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FOCUS ON REGULATOR PERFORMANCE IN LSB PLANS FOR FUTURE

“Regulators have to work together to make the market deliver more innovation and targeted protection for consumers”

The Legal Services Board - the independent body overseeing the regulation of legal services in England and Wales – is today launching a consultation on its [draft business and strategic plan](#) which sets out proposals for 2012-15 and a detailed plan for 2012/13.

A key priority is to improve and assure the performance of approved regulators – a core function of the LSB as the body overseeing legal services regulation. The Board is also publishing a [decision document](#) setting out the standards expected by the LSB on regulatory performance. The four constituent elements that the Board has identified are:

- ensuring an outcomes-focused code;
- risk identification and prioritisation;
- proportionate supervision; and
- enforcement action.

The LSB now expects approved regulators to self-assess against the standards and develop their own action plans to ensure that they have the capability and capacity to deliver them. The LSB will oversee and report on the process.

The draft business plan also sets out the Board’s work to help consumers to choose and use legal services with confidence, as well as to deliver better targeted regulation and deregulation. There will be a particular focus on improving diversity at all levels of the workforce. The LSB will continue to work with the approved regulators to ensure that the training and education regime is fit for purpose in providing multiple high quality routes to prepare people for work in the changing market. The Board will also continue its work on the scope of regulation, establishing a robust framework for intervention to replace the ad hoc list of reserved legal activities.

Also published today is the Board's [Equality Report and Proposed Equality Objectives](#). This document outlines the LSB's own approach to considering equality and diversity issues in its work and making sure that the Board engages properly and effectively in the light of individual consumers' circumstances and needs. The publication sets out the standards by which the Board will judge its own effectiveness on equality issues.

Legal Services Board Chairman David Edmonds said:

"We have virtually completed delivery of our first three years' strategic plan with the framework for ABS in place, the Legal Ombudsman working effectively and regulatory independence more firmly embedded than ever.

We are going to consolidate that progress, and set the agenda for the next three years. We want to both challenge and work alongside the approved regulators to ensure that they regulate in ways which encourage entry and innovation, while targeting risk even more effectively. That mixture is essential if the market is to work better for consumers in today's tough economic climate.

As I promised from the outset of the LSB, we are continuing our own focus on efficiency and economy. We shall this year be cutting our own costs by almost 9%, reducing them to less than £4.5m, which is less than £31 per authorised person.

We look forward to hearing the views of everyone with an interest in the ongoing reform programme".

For more information please contact Craig Jones, Media and Public Affairs Manager, on craig.jones@legalservicesboard.org.uk or by calling 020 7271 0068 / 07702 428210.

Notes for editors:

1. The draft business plan can be found at:
http://www.legalservicesboard.org.uk/what_we_do/consultations/open/index.htm
Respondents are asked to submit their comments on the proposed programme by 9 March 2012.
2. The decision document on regulatory standards can be found at:
http://www.legalservicesboard.org.uk/what_we_do/consultations/closed/index.htm
3. The Equality Report and Proposed Equality Objectives can be found at:

http://www.legalservicesboard.org.uk/what_we_do/consultations/open/index.htm

Respondents are asked to submit their comments on the proposed objectives by 9 March 2012.

4. The LSB's annual report and accounts for 2010/2011 can also be found online:
http://www.legalservicesboard.org.uk/news_publications/publications/pdf/l_sb_annual_report_11_web_final_june.pdf
5. The Legal Services Act ("The Act") created the Legal Services Board as a new regulator with responsibility for overseeing the regulation of legal services in England and Wales. The new regulatory regime became active on 1 January 2010.
6. The LSB oversees eight approved regulators, which in turn regulate individual lawyers. The approved regulators, designated under Part 1 of Schedule 4 of the 2007 Act, are the Law Society, the Bar Council, the Master of the Faculties, the Institute of Legal Executives, the Council for Licensed Conveyancers, the Chartered Institute of Patent Attorneys, the Institute of Trade Mark Attorneys and the Association of Costs Lawyers.
7. In addition, the Institute of Chartered Accountants in Scotland and the Association of Chartered Certified Accountants are listed as approved regulators in relation only to reserved probate activities.
8. The legal profession currently consists of 15,309 barristers, 119,641 solicitors and 12,145 individuals operating in other aspects of the legal profession such as conveyancing. The sector is currently valued at £25.49 billion per annum (total turnover in 2010).
9. On 6 October 2011 the Council for Licensed Conveyancers (CLC) was designated as a licensing authority for Alternative Business Structures (ABS). On the same day, the first ABS licence was issued. At the end of 2011, the Solicitors Regulation Authority (SRA) will also become designated, and therefore able to issue licences to solicitor-led ABS. More information on the LSB's work in opening up the market can be found online at <http://www.legalservicesboard.org.uk/Projects/abs/index.htm>