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|-------------------------|-----------------|--------------|---------------|
| <b>To:</b>              | Board           |              |               |
| <b>Date of Meeting:</b> | 27 January 2011 | <b>Item:</b> | Paper (11) 02 |

|                               |   |
|-------------------------------|---|
| <b>Title:</b>                 | ABS implementation – next steps: key issues and risks   |
| <b>Workstream(s):</b>         | Workstream 5b: Widening access to the legal market  |
| <b>Author / presented by:</b> | Fran Gillon, Director of Regulatory Practice<br>fran.gillon@legalservicesboard.org.uk / 020 7271 0087 |
| <b>Status:</b>                | Restricted  |

**Summary:**

At its meeting on 28 October, the Board reviewed a paper about the key issues and risks concerning the implementation of alternative business structures (ABS). It was agreed that the paper would be updated and presented on a monthly basis. The January update is attached (Annex A).

|                              |   |
|------------------------------|---|
| <b>Risks and mitigations</b> |   |
| <b>Financial:</b>            | N/A.  |
| <b>FoIA:</b>                 | Annex A – Section 36.   |
| <b>Legal:</b>                | N/A.  |
| <b>Reputational:</b>         | This is a key policy issue and there is therefore a serious reputational impact if ABS implementation is delayed. This is mitigated by continuing close discussions with Solicitors Regulation Authority (SRA) and Ministry of Justice (MoJ). |
| <b>Resource:</b>             | Resource overall for the ABS project is stretched.  |

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

**Recommendation(s):**

The Board is invited to note and to comment on progress in respect of the implementation of ABS.

**Annex A – ABS implementation: next steps – key issues and risks (January 2011)**

| Topic   | Next key date(s)  | Board input  | [FOIA exempt – s36]<br>Key issues/risks | Mitigation | Rating | Change |
|---|---|--|---|------------|--------|--------|
| Maximum Financial Penalty SI                                  | 24/1/11 - Consultation closes<br>Submission to MoJ 4 February | Oral update on 27 January followed by email paper w/c 31 January | [REDACTED]                              |            |        |        |
| Appellate bodies  |   |  |   |            |        |        |
| Section 69 Order  | With MoJ  |  |   |            |        |        |
| Applications from SRA and CLC to become licensing authorities | Expected March 2011   | 28/4/11 – decision on recommendation                             |   |            |        |        |
| 10 SIs / Commencement orders                                  | From January 2011 to October 2011                             | Most are MoJ led   |   |            |        |        |
| LSB resources   | Ongoing   | N/A  |   |            |        |        |
| LSA Part 5 Impact Assessment                                  | Workshop 10 February  |  |   |            |        |        |