



Costs Lawyer Standards Board
Centurion House
129 Deansgate
Manchester
M3 3WR

Office: 0161 214 7904
Email: ceo@clsb.info

Legal Services Board
7th Floor
Victoria House
Southampton Row
London
WC1B 4AD

Friday 1 March 2013

Consultation: Draft Business Plan 2013/14

Dear Sirs,

We write further to the above document issued for consultation.

An unnecessary cost & burden

We are pleased that in the forward it is acknowledged "*the current regulatory framework is unnecessarily complex and costly*" and look forward to receiving a detailed plan for end of year review by AR's on how this will be addressed by the LSB both internally and externally, with measured performance indicators on LSB achievement.

Reduction in cost

We note the LSB is "*proposing a cash reduction of £50k from 2012/13*" and goes on to make mention of your "*cost reduction strategy*." A £50k reduction on an annual £5m spend equates to 1%. The MOJ, under their Business Plan looks to a 5.2% reduction 2012/13 to 2013/14. Why, in times of austerity and when the MOJ is driving down cost does the LSB not feel so similarly obliged? We have always had, and continue to have legal concerns that practitioners should not be funding both levels of regulation.

The forward also states "*our costs represent but a fraction of the total that practitioners face simply in order to practice*." Your own estimated LSB per head levy for a Cost Lawyer (not including the LeO levy) for 2012/13 is £28.60 out of £250.00 which represents 11.4% of the

cost of a Costs Lawyer practising certificate so hardly a "fraction". Add to this levy the resource CLSB has to devote to the LSB and CLSB estimates the LSB and its activities cost it approximately 40% of its annual income.

Costs Lawyer profession prejudiced

We maintain one size does not fit all where legal regulation is concerned. The LSB vision of a uniform state of regulation is problematic and prejudicial to certain professions and the smaller regulators. We look forward to dialogue on this point sooner rather than later as extended under point 48.

Unregulated costs practitioners & the LSB's failure to address this

Under point 36 the LSB state "*it is essential that consumers be protected from lawyers who are corrupt, negligent or of poor quality.*" Under point 37 you refer to your aims to "*ensure consumer protection*" yet despite repeated requests for the LSB to assist CLSB & ACL to address the issue of unregulated costs practitioners who regularly appear in court and draft Reserved Legal Instruments (Bills of Costs, Points of Disputes) you have turned a blind eye.

Last week for example, CLSB received notification that a Cost Draftsman had taken a client's monies. Today, CLSB has been notified that a complainant intends to sue his Solicitor for instructing a Costs Draftsman (who was incompetent and cannot now be located) rather than a regulated Costs Lawyer. This complainant was taken aback to be advised that a Costs Draftsman could practice without qualification, regulation, continued professional development and potentially PI insurance within the knowledge of the LSB and intends to make their feelings known to you on this in writing.

CLSB estimates well over 80% of consumer issues being brought to its attention are about unregulated costs practitioners. CLSB is of the view the LSB is **failing the Costs Lawyer profession and the consumer** as a result. Whilst CLSB is small (hence the reason CLSB believes it is overlooked by the LSB in its pleas for assistance in this matter) the issue is large with what is believed to be over 4,000 costs practitioners practising unregulated. The CLSB yet again requests by way of this public domain letter that the LSB takes action in this matter.

Point 54

Has point 54 been missed out for a reason?

Cost/benefit matters for consideration by LSB

We would question as follows:

- Does the LSB deliver £5m in demonstrable benefit per year?
- Is the LSBCP really value for money? If, as stated, it has not already identified consumer issues after being in operation for over 3 years then we would question whether it has been effectively managed?

Yours sincerely,

Lynn Plumbley
(Chief Executive)