

To:	Board	
Date of Meeting:	22 February 2010	Item: Paper (10) 11

Title:	ABS start date
Workstream(s):	Widening access to the legal services market
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Status:	Restricted – policy development

Summary:
This paper proposes that we should confirm publicly a start date for alternative business structures (ABS) of 6 October 2011.

Risks and mitigations	
Financial:	N/A.
FoIA:	Exempt – policy development.
Legal:	N/A.
Reputational:	There is some risk that a 6 October date will be interpreted as slippage from 'mid-2011' and that there may be further slippage in future. We feel that a specific date will actually provide more clarity and sustain pressure on Solicitors Regulation Authority in particular to be ready and on Ministry of Justice to ensure that relevant sections of Legal Services Act 2007 are commenced.
Resource:	Resource overall for the ABS project is stretched. New starters should help to ease this once they are up to speed.

Consultation	Yes	No	Who / why?
Board Members:		✓	
Consumer Panel:		✓	
Others:	N/A.		

Recommendation:
The Board is invited to consider and to agree the announcement of a start date for ABS of 6 October 2011.

LEGAL SERVICES BOARD




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ABS start date

Recommendation

The Board is invited to **consider and to agree** the announcement of a start date for ABS of 6 October 2011.

Context

1. We have until now talked about a 'mid-2011' start date for alternative business structures (**ABS**) – i.e. the date on which any entity that is an ABS will need a licence from a Licensing Authority (**LA**). In order to maintain momentum, we have been discussing with Approved Regulators whether it is now possible to agree a specific date and for this to be made public.
2. 
ABS needs to be introduced on the basis of clear outcomes rather than detailed rules to avoid discouraging new entrants and the current Solicitors' Code therefore needs to be revised to ensure that new entrants and existing firms can compete on a level playing field.
3. We are working with Ministry of Justice to commence before an election purdah the next stages of the Legal Services Act 2007 to allow applications to become LAs. An update will be provided at the meeting.
4. 
5. 

Proposal

6. Providing that the SRA Board confirms that it is content, we propose that we should issue a press release on 22 or 23 February (ahead of a planned meeting with Shadow Ministers on 24 February). The press release will be phrased in

terms of LAs being in a position to be able to receive and consider applications from the summer of 2011 to enable decisions to be made on 'go live' day. This should help to mitigate the risk of an October start being seen as slippage.

12.02.10