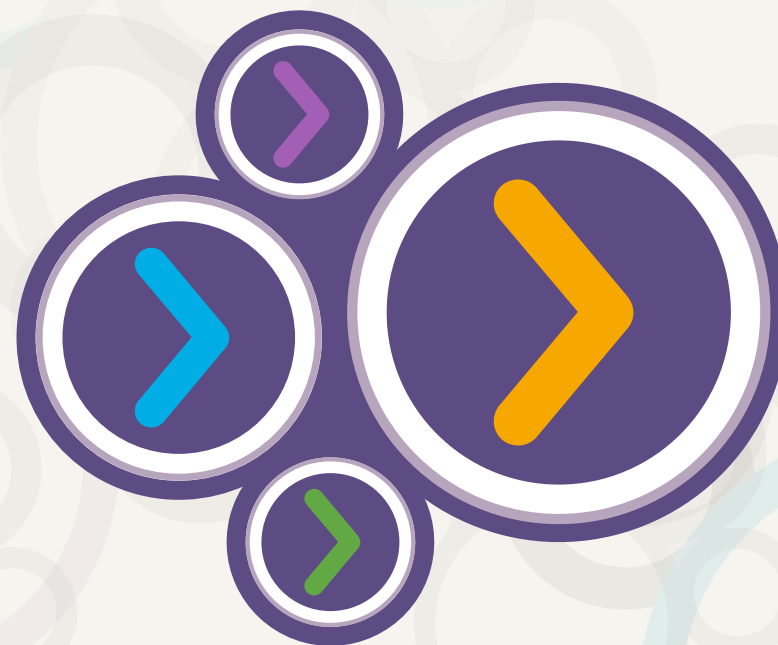


Strategic Plan 2013-16

BAR
STANDARDS
BOARD

REGULATING BARRISTERS



The regulatory objectives:

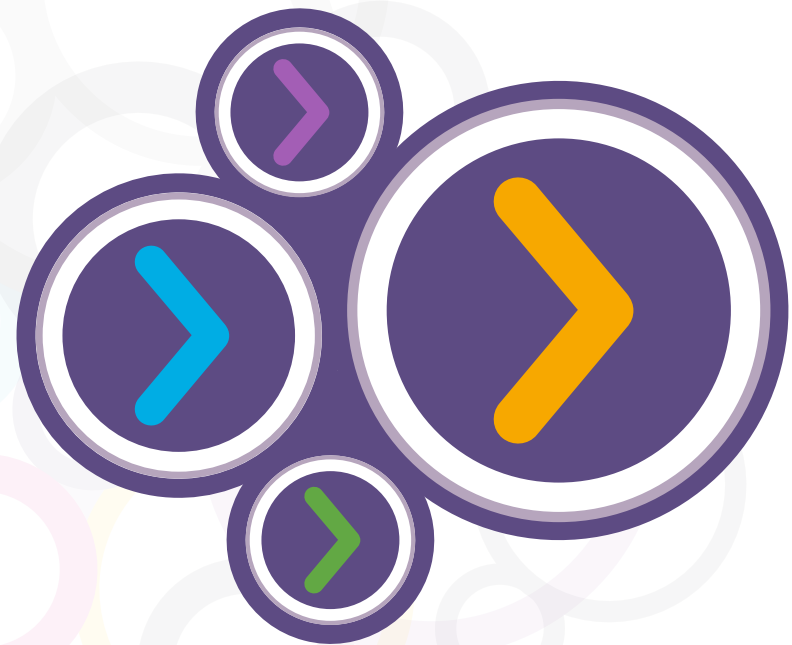
- Protecting and promoting the public interest;
- Supporting the constitutional principle of the rule of law;
- Improving access to justice;
- Protecting and promoting the interests of consumers;
- Promoting competition in the provision of services;
- Encouraging an independent, strong, diverse and effective legal profession;
- Increasing public understanding of the citizen's legal rights and duties; and
- Promoting and maintaining adherence to the professional principles.

The professional principles are:

- That authorised persons should act with independence and integrity;
- That authorised persons should maintain proper standards of work;
- That authorised persons should act in the best interests of their clients;
- That persons who exercise before any court a right of audience, or conduct litigation in relation to proceedings in any court, by virtue of being authorised persons should comply with their duty to the court to act with independence in the interests of justice; and
- That the affairs of clients should be kept confidential.

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Statement from the Chair and Director

The Bar Standards Board is the independent regulator of barristers. Our mission is to regulate the Bar in England and Wales so as to promote high standards of practice and safeguard clients, in the public interest. We are pleased to publish our third Strategic Plan setting out our aims for the period 2013-16.

We are about to enter an important and exciting new phase in our development since we were established in 2006 as a public-interest regulator, independent of the profession, to meet new legislative requirements set out in the 2007 Legal Services Act. Our vision during 2013-16 is to become a more modern and efficient regulator, operating to externally agreed high standards, fulfilling our mission and upholding and promoting the regulatory objectives and professional principles set out in the Act. Barristers are at the heart of the justice system so the work we do is fundamentally important to the maintenance of the rule of law in England and Wales and contributes to the furthering of that principle more widely across the globe.

We have set ourselves five strategic aims for the period 2013-16 to underpin the achievement of our vision. We will:

- implement new specialist regulatory frameworks for advocacy services;

- promote greater public and professional understanding of what we do and why;
- set and maintain high standards of entry to and practice within the profession;
- take a more risk and evidence-based approach to what we do; and
- strive for “best practice” as an organisation for those whom we serve and those who work for us.

We have a talented and engaged lay-majority Board and a highly qualified and dedicated executive staff team to work together on delivering the strategic aims. We are committed to success. We are working at a time of unprecedented change and challenge. The market for legal services is evolving rapidly, with new business models and ways of delivering services to clients appearing all the time. We aim to ensure barristers can take advantage of a liberalised market to bring benefits to their clients. But the market environment is very tough, and nowhere more so than in relation to publicly-funded legal services, where the advice

and representation barristers provide to the most vulnerable in society are at risk of reductions in both quality and availability. We intend to work extremely hard to maintain quality standards at such a difficult time, and to preserve the best of what the Bar has historically provided to society whilst enabling it to modernise. We aim to support entry to the profession by the best qualified students and to monitor their education, as well as the lifelong education of barristers in practice. Despite the challenging environment, we believe that the reputation of the profession stands as high as ever.

Although we serve the public primarily, we are by law funded by the members of the profession we regulate: so we are accountable to the public and the profession. We therefore set high expectations of ourselves and monitor carefully our performance, reporting on it regularly and publicly. You can follow what we do, and engage with it, via our website www.barstandardsboard.org.uk

Baroness Ruth Deech QC (Hon)
Chair

Dr Vanessa Davies
Director (chief executive)

Executive Summary

1. The Bar Standards Board (BSB) is the regulator of barristers in England and Wales. It was set up in anticipation of the Legal Services Act of 2007 (LSA 2007), which required the General Council of the Bar as “Approved Regulator” under the Act to exercise its regulatory functions through an independent regulatory arm. Our mission is

to regulate the Bar so as to promote high standards of practice and safeguard clients and the public interest.

2. Barristers are specialist legal services practitioners who are distinguished by their capacity – where necessary and in the interests of their clients – to take a matter all the way through the court system. This means that barristers, in addition to all the other legal services they can offer to the public, are specifically trained and qualified in advocacy before the courts and tribunals at all levels. There are over 15,000 practising barristers in England and Wales regulated by the BSB.

3. The BSB acts in the public interest and must uphold the regulatory objectives and professional principles laid down in the LSA 2007 and shown at the beginning of this plan.

4. Barristers, as independent advocates, have a unique and expert role in upholding the rule of law. The BSB aims to provide a specialist regulatory regime for barristers which helps ensure that the public interest continues to be served by barristers maintaining that unique role.

5. The 2013-16 BSB strategic plan is our third three-year plan. It builds on our earlier work to establish ourselves as the independent regulator of the Bar under the LSA 2007.

6. **Our vision in this period is to become a more modern and efficient regulator operating to externally agreed high standards, fulfilling our mission and upholding and promoting the regulatory objectives and professional principles.**

7. For the period 2013 – 2016 we have five overarching strategic aims as shown in the opening statement on page 4 and in Part 2 on page 7. All of our work is aligned to these strategic aims.

The key programmes of work that we will undertake to achieve each aim are outlined on page 8.

8. We need a number of other things in place to ensure we are able to achieve our aims. All of those aspects are shown in Part 3 on page 9. In particular, as we progress towards these aims, we will be guided by our core values of **integrity, excellence, fairness, respect and value for money.**

9. Those values will assist us in dealing with the opportunities that are likely to come our way and the risks we may face during the 2013-16 period. The legal services market is already changing as a result of the structural liberalisation brought about by the LSA 2007 and the extent and pace of change may be challenging for a relatively small regulator to address effectively.

10. As with all organisations, we need to show whether we are actually doing what we set out to do. Part 4 on page 10 shows how we intend to measure our success with the key performance indicators for each strategic aim. The measures we anticipate using are also set out there.

11. Details about our Board, our staff and our budget for the first year of this strategic plan are provided and finally, importantly, how we intend to engage with others and how to get in touch with us.

Part One – Our context

1. The BSB sets and monitors the standards for entry to and practice in the profession. We authorise practitioners, supervise their compliance with our standards, and assure the quality of initial and continuing training. When barristers appear to have breached our Code of Conduct, we take enforcement action. By statute, we only deal with professional misconduct, and not with complaints relating to inadequate service from a barrister to his or her client – the Legal Ombudsman deals with these. (LeO; legalombudsman.org.uk/).
2. The BSB acts in the public interest independently of the profession and of government. We uphold all the regulatory objectives and professional principles laid down in the LSA 2007 and act transparently, accountably, proportionately, consistently and by targeting only cases where action is needed.
3. Barristers, as independent advocates, have a unique and expert role in upholding the rule of law and in working in the courts. The BSB seeks to hold all the regulatory objectives in balance in the over-arching public interest. The BSB aims to provide a specialist regulatory regime which helps ensure that the public interest continues to be served by barristers maintaining the separate and independent role they have historically occupied.
4. The legal services market is already changing as a result of the LSA 2007. The profession needs to respond and adapt and the BSB needs to make it possible for those whom it regulates to do so, without endangering other regulatory objectives. We aim to allow barristers to adopt new business models and broaden the range of consumer choice in legal services. We will do this by developing a niche, proportionate and cost-effective regulatory framework for entities and Alternative Business Structures (ABSs).
5. Many barristers, who specialise in criminal and/or family work, whether on behalf of society's most vulnerable members or of the state, are seeing their income levels drop significantly as a result of public spending cuts. It is not the role of the BSB to protect barristers' income levels. But it is our role to ensure a strong, independent, diverse and effective legal profession and to promote access to justice and the rule of law. Our quality assurance schemes and our monitoring of barristers' patterns of practice will help us understand whether those regulatory objectives are being undermined by the overall economic climate and enable us to determine what targeted and proportionate regulatory interventions may be necessary to protect the regulatory objectives.
6. The context in which we regulate is evolving. Our oversight regulator, the Legal Services Board (LSB), is still developing its role. We expect to engage constructively with the LSB in 2013-16 to ensure the public is best served by frontline and oversight regulators co-operating within their respective roles.
7. The BSB embarks on the next three year period from a firm foundation of strong, business-like Board and executive leadership; high quality output in terms of services delivered and decisions made; and generally positive relationships with our regulated community. We need now to stream-line and better target our approaches to regulatory processes and policy; improve our technological infrastructure; develop further our external relationships and increase generally low levels of public and professional understanding of our role and activities.

Part Two – Our aims

1. The BSB has developed five strategic aims to encompass all of the work we intend to undertake over the next three years. The aims have been formulated to enable us to respond to the context outlined and make progress towards achieving our vision. Each aim supports one or more of the regulatory objectives.
2. We have also integrated into our aims how we are going to improve our performance against the Regulatory Standards Framework laid down by the LSB. That framework has four key pillars: outcomes-focussed regulation; risk assessment; supervision; enforcement – and requires a regulator to demonstrate sufficient capacity and capability to regulate in those key areas.
3. Achievement of the aims will also mean internal structural and cultural change, including redefining staff and Board and committee roles as required.
4. Throughout the life of the plan we will continue to deliver our core regulatory activity, adjusting it over time to align with our strategic aims.

5. The full version of our strategic plan sets out the strategic aims and what we will be doing in each area of our operation to achieve those aims in much greater detail. See it on our website www.barstandardsboard.org.uk.



Key programmes of work

› Strategic Aim 1

Implement our specialist regulatory regimes for advocacy services which operate in the public interest and in support of the regulatory objectives of the LSA 2007.

Key programmes of work

New Handbook and Code

Regulation of entities

Licensing Authority for ABSs

Policy framework

Risk-based supervision scheme

› Strategic Aim 2

Promote greater public and professional understanding of and support for our role and mission.

Key programmes of work

Stakeholder engagement strategy

New Intranet and Document Management System

Freedom of Information compliance and publication programme

› Strategic Aim 3

Set and maintain high standards of entry to and practice in a diverse profession.

Key programmes of work

Legal Education & Training Review

New CPD regime

Immigration practice

Develop standards for Youth Court practice

Quality Assurance Scheme for Advocates (QASA)

Enforcement against entities

› Strategic Aim 4

Become more evidence- and risk-based in all we do, taking into account also the globalised legal services market.

Key programmes of work

Develop international strategies

Legal research and information in support of enforcement

Whole organisation knowledge management

Risk Framework

Evidence base and consumer research

› Strategic Aim 5

Strive for "best practice" as an organisation for those whom we serve and those who work for us.

Key programmes of work

Effective operation of tribunal and adjudication service

Change programme

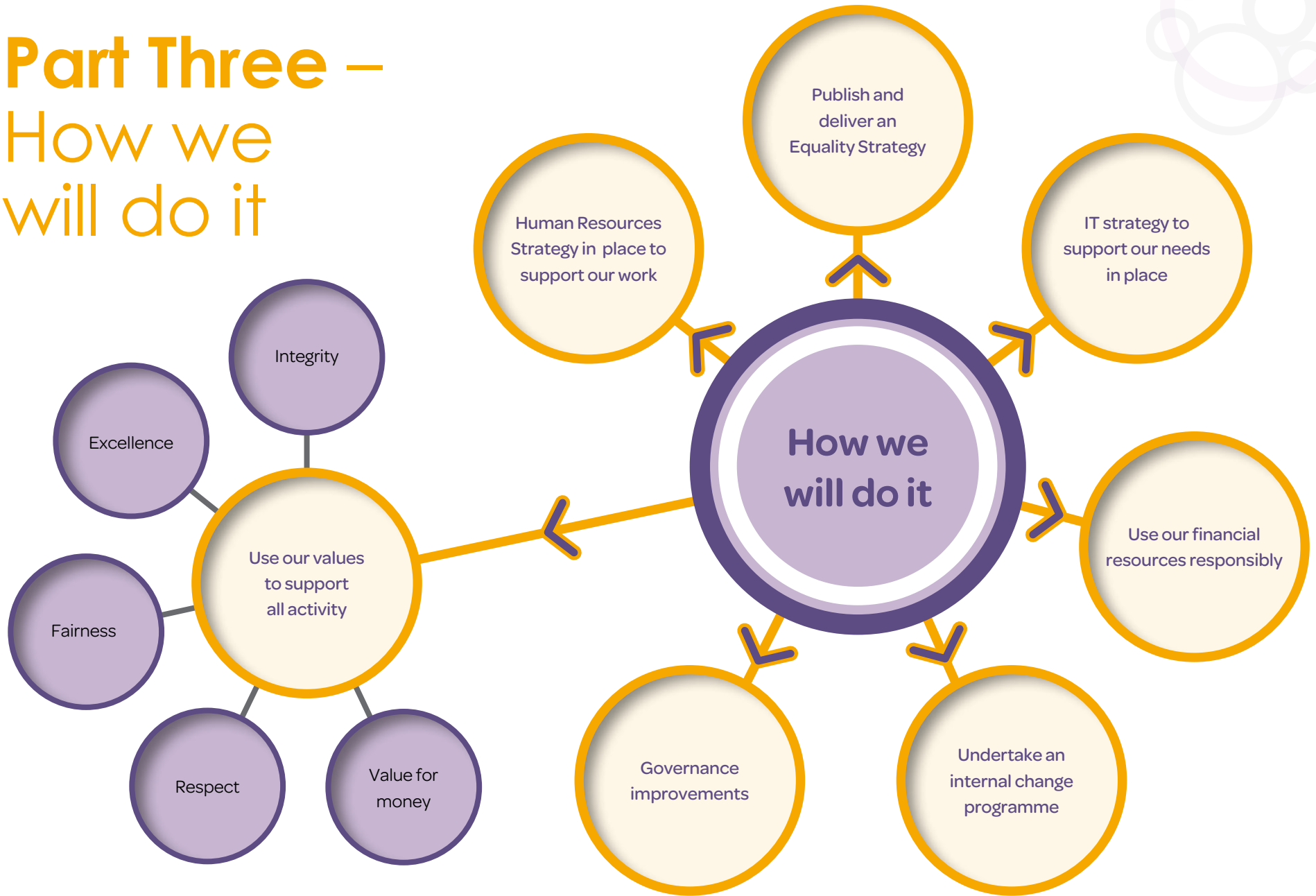
Revenue raising

Staff capacity and capability

Governance

Our annual Business plans will set out in detail our work programme for each year of the plan.

Part Three – How we will do it



Part Four – Measuring Success

Strategic Aim	KPI – what success looks like	Measures used
Implement specialist regulatory regimes for advocacy services which operate in the public interest and in support of the regulatory objectives of the LSA 2007	a) We will be a licensing authority under the LSA 2007	Yes or No
	b) We will be regulating barrister-led / advocacy focussed entities	Number of entities / ABSs operating under BSB (measuring against expectations)
	c) In a timely and financially sustainable way (both to regulator and regulated)	Level of cost recovery (measuring against cost model) Turnaround of applications
Promote greater public and professional understanding of and support for our role and mission	a) An increased percentage of the profession will have a positive view of the role and effectiveness of the BSB	Biennial Survey 2011 as baseline then, 2013, and 2015 results
	b) We will have established collaborative relationships with the public and consumers through our user network	Network established – Yes or No Qualitative feedback from/on the network Breadth/number of consultation responses Pattern of website usage Outcomes from research programmes
Set and maintain high standards of entry to and practice in a diverse profession	a) We will be supervising and enforcing on the basis of a new Code of Conduct / Handbook	Handbook – Yes or No
	b) The regulated community, including education and training providers, will be achieving high levels of compliance, and delivering quality services to the public	Number of own motion complaints (CPD, E&D etc) Chambers data (eg money laundering, first tier complaints etc) QASA-proportions of barristers competent against standards – baseline to be set. QA outcomes BPTC/CPD providers (number of triggered visits)
Become more evidence- and risk-based in all we do taking into account also the globalised legal services market	a) We will have established systems, including research programmes, for collecting and managing information and evidence to support regulatory policy and decision making	Intranet and Document Management System – Yes or No Risk Assessment framework – Yes or No Policy framework – Yes or No Outcomes from research programmes
	b) We will have attained a “satisfactory” rating against the LSB’s standards framework in this area	Satisfactory – Yes or No
Strive for “best practice” as an organisation for those whom we serve and those who work for us	a) We will have established a baseline for regulatory costs and steadied the rate of increase compared to the previous three years	Activity based Costing – Yes or No Benchmark against other regulators (establish a range)
	b) We will have improved turn-around times in relation to case handling in complaints and qualifications / waivers	Set or revise baseline / targets; achievement against target
	c) The organisation will have a different, improved “feel” for users and staff	Staff survey improving year on year Biennial survey statistics Education providers’ feedback User satisfaction survey (PCD, QASA, supervision, judges’ training) Pupil survey

The Board

- > Number of members

15

- > Lay majority
- > Chair – Baroness Ruth Deech QC Hon. (Appointed 2009, two terms of office due to end December 2014)
- > Vice Chair – Patricia Robertson QC (Appointed January 2013. First three year term due to end Dec 2015)

See www.barstandardsboard.org.uk for details of Board and Committees.

The Executive

- > Led by Dr Vanessa Davies (Appointed start of 2011)
- > Senior management team of 5
- > Work with 30+ members of staff in the central services directorate
- > BSB staff in total at beginning of plan

80

76.4 FTE

Financial information

- > Funded primarily through fees levied on barristers in accordance with the LSA 2007.
- > Also get funds from specific regulatory activity eg accreditation of legal education and training providers, on a not-for-profit basis.
- > Budget for the first year of this plan is

£5,355k

Engage with us

We consult as widely as reasonable and possible when we make changes.

We are always keen to hear what people have to say, although sometimes it can be difficult to elicit the views of users of barristers' services and the wider public.

We have a specific strategic aim to engage with the public – be it civil society as a whole or individual or corporate consumers – in this plan.

We will communicate with those we regulate, our stakeholders and members of the wider public in a range of both traditional and innovative ways over the next three years. If you would like to talk to us about what we do, or to discuss any aspect of this plan, please get in touch:

Tel: 020 7611 1444

Email: contactus@barstandardsboard.org.uk

www.barstandardsboard.org.uk

Twitter: @barstandards

Bar Standards Board

289-293 High Holborn

London

WC1V 7HZ

Tel: 020 7611 1444

Fax: 020 7831 9217

contactus@barstandardsboard.org.uk

www.barstandardsboard.org.uk

Twitter: <https://twitter.com/barstandards>

**BAR
STANDARDS
BOARD**

REGULATING BARRISTERS



BAR
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BOARD

REGULATING BARRISTERS

Business Plan 2015-16

The Bar Standards Board regulates
barristers in England and Wales in
the public interest



Our values

INTEGRITY

- We operate to the highest ethical standards
- We are honest, open, and inspire trust
- We consider the social and environmental impact of our actions

EXCELLENCE

- We are committed to quality
- We are creative, innovative, and lead change
- We are responsive, accessible, and accountable for our actions

FAIRNESS

- We act responsibly, proportionately, and in the public interest
- We promote equality of opportunity and equal access to justice for all
- We value inclusion and diversity

RESPECT

- We respect and support others
- We value expertise, learning, and knowledge-sharing
- We foster a collaborative and developmental working environment

VALUE FOR MONEY

- We are cost-effective and accountable for our use of resources
- We work efficiently with an entrepreneurial and commercial mind-set
- We strive for clarity, simplicity, and straightforwardness

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What the BSB does

We regulate barristers in England and Wales in the public interest.

We are responsible for:

- setting the education and training requirements for becoming a barrister;
- setting continuing training requirements to ensure that barristers' skills are maintained throughout their careers;
- setting standards of conduct for barristers;
- monitoring the service provided by barristers to assure quality; and
- handling complaints against barristers and taking enforcement or other action where appropriate.

Regulatory Policy

We set standards for barristers and provide a Handbook that, within part two, sets the rules for practice at the Bar – the Code of Conduct. The Handbook includes detailed guidance addressing particular aspects of professional standards. We also develop policy on professional conduct in areas such as chambers' complaints handling and direct public access to barristers.

Supervision

Our aim is to assure, maintain and enhance standards across the profession through the development of measures for assessing the quality of both individual barristers and the chambers and entities in which they practise. This includes a risk-based approach to supervision of chambers and the authorisation of new entities and the regulation of CPD.

Education and training

We oversee the Academic, Vocational, and Pupillage stages of training that must be completed in order to qualify as a barrister. We are responsible for accrediting the providers of barristers' Continuing Professional Development (CPD).

We also look at individual applications from people wishing to qualify and/or practise as barristers but who would like to be exempted from some or all of the normal training requirements.

Enforcement

We investigate professional conduct and take action against barristers who have breached the provisions of our Handbook.

Key facts

15,700+

number of barristers
we regulate

384

opened or received complaint
cases during the course of
Jan-Dec 2014

11

sites provided the Bar
Professional Training Course for
nearly 1,500 students annually

293

candidates took the Bar
Transfer Test (for transferring
solicitors and overseas lawyers)

400+

pupils registered
per year

7,615+

CPD courses were
accredited last year

83

members of staff
(80.7 full time equivalents)

£5,438k

our budget for 2015-16

Statement by the Chair and Director General

The Bar Standards Board is the independent regulator of barristers in England and Wales. Our mission is to regulate the Bar so as to promote high standards of practice and safeguard clients and the public interest.

A few years ago we marked on our map a clear and ambitious destination. That is to be, by the end of 2015-16, a more modern and efficient regulator; one which operates to externally agreed high standards; fulfils its mission, and upholds and promotes the regulatory objectives and professional principles outlined in the Legal Services Act 2007 (LSA 2007). In April 2013, we published our Strategic Plan 2013-16, and charted a course by which we would arrive at our destination. We set out five aims:

- to implement new specialist regulatory frameworks for advocacy services;
- to promote greater public and professional understanding of what we do and why;
- to set and maintain high standards of entry to and practice within the profession;
- become more evidence- and risk-based in all we do, taking into account also the globalised legal services market; and
- to strive for “best practice” as an organisation for those whom we serve and those who work for us.

This Business Plan sets out the third and final year of the plan. On 5 January 2015 we opened our doors to those wanting to set up new companies, partnerships, and business models – “entities” – so as to continue to meet their clients’ needs while adapting to a rapidly changing market. A new episode for the Bar beckons – if the opportunity is seized. It is our job to empower barristers to modify how they deliver services in line with clients’ needs and to help preserve the best of what the Bar has provided to the public for many years. Clients of BSB-regulated entities will not only benefit from the consumer protection that regulation provides, as we regulate both the entity and its individual barrister members, but from greater choice of services too. Ultimately, our primary duty as a regulator is to protect the public as we uphold the regulatory objectives.

There are challenges that now lie ahead of us: to redesign legal education and training to make it more flexible and affordable while preserving its rigour and effectiveness; to usher in an era of BSB-regulated entities that serves the best interests of the public; to set and maintain the standards of conduct for a profession that rightly remains renowned around the world; and to continue to handle complaints fairly and rigorously so as to safeguard clients and the justice system. We must make sure that our governance arrangements support our activities and do not introduce unnecessary complexity, cost or delay. During this year we will be revising our governance to ensure it does the job it needs to do as effectively as possible.

It will be a year of reflection as well as reform. We will review our approach to Public Access and the impact of aspects of the new Handbook introduced in January 2014. We will reassess our new enforcement strategy and develop further an effective authorisation and supervision regime for BSB-regulated entities. We will evaluate the operation of the Bar Course Aptitude Test and re-examine the Academic and Professional Stages of qualifying as a barrister. As always, we will strive to embody and champion our organisational values: integrity, excellence, fairness, respect and value for money.

During the year we will focus on achieving a “satisfactory” assessment against the Legal Services Board’s (LSB’s) Regulatory Standards Framework. We will also consider and decide on a new strategy for beyond 2016. So this will be a very significant year for us.

Crucial to all we do is ensuring that we listen to clients and the public so that we understand their experiences of interacting with barristers and the legal services market and that we use that knowledge to inform our work. Our research programme and stakeholder engagement are vital activities in this regard, as is our growing ability to identify, assess and address risk.

In summary, we have five main development priorities:

- Delivering Future Bar Training
- Completing the process to allow us to license alternative business structures
- Revising our governance
- Developing our risk capacity and capability
- Enhancing our consumer knowledge and stakeholder engagement.

We must make progress on these aspects – but this must be done in conjunction with continuing to regulate under our current regime. Our “business as usual” includes some significant programmes of work – such as entity authorisation, supervision and our complaints management activities for instance. Finally, we want to learn from what we’ve already done and what is happening in the market, so we will be reviewing some key specialist regimes (eg the cab rank rule and standard contractual terms) as well as the effect that some of our previous actions have had (eg planning for the review of the Handbook).

In doing all of this, we must recognise that we do not regulate in a vacuum. We are accountable to the profession that funds many of our activities, but our first duty is and always has been to serve the public. It is a duty that the BSB will continue to uphold in 2015-16.

We invite you to follow our progress via our website (www.barstandardsboard.org.uk), and engage with us in defining the years to come (bsbcontactus@barstandardsboard.org.uk).



Sir Andrew Burns KCMG
Chair



Dr Vanessa Davies
Director General

Our strategic aims

The BSB has developed five strategic aims to encompass all of the work we intend to undertake over the three years from April 2013 to March 2016. The aims have been formulated to enable us to respond to the context outlined and make progress towards achieving our vision. Each aim supports one or more of the regulatory objectives in the LSA 2007.

We have also integrated into our aims the means by which we intend to improve our performance against the Regulatory Standards Framework laid down by the LSB. That framework has four key pillars:

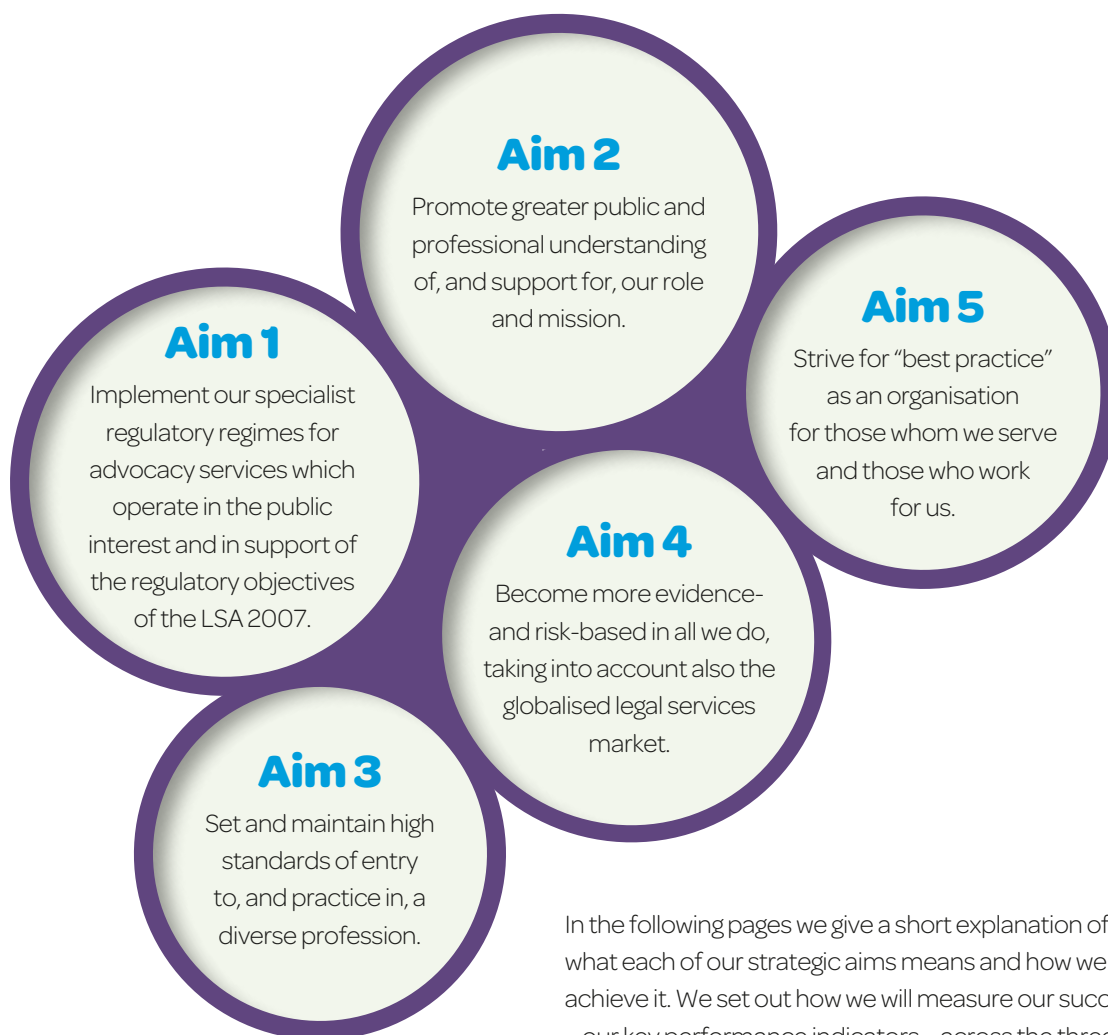
- outcomes-focussed regulation;
- risk assessment;
- supervision; and
- enforcement;

and requires a regulator to demonstrate sufficient capacity and capability to regulate in those key areas.

Achievement of these aims will also mean considering the extent of internal structural change necessary, including redefining staff and Board and committee roles as required.

Throughout the life of the plan we will continue to deliver our core regulatory activity, adjusting it over time to align with our strategic aims, which are summarised in the diagram opposite.

The full version of our strategic plan sets out the strategic aims and what we will be doing in each area of our operation to meet those aims in much greater detail. See it on our website at www.barstandardsboard.org.uk.



In the following pages we give a short explanation of what each of our strategic aims means and how we will achieve it. We set out how we will measure our success – our key performance indicators – across the three years of the strategic plan, and also the main activities we will undertake in the business year 2015-16.

Strategic aim 1

Implement our specialist regulatory regimes for advocacy services which operate in the public interest and in support of the regulatory objectives of the LSA 2007.

What this means

We will regulate in the public interest barristers and those who work for them to deliver advocacy services, through a new regulatory framework for individuals and entities. We will remove the restrictions on a barrister's right to conduct litigation. Barristers will be enabled to take instructions directly from members of the public more comprehensively. Barristers will be able to offer a complete "one-stop" legal service to members of the public. We will target our regulatory activity towards risks on the basis of evidence and we will be a cost-effective regulator.

Measuring our performance

What success will look like by 2016	How we will measure success
a) We will be a licensing authority under the LSA 2007	Yes / No
b) We will be regulating barrister-led / advocacy-focused entities	Number of entities / Alternative Business Structures (ABSs) (measure against expectations)
c) In a timely and financially sustainable way (both to regulator and regulated)	Level of cost recovery (measuring against cost model) Turnaround of applications

Over the first two years of the 2013-16 strategic plan a number of significant initiatives have been completed. We have published the first BSB Handbook, bringing together the Code of Conduct with our regulations to provide a single source for the majority of our regulatory requirements. We have been successful in being approved as a regulator of entities – new business models through which barristers and other lawyers can provide legal services. We have made changes to our qualifications regulations and our enforcement system to reflect risk.

This coming year builds upon the considerable progress made over the last two years. The Handbook changes take some time to filter through to the point of enforcement but are likely to do so this year, so we will be embedding our systems to ensure effective enforcement under the Handbook can occur.

Very soon we anticipate starting to authorise entities and then to monitor their operation. Some reconsideration of the insurance requirements for single-person entities will be required too. To authorise and monitor entities more effectively in the future we need an Order under s69 of the LSA 2007.

We will seek to extend our regulatory activities by also applying to become a licensing authority for organisations that include non-lawyers as owners – known as "alternative business structures" (ABSs). If we are successful, barristers will be able to join with non-lawyers in a business that provides legal services and continue to be regulated by the BSB. This is a main area of development for the BSB during the coming year.

A number of our other specialist regimes will be reconsidered during the year: the cab rank rule and the use of standard contractual terms, immigration advice and services, the “three-year rule” and any other scope of practice restrictions among them.

The process of reviewing our regimes is a continuous one but, by the end of this year, we will have reviewed the most important aspects and implemented significant changes as a result.

We estimate that work towards achieving this aim in 2015-16 will require 9% of our directly controlled resources (£490k).

Key activity (for 2015-16)	Time			
	Q1	Q2	Q3	Q4
Become a Licensing Authority for ABSs	Application submitted to the LSB	Develop operational capacity and infrastructure	Test and refine operational infrastructure	Achieve designation as a Licensing Authority
Receive an Order under s69 of the LSA 2007			Achieve Parliamentary approval for a s69 Order giving the Bar Council powers of intervention, enforcement powers for entities, and information gathering powers	LSB application submitted for any consequential changes to regulatory arrangements
Embed new systems for enforcement of the Handbook in relation to entities	Processes fully agreed and policies/guidance developed	Stakeholder and staff training completed	System fully operational	
Implement changes in public and licensed access	Informal consultation with stakeholders and evidence gathering	Gather data from supervision activity	Consideration of evidence from supervision activity Begin consultation	Approval of new rules and application to the LSB
Standard contractual terms and cab rank rule	Complete consultation	Application for any rule changes made to LSB		
Design a plan for reviewing the impact of the new Handbook	Informal consultation with stakeholders on sources of evidence	Design and agree review methodology		
Commence authorisation of entities and related supervisory activity	Authorisation process commences			Review first year of entity regulation
Review regulatory arrangements in relation to immigration advice and services	Consider available evidence Targeted supervision activity	Undertake thematic review Review results from targeted supervision activity	Report to Board on evidence gathered Consult on any changes to regulatory arrangements	Board decision on amendments to regulatory arrangements Application to LSB

Key activity (for 2015-16)	Time			
	Q1	Q2	Q3	Q4
Review the three-year rule and any other scope of practice restrictions in relation to employed barristers	Review available evidence and issue consultation	Review consultation and consider new regulatory arrangements	Application submitted to the LSB	
Review the insurance requirements for single person entities	Consider available evidence and issue consultation	Board to consider change to regulatory arrangements and submit application to the LSB	LSB decision	

Strategic aim 2

Promote greater public and professional understanding of and support for our role and mission.**What this means**

Our research shows many members of the profession are unclear about our statutory and public interest role. We are also concerned that the public may not consider us to be independent from the profession. The legal services regulatory architecture can be confusing as legal services are provided by various lawyers, who are regulated by different bodies, each with a long history. We aim to ensure the profession understands our role and has a positive view of our effectiveness as a regulator, especially when it comes to maintaining the high standards of which the profession is rightly proud. We want the public to trust us to protect their interests, and to know that we will put things right when they go wrong. We want the public to be able to rely on us to ensure only appropriately qualified people enter and stay in the profession. We have a statutory regulatory objective to promote public understanding of citizens' legal rights and duties. All of this requires us to work hard to inform and explain to the profession and the public what we do and why.

Measuring our performance

What success will look like by 2016	How we will measure success
a) An increased percentage of the profession will have a positive view of the role and effectiveness of the BSB	Biennial Survey 2011 as baseline then 2013 and 2015 – Survey results showing an improvement
b) We will have established collaborative relationships with the public and consumers through our user network	Network established – Yes / No Qualitative feedback from/on the network Increased breadth/number of consultation responses Establish the baseline for analysis of website usage Outcomes from research programmes

Over the last two years we have increased our external presence quite significantly. We have an increasing Twitter following (now over 11,000) and regularly receive over 25,000 hits on our website per month.

We think promoting greater understanding of our role requires that we engage with many people and not just the profession itself. In the last two years we have worked with other regulators to produce the "Legal Choices" website, which is designed to help members of the public use lawyers. We have been talking to consumer organisations, particularly those involved with vulnerable people in the justice system, so that we better understand them and they in turn better understand us. This coming year we will look to build upon these efforts to ensure we have the ability to hear and gain input from as wide a variety of perspectives as possible. We are seeking to ensure that the voices of those who come into contact with barristers achieve a greater prominence in all that we do. We will publish a strategy outlining how we plan to do that, drawing upon the risk framework we are developing so that we particularly target engagement in relation to those things that pose the greatest risks.

We know we can do more to make the information that we produce easier for people to find and understand. This is particularly so in relation to our complaints and enforcement processes as it is often the case that the BSB first comes to someone's attention when they wish to query a barrister's conduct. We have received advice about how to revise the information we publish (both on the website and in our other publications) so that it is easy to understand for everyone. During this year we will update all content and improve the way in which we present it.

These major initiatives are among our key development priorities and sit alongside our continuing programme of engagement and promotion of the BSB's activities generally.

We estimate that work towards achieving this aim in 2015-16 will require 8% of our directly controlled resources (£449k).

Key activity (for 2015-16)	Time			
	Q1	Q2	Q3	Q4
Design and implement a stakeholder engagement strategy	Design and publish strategy	Implementation of strategy commences		
Implement improvements to complaints and enforcement information on our website	Work started on the website and content	<p>New structure for website pages agreed and tested</p> <p>Existing content and leaflets re-written and new content drafted</p> <p>Production of new leaflets where appropriate</p>	<p>All content updated and available on the website</p> <p>Explore the possibility of visual content</p>	

Strategic aim 3

Set and maintain high standards of entry to and practice in a diverse profession.**What this means**

Poor advocacy standards undermine the rule of law and limit access to justice. Inadequately trained barristers might not uphold the professional principles of:

- independence and integrity;
- proper standards of work;
- observing the best interests of the client and the duty to the court; and
- maintaining client confidentiality.

We will set and maintain high standards of entry to the profession through the minimum requirements we impose on the education and training of barristers. We will continue to set and monitor high standards for qualified and practising legal professionals. We will carry out clear and consistent enforcement activity based on fair but robust decision-making. Our disciplinary processes will continue to be transparent and both the public and the profession will continue to have confidence in them. We are committed to encouraging an independent, strong, diverse and effective legal profession. It is important that the composition of the Bar reflects the public it serves and that the public has confidence in the legal system and the role of barristers.

Measuring our performance

What success will look like by 2016	How we will measure success
a) We will be supervising and enforcing on the basis of a new Code of Conduct/ Handbook	Handbook – Yes / No
b) The regulated community, including education and training providers, will be achieving high levels of compliance, and delivering quality services to the public	<p>Number of internal complaints raised</p> <p>Number of reports of serious misconduct</p> <p>Number of referrals from the Supervision department to the Professional Conduct department (against benchmark)</p> <p>Chambers information (eg, money laundering, first tier complaints etc) to establish baseline data</p> <p>Outcomes on Bar Professional Training Course (BPTC) across three years; reducing numbers of triggered interventions per provider site.</p>
c) We will have more complete information on the diverse make-up of the regulated community	Increased disclosure across all protected characteristics (achievement against target)

This strategic aim encompasses the things that we do daily to regulate barristers: our “business as usual”. We continue to quality assure the provision of the BPTC and administer the centralised examinations for that course. We have implemented the new Handbook through all parts of the organisation, and this coincided with the introduction of a new supervisory regime (as our supervision regime is very closely linked to our risk-based approach, it is expanded on further in relation to Strategic aim 4). We have developed entity authorisation processes. We have devolved more authorisation decisions to staff with appropriate oversight from our Board as necessary. All of these activities will continue throughout the 2015-16 year.

We have made a number of changes to our day-to-day work over the last two years too. We have looked for opportunities to increase efficiency and effectiveness, such as changing the CPD accreditation regime to focus on providers and the quality of their provision rather than accrediting all individual courses.

We worked with other regulators to commission the Legal Education and Training Review (LETR), which was published in June 2013. That report has led to a major programme of work being started: Future Bar Training (FBT). This programme forms the majority of the significant work that we will undertake in this area during 2015-16. New policies for all parts of the training of the Bar will be developed – Academic, Vocational and Professional Stages as well as CPD. This is a large, wide-ranging piece of work and is one of our key activities for the coming year.

We will also undertake work to better understand equality and diversity issues and make improvements to our enforcement regime.

We estimate that work towards achieving this aim in 2015-16 will require 54% of our directly controlled resources (£2,955k).

Key activity (for 2015-16)	Time			
	Q1	Q2	Q3	Q4
Define the benchmark that describes the knowledge and skills that all newly-qualified barristers should possess	Consult on draft professional statement	Board agrees professional statement Statement published		
Align education and training policies with our new approach to regulation	Informal consultations on existing policies (including Qualification Rules)		Draft new Qualification Rules	Consult on new Qualification Rules and submit to LSB for approval
Establish a more flexible approach to CPD, including pilot of the new scheme and consultation		Consultation on new approach to CPD	Review pilot outcomes and consultation responses	Finalise CPD scheme and submit to LSB for approval
Review how the BSB manages and shares data to support its regulatory objectives in education and training	Completed audit and agreed data standards	Agreed data collection processes		
Improve access routes into the profession	Consultations on vocational element of training for the Bar and pupillage		Board agrees policy on future of vocational elements of training for the Bar and pupillage Report to the Board on our regulatory position on diversity in education and training	
Reassess regulation of the Academic Stage	Consultation on Academic Stage		Board agrees policy on future of Academic Stage	
Publish Centralised Assessments Review and devise implementation plan for recommendations	Report published and implementation initiated			

Key activity (for 2015-16)	Time			
	Q1	Q2	Q3	Q4
Implement recommendations from the evaluation of the Bar Course Aptitude Test (BCAT) assessment	Agree actions and plan implementation on the basis of first cycle of evaluation			
Review procedures for determining applications to the Qualifications Committee	Undertake a review of delegations	Implement outcomes of review		
Research equality issues affecting the Bar	Analyse diversity data relating to complaints	Equality and Diversity Committee to consider report on complaints Review Bar Council research into retention of women	Board to consider recommendations in relation to complaints process	Publish three-yearly report on diversity in complaints
Evaluate the enforcement strategy with regards to risk-based and outcomes-focussed regulation including entity regulation	Enforcement strategy evaluated and updated in light of entity regulation	Enforcement strategy approved by the Board Updated Enforcement strategy published	Ongoing evaluation	
Consult on and implement changes arising from the review of the Disciplinary Tribunal Regulations	Consultation period begins	Consultation period ends – responses reviewed Revised Regulations presented to the Board	LSB approval of new Regulations Commence use of Regulations	

Strategic aim 4

Become more evidence- and risk-based in all we do, taking into account also the globalised legal services market.**What this means**

We are implementing a framework for regulatory standards, which depends on identifying risk and using evidence on which to base all regulatory decisions. Our resources are derived from the fees that members of the profession earn from their clients. It is in the interests of consumers, members of the profession, and the general public, that our resources are targeted at the areas of the greatest risk to the public. We will develop a risk identification framework and ensure that regulatory decisions are made on the basis of evidence we have gathered – for example, from our research or supervision activity.

Growing numbers of barristers seek to further expand the range and value of services they deliver internationally and providers of legal education increasingly seek to operate in a global market – some have sought to have their overseas courses accredited by the BSB.

Many non-European Union citizens are called to the Bar in England and Wales by an Inn of Court, having completed the BPTC. They then return overseas to practise, often drawing on their England and Wales qualification to competitive advantage.

We will consider in greater detail the impact of a globalised legal services and legal education market and whether we need to adopt specific approaches to the international activity of those we regulate.

Measuring our performance

What success will look like by 2016	How we will measure success
<p>a) We will have established systems, including research programmes, for collecting and managing information and evidence to support regulatory policy and decision-making</p>	<p>Document Management System (DMS) – Yes / No</p> <p>Intranet – Yes / No</p> <p>Risk Identification framework in place – Yes / No</p> <p>Policy framework in place – Yes / No</p> <p>Comprehensive use of the Biennial Survey and Bar Barometer data to inform regulatory framework development</p>
<p>b) We will have attained a “satisfactory” rating against the LSB’s standards framework in this area</p>	<p>Satisfactory – Yes / No</p>

The BSB seeks to use risk assessment and evidence to ensure that it targets its regulatory action where it is most needed. In 2015, we will publish our first risk index and risk outlook. The risk index will outline our assessment of the risks associated with the provision of legal services and which could impact on our ability to meet our regulatory outcomes. The risk outlook will set out our views of the legal services market and the risks to the regulatory objectives associated with regulating barristers in that market. These documents will inform our strategic and operational priorities and ensure that we are operating in a proportionate and targeted manner.

Over the last 12 months, and allied to the work on risk, we have introduced risk-based supervision of chambers and put in place a risk framework for our enforcement decisions. Under risk-based supervision, all chambers are risk assessed and regulated according to their risk profile. The highest risk chambers will be subject to the greatest level of supervision. The purpose of supervision is to develop constructive relationships with the profession to help them to manage risk and to reduce the likelihood of non-compliance with the regulatory requirements. The risk framework for enforcement is designed to ensure that disciplinary action is reserved for those cases that present the greatest risk to the public interest and the wider regulatory objectives of the LSA 2007. The two approaches work hand-in-hand to ensure that standards of the profession are maintained.

Our research strategy is designed to develop a more informed view of the legal services market. The market is going through significant change and understanding those changes and their impact on the provision of legal services is critical to effective policy making and regulation. It also plays an important role in ensuring that the education and training of barristers is relevant to meet the expectations of the market that the profession serves. In the coming year we will publish our research strategy and plan – showing what we are doing and how it will improve our evidence base and understanding of risk. Understanding those who use barristers' services or are affected by their work will be an important aspect of our research activity. We will look to learn from our engagement activities (as outlined in relation to Strategic aim 2) as part of this. We will continue to analyse evidence in relation to equality issues at the Bar. In particular we will seek to establish whether (and why) certain groups are disproportionately represented in our complaints processes. We will also look into barriers to progression and retention in the profession, particularly those affecting women.

All parts of the BSB and its activity will be involved in the development of our risk approach and its supporting evidence base; it is a key development area for the coming year.

We estimate that work towards achieving this aim in 2015-16 will require 17% of our directly controlled resources (£946k).

Key activity (for 2015-16)	Time			
	Q1	Q2	Q3	Q4
Embed the regulatory risk framework and carry out thematic reviews		Publish risk framework and risk index		Publish regulatory risk outlook
Risk-based supervision	Complete risk profiling and related supervision of all high impact chambers		Complete risk profiling and related supervision of all medium impact chambers	
Implement a refreshed research strategy		Research strategy and plan revised in line with risk framework development	Research plan commences	
Research equality issues affecting the Bar	Analyse diversity data relating to complaints. Equality and Diversity Committee to review implementation of equality rules and impact of qualification decisions (waivers etc)	Equality and Diversity Committee to consider report on complaints. Review Bar Council research into the experiences of women at the Bar	Board to consider recommendations in relation to complaints process	Publish three-yearly report on diversity in complaints

Strategic aim 5

Strive for “best practice” as an organisation for those who work for us and those whom we serve.

What this means

We seek to operate to the highest standards as a regulator with the resources available to us. We will make improvements in our infrastructure and the standard of corporate services we receive. We will simplify our processes and be as “lean” as we reasonably can, and maintain networks with other professional regulators to ensure we are keeping pace with best practice.

We seek to make a step change in our culture and internal organisation to better reflect the values of integrity, excellence, fairness, respect and value for money. We will make improvements to our governance in line with these values and the regulatory standards framework. We will invest in our people through a learning and development strategy focussed on our new approach to regulation and building the capacity and capability to execute it. Much of this work has been incorporated in a formal change programme running throughout the life of the strategic plan.

Measuring our performance

What success will look like by 2016	How we will measure success
a) We will have established a baseline for regulatory costs and steadied the rate of increase compared to the previous three years	Undertake Activity Based Costing – Yes / No Benchmark against costs of other regulators (establish a range)
b) We will have improved turn-around times in relation to case handling in complaints and qualifications / waivers	Set baseline / targets and improve over period to 2016
c) The organisation will have a different, improved “feel” for users and staff	Staff survey improving year on year from 2010 baseline Biennial Survey statistics – baseline 2011; surveys in 2013 and 2015 Education providers’ feedback User satisfaction survey (enforcement, supervision) Pupil survey

We have been engaging in an internal change programme to further this strategic aim. At the outset we carried out a specific work programme: The Regulatory Improvement Programme (“TRIP”). This formally closed in July 2014 but the activities continue, in part to ensure that we achieve a “satisfactory” rating against the LSB’s Regulatory Standards Framework. We are working hard to ensure we achieve that rating during this financial year and, building on the success of TRIP, have initiated a second, narrower but integrated formal change programme to assist with our work on risk-based regulation, governance, and consumer focus.

An important part of our development under the TRIP programme has been to learn better from what we know. To that end, we want to do some additional work to understand the experiences of “complainants” in our disciplinary system – ie those people who draw issues about barristers’ conduct to our attention. Those people show greater levels of dissatisfaction than barristers do. We want to understand that better and then make changes designed to improve their experience.

Last but by no means least, a central area of work in this coming year is to develop the next strategic plan and, crucially, to revise our governance structures and in particular the role of our committees. Good governance provides clarity of roles and responsibilities while allowing good working relationships to flourish – ensuring that there is proper oversight and scrutiny of all that we do. Good governance means accountabilities are clear and there is open, transparent and consistent decision-making as a result. Good governance contributes to people having confidence in the work of the BSB.

The current structure has been in place for some time and therefore requires review. Ensuring that our governance is structured in a way that supports our work, minimising delay and maximising the opportunity for good decision-making, is vitally important. Regulators need a combination of capable and confident staff and access to non-executive technical and expert advice. Our aim is to put in place new governance arrangements that enable the executive and the non-executive functions of the BSB to operate effectively together to deliver our business objectives and assure our legitimacy with the public and the profession.

We estimate that work towards achieving this aim in 2015-16 will require 11% of our directly controlled resources (£598k).

Key activity (for 2015-16)	Time			
	Q1	Q2	Q3	Q4
Develop the next strategic plan for 2016 onwards		Development of draft plan completed	Consult on new strategic plan	Publish new strategic plan
Complete review of governance structures, and implement outcomes	Blueprint for new governance structure agreed		New Standing Orders agreed	Implementation of committee revisions commences
Achieve a rating of "satisfactory" against the LSB's Regulatory Standards Framework (RSF)			Contribute to LSB's RSF assessment process	Achievement of "satisfactory" reflected in LSB reports and own analysis by end of Q4
Implement outcomes of user feedback survey research			User feedback survey research presented to the Board	Commence implementation of recommendations arising from the research Continue to implement recommendations arising from the research

Risks to delivery

There are a number of uncertainties that have the potential to undermine our successful delivery of the plan in the coming year.

It remains unclear what the take-up will be for entity regulation. Our predictions of how many applications will be received may prove incorrect and so our costs and income in this area may be uncertain. A drop in demand for any of the services for which we make a direct charge for could have the same effect.

A number of our activities are subject to current Court proceedings or could become subject to them (most commonly by way of judicial review). The current Court proceedings have the potential to delay programmes of work or to incur additional cost: at worst they could require significant alterations to our regulatory arrangements.

At the time of finalising this plan, the LSB had not yet finalised its business plan for the coming year. While we have some idea of the kinds of areas it will be focusing on from its consultation, we do not yet know what their work programme will contain. This has the potential to require us to do something we have not planned for, or to do something we have planned in a different way. Either way, there could be an impact on our ability to deliver as set out in this plan.

This is of course an election year. It is not clear what priority any new government would place on legislative reform in the legal services sector. If that were to be an area of action, that would have an impact on our plans and we would have to reprioritise in order to support any legislative change programme.

Finally, we are reviewing some of the services that we currently outsource. If we revise or refresh our contractual arrangements, this is likely to have an impact upon how we resource and deliver the relevant services as well as the income we receive from them where applicable.

Strategic dashboard

This page shows the “dashboard” performance reporting that we will be using this year. We will give an overall picture of progress against each of our strategic aims, then an update on our key programmes of work and service standards, as well as our corporate resources and risks. This will be reported to our Planning, Resources and Performance Committee as well as to the Board.

Our strategic aims				
Implement “public interest” regulatory regimes	Promote greater public and professional understanding	High regulatory standards of entry to and practice in the profession	Be more evidence- and risk-based	Strive for best practice

Our key projects and service standards		
Achieve a “satisfactory” rating against the LSB’s Regulatory Standards Framework	Become a Licensing Authority	Future Bar Training
Risk-based Supervision	Stakeholder Engagement Strategy	Establish a new regime for CPD
Entity Authorisation	Research Strategy	Receive an order under s69 of the LSA 2007
Regulatory Risk Framework	Governance Review	Develop a strategic plan for 2016-19

Our corporate resources and risks			
Financial resources	Staff resources	IT	Good governance and risk management

Equality statement

The BSB is committed to improving diversity in the profession and its internal workforce and ensuring that equality considerations are factored into the delivery of BSB functions.

The promotion of equal access to, and diversity within, the profession is the right thing to do and helps to combat social injustice. It is unlawful for a person to experience disadvantage on the basis of a protected characteristic. All our staff and those with whom we engage are entitled to be treated with dignity and respect and be part of an environment that is free from barriers.

A profession that is representative of the people it serves is more likely to meet the diverse needs of clients and be more effective. The BSB works more productively when we maintain an inclusive workplace free from discrimination.

We have a number of general and specific legal duties arising from the Equality Act 2010. The BSB's commitment to equality and diversity is significant in fulfilling its regulatory objective of 'encouraging an independent, strong, diverse and effective legal profession' as set out in the LSA 2007.

As required by s 149 (1) of the Equality Act 2010, we will work to:

- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act;
- advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; and
- foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The BSB has an equality strategy and objectives that set out how we will deliver our commitment to improve diversity and how we will ensure equality of opportunity. We carry out equality impact analyses of all projects, policies, and initiatives. We provide equality training for staff, committee and Board members. We collect and examine equality data both on the profession and those that use the BSB's services. We engage with equality stakeholders as they are a key source of ideas and provide essential feedback on the BSB's work. We conduct research into the effect of our policies and processes as well as access and retention within the profession.

Governance

The Board shapes our strategy and has ultimate responsibility for what we do and for carrying out all regulatory functions of the Bar Council. See *What the BSB does on page four.*

The Board ensures that:

- appropriate risk management and effective internal control systems are in place; and
- the necessary management information systems exist to assess the BSB's performance and progress in meeting its objectives, including the evaluation of operational effectiveness and efficiency, compliance with laws and regulations, and the reliability of management and financial information.

Our Board is made up of a combination of lay people and barristers. It is also assisted by four non-voting Special Advisers.

Chair:

Sir Andrew Burns KCMG

Vice-Chair:

Patricia Robertson QC

Barrister Members:

Justine Davidge
Simon Lofthouse QC
Sam Stein QC
Andrew Mitchell QC
Adam Solomon
Vacancy

Lay Members:

Rolande Anderson
Rob Behrens
Dr Malcolm Cohen JP
Tim Robinson
Professor Andrew Sanders
Richard Thompson OBE (leaves the Board on 31 August 2015)
Dr Anne Wright
Nicola Sawford (joins the Board from September 2015)

Special Advisers (non-voting):

Sarah Brown
Matthew Nicklin QC
Emily Windsor
Keith Baldwin

Our Board runs its work through eight committees:

- Education and Training Committee
- Equality and Diversity Committee
- Governance, Risk and Audit Committee
- Planning, Resources and Performance Committee
- Professional Conduct Committee
- Qualifications Committee
- Standards Committee
- Supervision Committee

The Education and Training Committee is responsible for setting the standards of education and training that people must reach before being able to practise as barristers, together with the further training requirements that barristers must comply with throughout their careers.

The Equality and Diversity Committee is responsible for ensuring that the BSB performs its functions having given due consideration to eliminating discrimination and promoting equality.

The Governance, Risk and Audit Committee is responsible for ensuring the Board's corporate governance standards and internal controls are maintained. The Committee keeps under review and advises the Board on all matters relating to the internal risk management framework and the BSB's internal assurance programme. The Committee also reviews reports from the Independent Observer.

The Planning, Resources and Performance Committee supports the work relating to the development of strategic direction and plans for the BSB. It oversees financial performance against objectives and targets and considers whether proposed funding is adequate and effectively allocated across the business. The Committee also advises on how the BSB monitors, measures and reports performance to best effect, with appropriate transparency and in a timely and consistent manner.

The Professional Conduct Committee decides whether or not to take enforcement action against barristers who have breached the Code of Conduct.

The Qualifications Committee decides on individual applications from people wishing to become barristers who may be entitled to a waiver or exemption from the normal training requirements.

The Standards Committee is responsible for the Code of Conduct, which all barristers must comply with, and issuing guidance on good practice.

The Supervision Committee is responsible for giving advice on matters relating to supervision of barristers, chambers, and entities.

Organisational chart

This shows the number of staff working at the BSB (headcount) and the number of full-time positions that this equates to (full-time equivalents or FTEs).

Each figure includes the member of the management team named above the figures (eg headcount of three includes the Director General, and two support staff).

At the 1 April 2014 we had 84 people (or 80.5 FTEs) and from the 1 April 2015 we will have 83 people (or 80.7 FTEs).

These adjusted figures are helping to establish a baseline for regulatory costs and steady the rate of increase compared to the previous three years. The staffing structure will be further aligned to support our much more substantive risk-based regulation framework and refreshed governance arrangements.

Director General Vanessa Davies				
3 people 3.0 FTEs				
Director of Education and Training Simon Thornton-Wood	Director of Regulatory Policy Ewen Macleod	Director of Supervision Oliver Hanmer	Director of Professional Conduct Sara Jagger	Director of Strategy and Communications Amanda Thompson
21 people 20.5 FTEs	10 people 10.0 FTEs	11 people 10.6 FTEs	26 people 25.0 FTEs	12 people 11.6 FTEs

Our budget

**Our budget year runs from
1 April 2015 to 31 March 2016
and the budget that the BSB
controls directly for this
period is £5,438k.**

**2015-16 Direct expenditure
£5,438k**

**2015-16 Direct income from
sources other than PCF**

£1,875k

We are pleased to state that we have kept the increase to our direct expenditure at a minimal level even though the significant work relating to the governance review, risk-based regulation, and the Future Bar Training will be challenging to deliver within our resource constraints.

We are projecting a similar level of direct income (£1,875k) for the 2015-16 financial year compared to previous years. There are risks associated with this increase, as with new activities such as entity regulation it is difficult to predict the number of applications we will receive.

The Practising Certificate Fee (PCF)

The Bar Council approves our budget and collects our funding. Its intention when the budget was set last year was to collect the same amount from the PCF in 2015-16 as achieved in 2014-15.

Rationale

The Bar Council set out its rationale for the compilation of the overarching budget. The headlines for 2015-16 are:

- The Bar Council intends to keep the total PCF income collected at a similar level to 2013-14 and 2014-15;
- Non-PCF income streams directly controlled by the BSB are expected to increase;
- Non-PCF income streams directly controlled by the Bar Council are expected to rise as it diversifies its revenue sources;
- The Bar Council will also embed cost reduction targets into its expenditure plans; and
- The planned surplus will be used to fund items such as the shared defined benefit pension scheme and reserves to support future property-related expenditure.

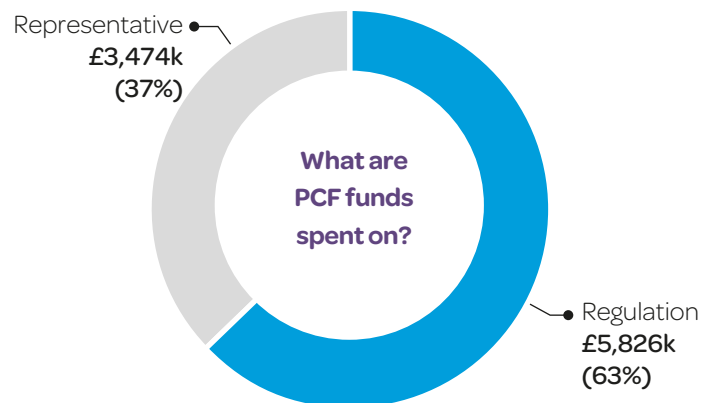
The PCF explained

The PCF can only be spent on the activities that are permitted under s51 of the LSA 2007. Regulation is a permitted purpose and so a significant proportion of the PCF is spent by the BSB. However some of the Bar Council's activities are also "permitted purposes" so a portion of the PCF is also spent by the Bar Council on activities managed wholly separately from the BSB (shown below as "Representative" costs).

From 2015, the basis of charging for the PCF changes to one based upon income band. Barristers are expected to self-declare the correct fee payable according to the gross income received in the previous financial year. Whilst the Bar Council is not able to assess the impact on any one individual barrister as a result of this fee change, the overall average PCF collection target for 2015 remains consistent at £605 per barrister (£606 per barrister 2014).

Under these rules, the Bar Council has consulted on its budget and PCF proposals with the profession and has received approval of both from the LSB. A copy of the consultation paper for the 2015-16 PCF and budget is on the Bar Council's website.²

New PCF bands	
Income Band	PCF
£0 - £30,000	£100
£30,001 - £60,000	£200
£60,001 - £90,000	£400
£90,001 - £150,000	£725
£150,001 - £240,000	£1,100
£240,001 and above	£1,500

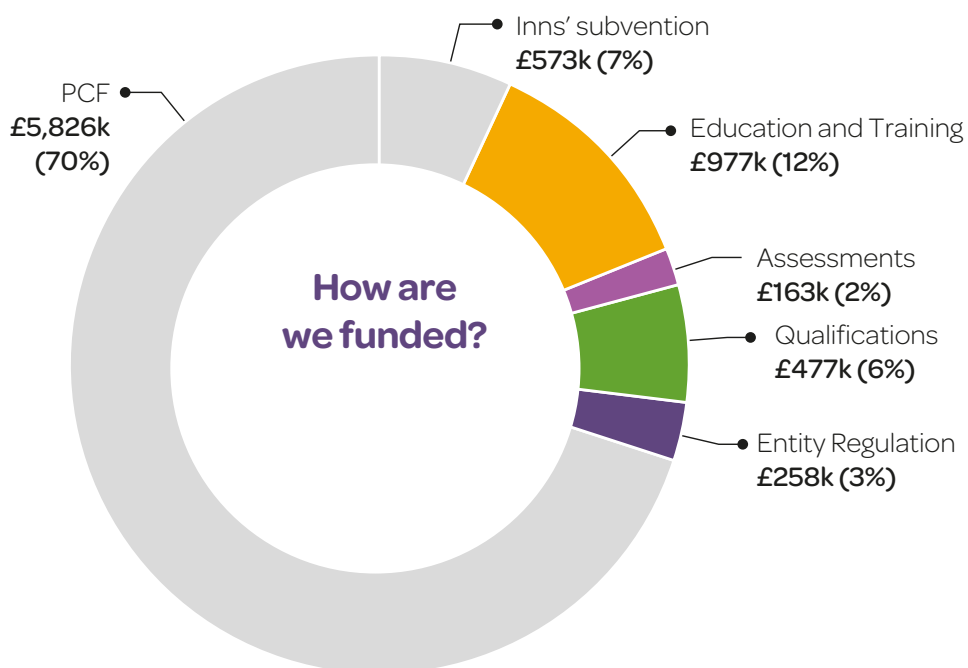


² <http://www.barcouncil.org.uk/for-the-bar/consultations/bar-council-consultations/>

How is the BSB funded?

Part of our income comes from charges we make for services we provide. We describe that kind of income as “income streams directly controlled by the BSB”. Directly controlled income streams include the fees from BPTC providers, the Bar Transfer Test (BTT) and CPD course provider accreditation. The remainder of the BSB’s funding is from practising certificate fees together with contributions from the Inns of Court. Those latter income streams are not directly controlled by the BSB.

Income streams directly controlled by the BSB	£k
Assessments (including BCAT)	163
Education and Training (including BPTC, BTT and CPD accreditation)	977
Qualifications	477
Entity Regulation	258
Total BSB controlled income	1,875
Practising Certificate Fee contributions	5,826
Inns’ subvention	573
Total BSB income	8,274

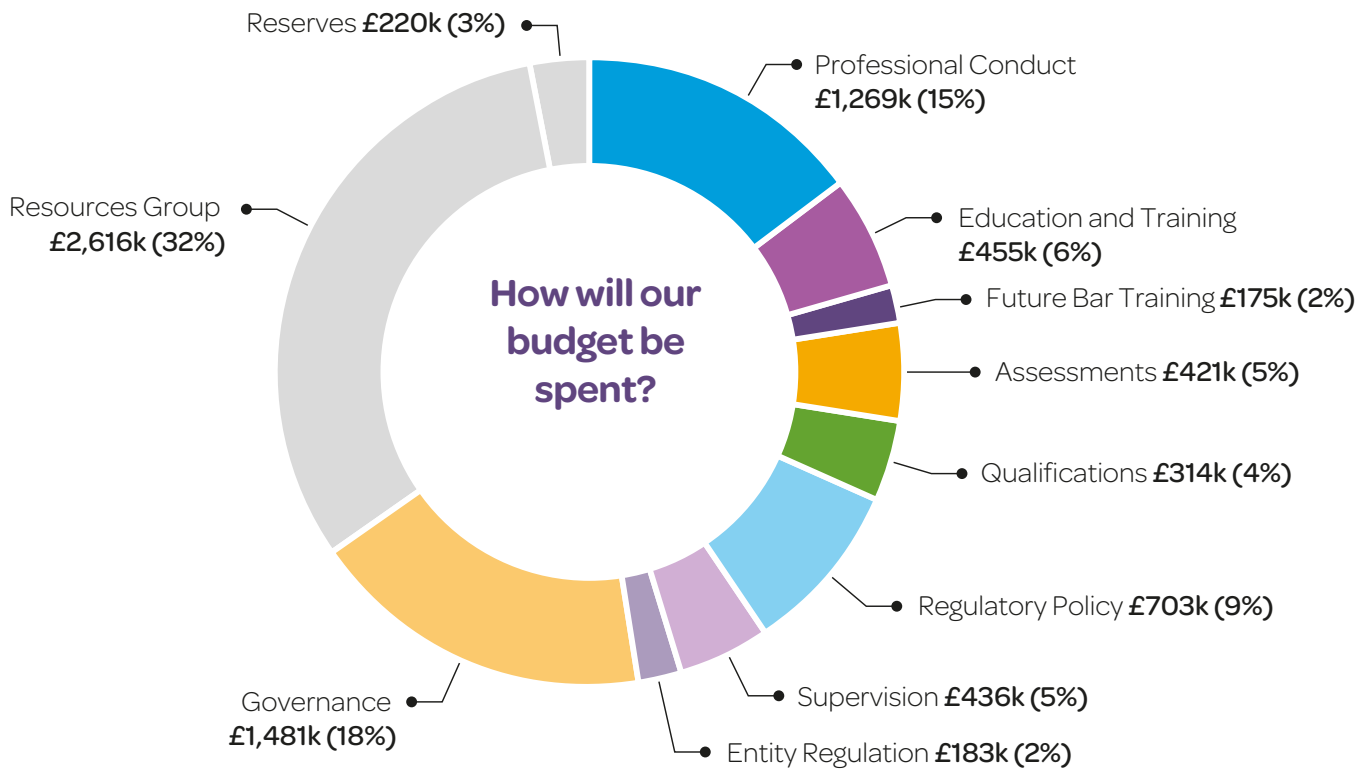


Regulation – the costs explained

The BSB has direct control of a budget of £5,438k for 2015-16. Those funds will be spent on each of the areas shown below and overleaf.


However, this does not reflect the full cost of the BSB. We share the costs of common services with the Bar Council including a share of the premises at 289-293 High Holborn as well as relying upon the Resources Group¹ to carry out support work (HR, IT, and Finance etc). The Resources Group budget is managed separately; part of that budget is apportioned to the BSB.

Also attributable to the BSB expenditure is its proportion of Bar Council costs relating to corporate provisions, which includes a contribution to reserves.



¹ Resources Group was in previous years described as Central Services.

How will we spend our budget? ³	
Budgets controlled directly by the BSB	Total budget (£k)
Professional Conduct (Disciplinary)	1,269
Education and Training	455
Future Bar Training (post the Legal Education and Training Review)	175
Assessments	421
Qualifications	314
Regulatory Policy (including equality and diversity)	703
Supervision (was Quality)	436
Entity Regulation	183
Governance / Management (Board, Executive, Strategy and Communications, Research)	1,481
Total BSB Budget	5,438
Budgets not directly controlled by the BSB	£k
Resources Group (was Central Services)	2,616
Contribution to reserves	220
Total	2,836
Total cost of regulation	8,274



We are committed to providing a high standard of service and dealing with everyone in a way that is fair, transparent, and proportionate. We welcome your feedback on our services, particularly where the level of service has exceeded or fallen below your expectations.

Your comments and suggestions are important to us as they will help us to meet our obligations to you and to improve our performance.

Write to us:

Bar Standards Board
289-293 High Holborn
London WC1V 7HZ

DX: 240 LDE

Phone us: 020 7611 1444

Fax us: 020 7831 9217

contactus@barstandardsboard.org.uk

www.barstandardsboard.org.uk

Twitter: [@barstandards](https://twitter.com/barstandards)

BAR STANDARDS BOARD

REGULATING BARRISTERS

Bar Standards Board
289-293 High Holborn
London WC1V 7HZ

DX: 240 LDE

Tel: 020 7611 1444
Fax: 020 7831 9217

 contactus@barstandardsboard.org.uk

 www.barstandardsboard.org.uk

 [@barstandards](https://twitter.com/barstandards)

Bar Standards Board Section 82 Policy Statement

- 3.1 This is the Policy Statement of the Bar Standards Board (BSB) in accordance with Section 82(1) of the Legal Services Act 2007 (LSA). Section 82(1) provides:

Each Licensing Authority must prepare and issue a statement of policy as to how, in the exercise of its functions under this Part, it will comply with the requirements of section 28 (or, in the case of the Board, Section 3) (duties to promote Regulatory Objectives etc).

- 3.2 Section 28 of the LSA provides:

(1) *In discharging its regulatory functions (whether in connection with a reserved legal activity or otherwise) an approved regulator must comply with the requirements of this section.*

(2) *The approved regulator must, so far as is reasonably practicable, act in a way—*

(a) *which is compatible with the Regulatory Objectives, and*

(b) *which the approved regulator considers most appropriate for the purpose of meeting those objectives.*

(3) *The approved regulator must have regard to—*

(a) *the principles under which regulatory activities should be transparent, accountable, proportionate, consistent and targeted only at cases in which action is needed, and*

(b) *any other principle appearing to it to represent the best regulatory practice.*

3. The Regulatory Objectives are set out in Section 1 of the LSA:

(1) *In this Act a reference to “the Regulatory Objectives” is a reference to the objectives of—*

(a) *protecting and promoting the public interest;*

(b) *supporting the constitutional principle of the rule of law;*

(c) *improving access to justice;*

- (d) protecting and promoting the interests of consumers;*
 - (e) promoting competition in the provision of services within subsection (2);*
 - (f) encouraging an independent, strong, diverse and effective legal profession;*
 - (g) increasing public understanding of the citizen's legal rights and duties;*
 - (h) promoting and maintaining adherence to the professional principles.*
- (2) *The services within this subsection are services such as are provided by authorised persons (including services which do not involve the carrying on of activities which are reserved legal activities).*
- (3) *The “professional principles” are—*
- (a) that authorised persons should act with independence and integrity,*
 - (b) that authorised persons should maintain proper standards of work,*
 - (c) that authorised persons should act in the best interests of their clients*
 - (d) that persons who exercise before any court a right of audience, or conduct litigation in relation to proceedings in any court, by virtue of being authorised persons should comply with their duty to the court to act with independence in the interests of justice, and*
 - (e) that the affairs of clients should be kept confidential.*
- (4) *In this section “authorised persons” means authorised persons in relation to activities which are reserved legal activities.*

3.3 The BSB’s policy statement focuses on how the Handbook, in particular the rules, meet the regulatory objectives. However in practice, the regulatory arrangements and the operational changes the BSB has put into place in order to ensure that there is compliance with the rules will be equally important. The authorisation process, and the new supervision function, working in conjunction with enforcement where necessary, will ensure that there is compliance with the rules. The regulatory risk framework will also assist the BSB to target its resources appropriately to ensure the regulatory objectives are met.

The Regulatory objectives

Protecting and promoting the public interest

3.4 The Bar’s reputation is based on public trust in barristers and, going forward, public trust in the entities regulated by the BSB. Maintenance of this trust requires BSB regulated persons to act with integrity, honesty and independence when fulfilling their duties to the court and acting in the interests of their clients. The whole thrust of the

regulatory arrangements set out in the BSB's Handbook is designed to uphold these standards by setting out clear core duties that are applicable to all BSB regulated persons, the requirements for professional conduct and a range of sanctions that are in place to uphold the regulations and hence standards. Key elements in the Handbook designed to protect the public are as follows.

- Ten core duties which set out the mandatory standards that all BSB regulated persons are required to meet and which define the core elements of professional practice. These core duties include the requirements to act with integrity and honesty, maintain independence and act in the best interests of clients. The core duties will provide a baseline for professional conduct and make clear to clients and the wider public the standards they should expect of BSB regulated persons.
- Risk assessment is at the heart of the authorisation and subsequent supervision of entities. Such processes are already in place for non-ABS entities and will be adapted to take account of any differences in risk presented by licensed bodies.
- We will seek to ensure that the standards of professional conduct we expect of barristers are also expected of BSB regulated entities and their employees. All entities are required to appoint a Head of Legal Practice (HOLP) who in turn will be required to record any failings to comply with our regulatory arrangements and to report significant failures to the BSB.
- The BSB's enforcement and disciplinary arrangements have already been updated to take account of non-ABS entities and once designated as a licensing authority the BSB will acquire the full range of statutory powers within the Act to require compliance with its rules. To ensure consistency in the BSB's powers, as they apply to different categories of BSB regulated person, the BSB is applying to put its key enforcement powers on a statutory basis, and to align them with the powers it will have as a licensing authority over ABS entities. This will ensure that the public can expect the same protections (and regulated persons can expect a consistent approach to enforcement) whether they obtain services from a barrister, non-ABS entity or ABS entity.
- BSB regulation of certain kinds of ABSs will enable barristers to practise in different ways and provide more choice to consumers while still focusing on individual responsibility and the core skills of advocacy, advice and the conduct of litigation.

Supporting the constitutional principle of the rule of law

- 3.5 The BSB Handbook sets out clearly the standards of professional conduct expected of BSB regulated persons. These standards are made explicit through the core duties, associated outcomes and rules set out in the Code and the requirements

relating to the scope of practice. By emphasising the need to act with independence, honesty and integrity, and stressing the duty to the court, we believe that the Handbook and the regulations contained therein support the constitutional principle of the rule of law.

- 3.6 The core duties, applicable to all BSB regulated persons, stress the importance of observing the duty to the court in the administration of justice and the need to manage business in such a way as to achieve compliance with legal and regulatory obligations. In addition, the Code sets out the conduct rules regarding the relationship with the court and identifies as key outcomes the requirements that the proper administration of justice is served and the public has confidence in the administration of justice and those who serve it. The rules set out in the Code provide the basis on which action can be taken against a BSB regulated person who is suspected of failing to deliver these outcomes and meet the core duties.
- 3.7 ABSs will be subject to the same duties as barristers and other entities. This development will therefore be neutral in relation to supporting the constitutional principle of the rule of law.

Improving access to justice

- 3.8 The BSB considers one of the ways in which to improve access to justice is the development of a strong and vibrant market for the provision of legal services. To ensure that such a market is developed, it is vital for there to be competition between providers that will lead to innovation and development in the services provided. The BSB believes that the new Handbook has helped to develop a strong and vibrant market in a number of ways.
- Wherever possible we have sought to remove unnecessary restrictions from our existing regulations and thereby provide BSB regulated persons with greater flexibility to decide which services they wish to provide. One example of this has been the removal of the prohibition on the conduct of litigation. Safeguards are in place to require BSB authorised persons who wish to conduct litigation to pass through a further authorisation process. To date 150 barristers have been authorised to conduct litigation. Although this is somewhat less than we initially expected, we anticipate numbers to continue to develop. We believe that by allowing BSB authorised persons (including in due course licensed bodies) to undertake litigation this has increased choice for the public, promoted competition and will contribute to providing greater access to justice. Direct access clients will also be able to obtain a complete service from one provider, if they choose, whereas previously if they instructed a public access barrister they would have had no choice but to conduct the litigation themselves.

- Similarly, by seeking to become a licensing authority and to regulate ABS entities, the BSB seeks to enable businesses which are focussed on the services provided by the Bar (i.e. a range of services that by their nature are closely related to access to justice) to provide those services through differing business models, operating under the aegis of a regulatory regime which is tailored to, and has considerable experience of regulating, those types of services. As individuals and entities operating under differing regulatory regimes compete to provide services, we believe that this will encourage the development of differing models and approaches and will provide consumers with greater choice. Those individuals and entities that provide the best services and customer care, and ensure that costs are kept to a minimum, should flourish. Such developments will be beneficial to customers and should improve access to justice.
- The non-discrimination principle will apply to entities, helping to ensure that the public has a fair chance of representation by the advocate or entity of their choice. This principle provides that a barrister must not withhold his services on the grounds that, the nature of the case is objectionable to him or any member of the public; the conduct, opinions or beliefs of the prospective client are unacceptable to him or any section of the public; or on any ground relating to the source of financial support which may be properly given to the prospective client for the proceedings in question. Similarly, the Cab-rank Rule will be preserved in like-for-like scenarios (i.e. in referral situations) reflecting the application of the rule to self-employed practice.¹ This will help to maintain the nature of the Bar (and possibly other higher court advocates) as an independent profession, whose services are open to all.

Protecting and promoting the interests of consumers

3.9 The best interests of clients will be served, in a general sense, if the market in legal services is strong and vibrant and competition drives innovation in the delivery of services and keeps costs low. We have already indicated how our approach to regulation contributes to this process. However, in relation to interactions with individual clients, the regulatory arrangements have a number of features designed to protect clients and ensure that BSB regulated persons conduct themselves and their business appropriately.

- One of the core duties set out in the Code specifically requires BSB regulated persons to act in the best interests of each client. This duty is then underscored in the section, You and Your Client, in which a series of outcomes are identified

¹ Where instructions are not received from a professional client such as a solicitor, but are received directly (e.g. in a Public Access case), the cab-rank rule will not apply to either self-employed barristers or entities. However, the BSB will be conducting a review of the Public and Licensed Access Rules later in 2015. As part of this review, the BSB will be considering the application of the cab-rank rule to Public Access cases.

including providing a competent standard of work, ensuring that clients are adequately informed as to the terms on which work is to be done and that they understand how to bring a complaint. A set of explicit rules relating to these outcomes makes clear to clients and the profession the standards of professional conduct that are expected of BSB regulated persons and provide the basis for action to be taken against any BSB persons who fail to meet these standards.

- There is also a specific outcome in the BSB Handbook that care be given to ensure that the interests of vulnerable clients are taken into account, and their needs are met. As part of acting in the best interests of and providing a competent standard of work and service to each client, barristers and entities should do what they reasonably can to ensure that clients understand the legal process, and what to expect from it and from them. They should try to avoid any unnecessary distress for their clients, which is particularly important where they are dealing with vulnerable clients. Furthermore, before accepting instructions to act in a particular matter barristers and entities should assess whether they are sufficiently competent and experienced to do so. The BSB Handbook states that this assessment of competence and experience should include barristers and entities' ability to work with vulnerable clients.
- The Handbook also includes requirements relating to the scope of practice of BSB regulated persons, making it clear that reserved legal activities can only be provided if the person concerned is authorised to so do (Part 3). This part of the Handbook sets out the requirements for practice for differing types of regulated person including self-employed barristers, employed barristers, BSB regulated entities and the owners and managers of BSB regulated entities. The requirements are set out to ensure that all BSB regulated persons conduct their business in a way that protects their clients' interests and meets the standards of professional conduct we have established.
- A key outcome, relevant to regulated entities, is that clients must not be misled as to who is legally responsible for the work done for them and whether and by whom that work is regulated. BSB regulated entities must not allow their structure to confuse the client.
- There is a requirement for the appointment of a Head of Legal Practice to ensure that the required standards of professional conduct are maintained and that any significant breaches are reported to us.
- In ABSs, the ability to bring in experienced lay managers at senior levels, rewarded by a share in the business, can potentially contribute positively to the delivery of improved management and systems and hence better service to clients. Barristers who have previously worked in self-employed practice may have less experience of how to run a firm or a company, as this is not how they traditionally operate and nor is it the skillset which has brought them success as advocates and as specialists in the law. Lay managers from other sectors may be able to add value and aid compliance for the entity as a whole. Whilst the

option already exists to involve lay employees in the management of a barrister's practice, or that of a non-ABS entity, the option of rewarding a lay manager by way of participation in the ownership of the business (which by definition, is then an ABS) will enable entities to compete to secure the most talented management skills by that means.

- Key in ensuring that the interests of consumers are protected are the regulatory requirements that are put in place to ensure that BSB regulated persons have the relevant knowledge, understanding and skills to undertake their roles competently. Entities will be required to ensure that their employees are competent to carry out their duties and are made aware of BSB regulatory arrangements that may affect or be relevant to the performance of their duties.
- As well as setting out the standards of conduct for BSB regulated entities, we will be setting in place arrangements to supervise entities to ensure that clients and the public are protected. We have already developed a risk based supervisory approach which will be used to determine the appropriate level of supervision that each entity should be subjected to. Entities will be required to submit information on an annual basis so that we can continue to review the level of risk that they pose and adjust our supervisory arrangements accordingly. Our aim is to ensure adherence to the standards that we have set and we will work closely with BSB regulated persons to ensure that they continue to meet these standards. We have set out our approach to regulation and the sanctions that are in place to ensure compliance. Enforcement action will only be taken if the misconduct is serious or other steps to ensure compliance have failed.
- Furthermore, the ABSs which the Board proposes to regulate will be different from those regulated by other approved regulators, which will help to promote choice for consumers who might wish to employ lower risk services. For example, BSB regulated ABSs will not involve material external ownership and they will not be able to hold client money, thus helping to avoid the associated risks to the rule of law and other regulatory objectives. Whilst these represent restrictions on what the entities can do, they are restrictions which ensure that consumers have available to them, clearly identified in the market-place by the "BSB-regulated" badge, the choice of entities that do not carry the risks that external ownership and holding of client money are capable of presenting. External ownership can potentially create risks of a conflict of interest and can prejudice the independence of legal advisers employed within a business, to the detriment of consumers. Permitting the holding client of client money creates the risk of misapplication of client funds, whether carelessly or deliberately. Regulatory regimes which permit external ownership and the holding of client money must establish ways of mitigating those risks and in doing so they must impose additional regulatory burdens, and costs, on their regulated community, costs which are likely to be passed on to consumers. Consumers already have available to them entities which do present those risks (and which are subject to regimes which seek to mitigate them). The approach the BSB is taking will

ensure that consumers can choose to “opt out” of exposure to these particular risks, rather than simply having a choice between “more of the same”.

Promoting competition in the provision of services

- 3.10 The BSB believes that by becoming a licensing authority it will provide some in the legal profession with a more attractive option to form entities. The evidence obtained from launching the non-ABS entity regime suggests a significant demand for licensed bodies and a high level of demand for the BSB as the entity regulator of choice. If the BSB does not offer an alternative, barristers in particular might be less likely to set up entities if it means moving to another regulator, such as the SRA, in order to do so.
- 3.11 We have already indicated how the BSB’s approach to the regulation of individuals and entities is predicated on the basis of ensuring that consumers have a range of options to consider when seeking legal services. The opening up of a new range of BSB regulated entities will ensure that consumers have the ability to choose between a range of providers, individuals and entities, operating under different regulatory regimes. The fact that the market will therefore be more open should ensure that providers seeking to maximise their market share innovate in terms of the type of structure and entities used to deliver services and in the way that those services are provided, for example through greater use of IT systems to interact with consumers and more transparent pricing structures. We believe that such competition will be beneficial both to consumers and the legal profession allowing the provision of legal services to thrive and develop.

Encouraging an independent, strong, diverse and effective legal profession;

- 3.12 The BSB’s regulatory arrangements are designed to foster a range of providers of legal services, while ensuring that they conduct business in an appropriate manner and adhere to the standards of professional conduct that we have set out. We believe that the core duties, outcomes and rules set out in the Code, together with the requirements relating to scope of practice and our enforcement approach, mean that BSB regulated entities will be robust and will provide high quality services to consumers. We therefore believe that BSB regulated persons will offer a viable alternative to other providers of legal services and ensure that this market is dynamic and competitive.
- 3.13 The steps which the BSB has previously taken have already allowed barristers to work in new ways. The introduction of ABSs will provide further opportunities for barristers to work in different roles while still remaining subject to BSB regulation. The ability to employ experienced lay people as managers with a share in ownership will strengthen the management of entities and help them to cope more effectively with challenges, develop new ways of working and respond to new opportunities. In

particular, ABS structures will enable BSB regulated persons to provide an ownership interest to those who have a wider range of business expertise than may be found at the Bar alone. ABSs should also provide increased employment opportunities which may be attractive to the young Bar in particular, who may prefer the security of an employed position whilst still doing their preferred type of work, as opposed to working through the traditional self-employed model. The BSB would also hope that greater employment opportunities would increase retention rates amongst the Bar, particularly of women and ethnic minorities.

Increasing public understanding of the citizen's legal rights and duties;

3.14 A core part of the service the Bar provides is to advise citizens on their rights and duties and therefore widening the routes by which the public can access those services necessarily will also promote this objective. In addition, the regulatory arrangements set out in the new Handbook are designed to ensure that BSB regulated persons interact appropriately with their clients and other members of the public in the provision of services. By setting in place a coherent set of regulations relating to BSB regulated individuals and entities, it will be easier for clients and the wider public to gain a better understanding of the standards of professional conduct they can expect of BSB regulated persons. The BSB will also be producing a short consumer guide, made available on the BSB's website, which sets out the key elements of the BSB Handbook, and informs consumers about what they should expect and the protections they have when using the services of a barrister. It will be separated into a number of sections, each of which will contain a number of subheadings in the form of common questions consumers of legal services may have. The consumer guide will include a section which sets out the kinds of entities that might be established and how they differ from self-employed practice. A draft outline of the guide has been attached at **annex C1**. The consumer guide will be produced with the input and guidance of consumer organisations to ensure that it is fit for purpose, and can be easily understood by the consumers at which it is aimed. The BSB has set up a Consumer Stakeholder Group which includes such organisations as the Bar Pro Bono Unit, the Free Representation Unit, the Law Centres Network and Citizens Advice Bureau. These organisations are a first point of call for many members of the public seeking legal advice and as such, can provide valuable insight as to what kind of information consumers need regarding barristers. The BSB intends to engage with this group and our consumer engagement consultant to finalise the guide... This section will be updated to include licensed bodies, once the licensing authority regime has been approved. By supporting the establishment of a healthy relationship between clients and BSB regulated persons our expectation is that clients will enjoy a better level of service which should, in turn, help to facilitate increased understanding of their legal rights and duties.

Professional principles

3.15 Below we have set out how BSB licensed bodies will be required to adhere to the professional principles. Clearly, it will be essential to monitor the performance of

entities to ensure that they, and their employees, are adhering to the standards that we have set. As indicated elsewhere in this statement we are developing our supervisory and enforcement arrangements to ensure that supervision is targeted and that proportionate enforcement action can be taken to ensure compliance with our standards.

Authorised persons should act with independence and integrity

- 3.16 The standing of both the Bar and BSB regulated persons rests on their reputation for acting impartially and honestly in their dealings with clients, the courts and other individuals. It is of the utmost importance to clients and to the rule of law that these qualities are maintained. Consequently, the Handbook has sought to retain and enhance standards that will ensure the independence and integrity of all BSB regulated persons.
- 3.17 As already stated, two of the ten core duties set out in the Code specifically require BSB regulated persons to act with integrity and honesty and to maintain their independence. These core duties are then expanded on in the outcomes and rules set out in the Code with specific requirements designed to ensure that these duties will be met. Thus, for example, in the section, You and the Court, there is a rule requiring that the BSB regulated person must ensure that their ability to act independently is not compromised. In the section, You and your Client, BSB regulated persons are required to act in the best interests of their clients, but reminded that their duty to the client is subject to the duty to act with integrity, honesty and independence. The arrangements for dealing with professional misconduct and the imposition of sanctions will provide an incentive for BSB regulated persons to adhere to this professional principle.

Authorised persons should maintain proper standards of work

- 3.18 Confidence in BSB regulated persons would be undermined and the profession brought into disrepute if clients could not depend on receiving a high quality service. Consequently, the Code includes a core duty requiring BSB regulated persons to provide a competent standard of work and service to each client. In the section, You and Your Client, a key outcome is that clients receive a competent standard of work and service. This is supported by rules which require BSB regulated persons to be personally responsible for their work, and not to take on work they are not competent to handle or which they cannot complete within a reasonable time. The Code also includes a section, You and Your Practice, which is designed to ensure that a BSB regulated person's business is run competently and efficiently and includes specific requirements for BSB regulated individuals, chambers and BSB regulated entities. In particular, they put a duty on entities to ensure that all their employees are competent and carry out their duties correctly and effectively. Individual barristers are also required to undertake CPD to ensure that their

knowledge and skills remain up-to-date. These arrangements provide a basis for professional conduct and the imposition of sanctions should a BSB regulated person fail to meet this professional principle.

Authorised persons should act in the best interests of their clients

- 3.19 As already stated there are a number of measures in the Handbook designed to ensure that BSB regulated persons act in the best interests of their clients, including core duties, outcomes and specific rules. The requirement to meet this professional principle is set out explicitly in the section, You and Your Client. In addition, a BSB regulated entity must require its employees to do nothing which causes or contributes to a breach of the Handbook by the entity or any authorised individuals employed by it.

Authorised persons should comply with their duty to the court

- 3.20 As already stated, the core duties, applicable to all BSB regulated persons, stress the importance of observing the duty to the court in the administration of justice and the need to manage business in such a way as to achieve compliance with legal and regulatory obligations. The Code sets out the conduct rules regarding the relationship with the court and rules pertaining to the duty to the court. These requirements, taken with the duty on BSB regulated entities to ensure that its employees do nothing to breach the Handbook, should ensure that BSB regulated persons will meet this professional principle.

The affairs of clients should be kept confidential.

- 3.21 Ensuring that clients' affairs are kept confidential is central to the good reputation of the Bar and BSB regulated persons. Consequently, the Code includes a core duty specifically targeted on this matter and this is further supported in the section, You and Your Client, by a rule requiring that the confidentiality of each client's affairs must be protected. In relation to the administration of BSB authorised bodies, there is a specific requirement that the confidentiality of clients' affairs is maintained at all times. As part of the application process, applicant entities will be asked how they will protect client confidentiality in circumstances where they are acting for both or multiple parties to a case, and how they will protect client confidentiality if they share premises. These requirements on BSB regulated individuals and entities should ensure that the confidentiality of clients' affairs is maintained.

Better regulation principles

Transparency

- 3.22 The Handbook sets out in one coherent and comprehensive document the BSB's approach to the regulation of individuals and entities. Setting the regulatory arrangements out in this way is intended to make the BSB's regulatory arrangements as transparent as possible. The BSB believes that there is a public interest in having one clear publication that summarises our new regulatory approach across the board. This will enable consumers to better understand what to expect from barristers within the full range of business structures that will be possible in the future. In addition the information sheet on entities which will eventually include ABSs will set out in plain English what a member of the public can expect of BSB licensed bodies.
- 3.23 The Handbook sets out in a clear and rational way the regulatory arrangements, together with guidance which is designed to clarify the meaning and application of these requirements for those seeking to use the Handbook. Our approach has been to express all requirements that are genuinely mandatory as rules, while providing guidance in the form of further information or examples of behaviour that would breach the rules. The Code also includes definitions of individual terms both in relevant sections and as a comprehensive glossary, designed to make the document more accessible to users. The Handbook is supplemented by published strategies on Supervision and Enforcement. Taken together, we believe that these steps will help to ensure that those who use the Handbook, clients, the general public and BSB regulated persons, understand the standards of professional conduct expected of those whom we regulate and how we will supervise and enforce these standards.
- 3.24 In operating the regulatory arrangements we will seek to ensure that matters are dealt with in a transparent way. Consequently, regulatory and disciplinary decisions will be made known to the BSB regulated persons concerned, together with the reasoning behind those decisions, so that the basis on which they have been made is clear. Tribunal hearings are in public unless the Tribunal considers that there is good reason to hear a case, or part of it, in private (or the case concerns whether a barrister is medically fit to practise). Where any finding of professional misconduct or a disqualification order has been made, we will normally publish on the BSB's website the name of the relevant person against whom such the finding or order has been made and the terms thereof. Again, this will help to protect the public and ensure that our regulatory decisions are transparent.

Accountable

- 3.25 The new Handbook sets out in a clear and coherent way the rules of professional conduct and the approach to authorisation and disciplinary action. This will ensure that BSB regulated persons understand the regulatory arrangements and associated processes and how they can address any decisions or actions with which they disagree.
- 3.26 Regulatory and disciplinary decisions will be made known to regulated persons, together with the reasoning behind those decisions. This will allow BSB regulated persons to understand the basis on which a decision has been made and to identify any grounds on which they disagree with the outcome. The arrangements that we have set in place allow such decisions to be reviewed and for there to be the opportunity for independent appeals to be held. The BSB also holds public board sessions as part of which its papers, minutes, annual reports, including an independent assessor's reports on complaints, are published. Taken together, these measures will ensure that the BSB is accountable for any decisions and actions which it takes in relation to regulated persons

Proportionate

- 3.27 In developing the new Handbook we have sought the views of the profession and wider public through series of consultations in order to ensure that the arrangements put in place are appropriate. We have reviewed all the rules to decide whether they are still needed. We have removed unnecessarily detailed requirements, moving instead to higher level more outcomes focused rules, and we have done away with many outdated restrictions on how BSB authorised persons practice. We have sought to ensure that the requirements placed on individuals and BSB regulated entities are proportionate to the risks faced by the public seeking the provision of legal services. Hence, the Handbook sets out requirements for all BSB regulated persons while identifying specific requirements relating to their scope of practice depending, for example, on whether they are self-employed or employed barristers or work for an entity, and including the provision of legal services directly to the public.
- 3.28 Having set out the regulatory requirements expected of BSB regulated persons, we will be seeking regular annual information from regulated entities to monitor the risk they pose to clients and the public, to ensure that appropriate supervisory measures can be put in place and to ensure compliance with the standards that we have set. BSB regulated persons will be expected to resolve problems with their

clients directly so that, as far as possible, issues do not need to be escalated to us or the Legal Ombudsman. We will work closely with BSB regulated persons to help them to understand and adhere to the regulatory arrangements, seeking to use an informal and collaborative approach wherever possible. Enforcement will only be resorted to if a matter is serious or other attempts to resolve problems have failed. We have identified a range of regulatory sanctions that can be applied to individuals and entities when there has been a breach of the rules and disciplinary action is appropriate. Minor breaches of the handbook will be dealt with by administrative action with sanctions of fines, warnings and reprimands. For professional misconduct the sanctions include disbarring or suspending an individual, revoking an entity's licence or placing conditions on an entity's licence as well as larger fines. This range of sanctions will allow us to ensure that proportionate action is taken to protect the public, depending on the severity of the professional misconduct and the level of risk to which clients and the public are exposed. The BSB will continue to keep its rules and other regulatory arrangements under review in the light of experience of how they work in practice and of any complaints or problems encountered

Consistent

- 3.29 The new Handbook contains all the regulatory arrangements relating to BSB regulated persons, be they bodies or individuals. The intention is to ensure that, as far as possible, the arrangements are coherent and consistent and afford the same level of protection to the public and clients, regardless of the type of BSB regulated persons providing legal services.

Targeted

- 3.30 As already indicated, our objective is to ensure that the requirements placed on BSB regulated persons, be they individuals or entities, are proportionate and targeted in order to ensure that the same standards of professional conduct and levels of protection for clients and the public are in place. We have reviewed all our conduct and scope of practise rules and retained only those necessary to support the Core Duties. We continue to evolve our approach to risk to ensure that our supervision of entities is tailored to address the risks which they pose and so ensure that clients and the public are protected. As part of the authorisation process we will risk assess entities to determine whether they are suitable for authorisation then the level of supervision that they should be subjected to routinely. Entities will be expected to submit routine information on an annual basis in order to monitor their performance. We will seek to work with entities to ensure that they meet our regulatory arrangements and wherever possible address issues informally and through dialogue and support. Enforcement action, designed to ensure adherence to the regulatory arrangements, will only be taken if a matter is serious or other steps have been exhausted. The range of sanctions set out in the Handbook provide us with a

Annex C

sophisticated battery of measures that can be used appropriately to address differing levels of professional misconduct.

FRAMEWORK FOR CONSUMER GUIDE

1. Barristers – Who They Are and What They Do

This section will seek to give an overview of what a barrister is and the kind of work that they do. In particular, it will highlight the difference between different legal professionals, which should assist in consumers understanding when they may be in need of a barrister and, if they do instruct a barrister, what they can and cannot do. This will also be helpful for those who want to know if a barrister is acting outside of their scope.

Example questions to be answered:

- What is a barrister?
- Who can call themselves a barrister?
- How can I tell if a barrister is practising?
- What is the difference between a barrister and a solicitor?
- When might I need a barrister?
- What can't a barrister do?
- What rules must a barrister follow?
- What are the duties and obligations of a barrister?
- What obligations do barristers have towards vulnerable clients?
- How can I find a barrister?

2. The Bar Standards Board

The role of regulators is not always well understood by the general public. This section will aim to encourage a better understanding of the BSB as an organisation and our role in relation to the profession. It will also clarify the difference between the BSB and the Bar Council as it is currently not always clear which organisation people should be directing their questions to. It will provide an overview of the different departments and functions of the BSB and will provide an introduction to the concept of the Handbook, but also make clear that our regulation has become more outcomes focused.

Example questions to be answered:

- What is the BSB?
- What does the BSB do?
- What is the difference between the BSB and the Bar Council?
- How does the BSB regulate barristers?
- How can the BSB help me if I have a problem with a barrister?

3. How Barristers Work

This section will provide more detailed information on how barristers carry out their professional duties. It will give consumers a better understanding of how a barrister works and what they can expect from them as a client. It will also cover the acceptance of instructions, what the cab rank rule is and how it applies. This section will also cover questions relating to public access and how it may benefit a client. Public access remains a relatively recent development in terms of the work the profession are able to undertake, and

the BSB wants to make sure that the public are aware that this is available to them and to understand how it works in practice.

Example questions to be answered:

- How do barristers work?
- How can I instruct a barrister?
- What can you expect your barrister to do once they're instructed?
- Can a barrister stop acting for me once they've accepted my instructions?
- When might a barrister refuse instructions?
- What is the cab rank rule?
- What is public access?
- How are barristers trained for public access?
- What is the advantage of public access?

4. Fees and charging

Fees and charging are a common topic for questions from the general public. It is important that clients of barristers understand how they may be charged for a barrister's services and what kind of services that payment will cover. Consumers should understand that a barrister is required to make clear when accepting instructions what the basis for charging will be. The rules around holding client money can be an area of confusion and the BSB believes it would be helpful for consumers to have this explained in plain English, so consumers are aware of what barristers cannot do in dealing with money being paid to them.

Example questions to be answered:

- How will I be charged?
- What is client money and why can't a barrister hold it?

5. Entities

The BSB had originally planned to produce consumer guidance regarding entities, to coincide with the BSB becoming authorised to regulate entities. Consumer guidance on entities will now make up one section of the broader consumer guidance being produced. As entities are a new way for consumers to access the services of barristers, it will be important that the public has accurate information about how entities will operate and how they might be of benefit to a client.

Example questions to be answered:

- What is an entity?
- Why might I instruct an entity?
- What is the difference between instructing an entity and instructing a barrister (and how would it benefit me to instruct an entity)?
- What is an alternative business structure?

6. Protections for consumers

It is very important that consumers are aware of the safeguards that are in place to ensure they are protected when things go wrong. This will include information about the insurance requirements that apply to barristers and the rules that are in place in relation to conflicts of interest and referral fees.

Example questions to be answered:

- What happens if something goes wrong with my barrister?
- How are consumers protected?
- What is a conflict of interest?
- What is a referral fee and why is it banned?
- Can barristers have more than one job?

7. Complaints

When a consumer wishes to complain about legal advice they have received or the conduct of a legal professional, it can be unclear where such complaints should be directed. The Legal Ombudsman, BSB, Solicitors Regulation Authority and CILEx Regulation all have their own separate complaints procedures. The consumer guidance will aim to make clear when complaints should be made to the BSB, and when complaints should be directed elsewhere, such as to the Legal Ombudsman. It will also clearly outline the different remedies available when complaints about barristers are pursued.

Example questions to be answered:

- What can I do if I have a complaint about a barrister?
- What complaints can be dealt with by the BSB?
- What complaints can be dealt with by the Legal Ombudsman?
- What kind of remedies can I receive for a complaint?