opinion regarding the level of future regulation.
16. The results of the YouGov survey should be available by end May 2010.

*MoJ*

17. MoJ advised that the commencement order for sch.10 will come into force on 2 August 2010

*Master of the Faculties*

18. The Master of Faculties responded to the last consultation and noted that ABS models had a limited appeal amongst notaries, primarily due to the fact that notaries are sole practitioners and independence is a crucial element of their work.
19. The Master of Faculties also indicated that any embrace of ABS would likely be from younger members of the profession.

## **Appellate bodies planning and progress**

*The LSB*

20. LSB noted that they have been working on putting an appeals mechanism in place. The LSB noted that we will need to do a S.80 order under the LSA and will need to consult on that order before it is made in January 2011. Consultation on a S.80 order probably would commence in summer 2010.
21. LSB will convene a meeting with the Tribunal Service in the next couple of weeks to do further thinking on funding and appeal arrangements regarding ARs.
22. It is envisaged that the LSB will arrange an MOU with the LSB and Tribunal Service in the next couple of weeks in order to formalise thinking around funding and appeal arrangements with ARs.

23. An MOU between the LSB and Tribunal Service is needed to be mapped for an agreed approach to setting up the appeal mechanism for ABS.
24. Additionally, it was noted that funding formed a critical issue which would form part of the consultation in August.
25. A workshop will be held in June and it is hoped that as many ARs as possible will attend.

#### **Update on s.69 open letter**

26. LSB received 5 responses to the Open Letter, but the LSB are happy to liaise with ARs on a bilateral basis to consider any additional ideas.
27. LSB will organise a meeting with SRA and Law Society to discuss outstanding issues concerning s.69, with the view of going to the LSB's May board meeting with a proposed way forward.
28. MoJ will be approached – after the election and LSB board meeting – to arrange a s.69 order.

#### **Future of the ABS implementation group**

##### *IPREG*

29. The ABS Implementation Group is useful for gaining an update on progress to date.

##### *CLC*

30. The ABS Implementation Group is useful for gaining an update on progress to date. The CLC suggested that future agenda items could be discussed at the meeting and placed on the agenda for upcoming meetings.

##### *BSB*

31. BSB views the ABS implementation Group as a useful state of play meeting.

##### *SRA*

32. SRA views then ABS implementation Group as a useful state of play meeting.

#### **Any Other Business**

33. The next ABS implementation meeting should be after the MDP meeting and after SRA's published consultation.
34. ICAEW raised the question as to what is the state of play with the framework MOU. LSB responded that the MOU was being taken forward as part of the MDP meeting.

35. IPREG noted that it was important that the LSB chaired the MDP meeting and take a leading role due to political sensitivities and the optics of SRA's involvement. Chris Kenny noted that the LSB needs to give its seal of approval to the process and be involved, but that the LSB will think further about how it communicates this and in managing perceptions, etc.
36. IPS sought clarification on when transitional provisions will begin. LSB noted that transition provisions have already commenced and will end on 6 October 2012 (expect transition arrangements for special bodies which will end around mid-2013).
37. IPREG asked as to whether there were any 'bluffer's guide' to ABS (ie. straight forward information on ABS) which would be useful for their members. It was suggested that the LSB website has summary information on ABS and that the SRA website also offers overview information and a useful FAQ section.