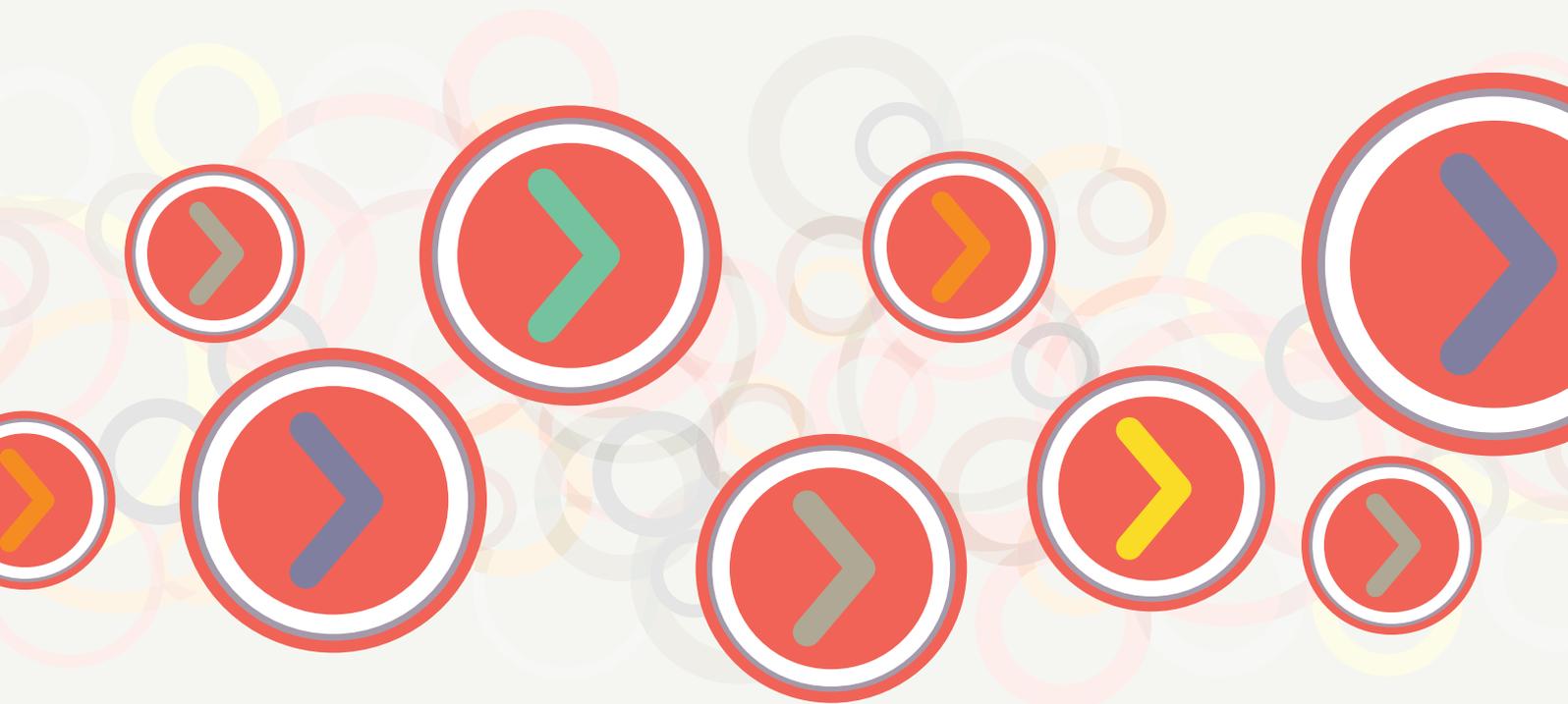


Cost Transparency Metrics

2017-18



Cost Transparency Metrics

The Bar Standards Board (BSB) has a strong commitment to the principle of transparency and has published financial and other transparency metrics as part of the Annual Report and Business Plan. As part of the Legal Services Board's (LSB) Cost of Regulation Project, a review of best practice relating to the availability and accessibility of costs information was undertaken. As a result of their recommendations the BSB is publishing these Cost Transparency Metrics separately in addition to their inclusion in the Annual Report. This is to increase transparency about the cost of the legal services regulators in England and Wales.

Practising Certificate Fees (PCF)

Barristers are only legally entitled to undertake reserved legal activities if they are authorised to do so by the BSB. They do so by holding a current Practising Certificate renewed annually via a process known as Authorisation to Practise which includes payment of a Practising Certificate Fee. These fees fund the expenditure that falls within the 'permitted purposes' as defined by the Legal Services Board¹ (LSB). This is shared between the Bar Standards Board who deliver the regulatory functions, the Bar Council who deliver non-regulatory permitted activities and a provision for non-operating costs².

Metric	£ thousands	
	2016-17	2017-18
Total PCF Reported	10,885	12,627

In 2017-18 of the total £12,627,000 collected £10,869,000 was for operating expenditures, shared 71% (£7,695,000) for the BSB and 29% (£3,174,000) for the Bar Council.

Portion of PCF funding 'non-regulatory permitted purposes' ³	32%	39%
Total Permitted Purposes reserves	(367)	(584)

BSB Specific Finances

Income - (PCF)	6,964	7,695
Income - Non PCF Sources ⁴	1,442	1,469
Total Income	8,406	9,164
Total Regulatory Expenditure⁵	8,330	9,208
Surplus / (Deficit)	76	(44)

The Profession

Number of registered barristers ⁶	15,853	16,258
Number of authorised entities	67	89 ⁷

In April 2015, the BSB began authorising entities. These are owned and managed by lawyers only, including barristers, solicitors and other legally qualified persons. From April 2017, the BSB began authorising licensed bodies or Alternative Business Structures (ABSs) which are entities owned by both lawyers and non-lawyers. The entity and ABS regulation schemes at the BSB operate on a full economic cost recovery (FECR) model and fees are published on our [website](#)⁸.

Staff Resources

Headcount ⁹	77 (75.2 FTE)	81 (79.2 FTE)
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Remuneration¹⁰ of Officers / Executive

Chair of Board total remuneration	£ 89,264	£ 89,773 ¹¹
Vice Chair total remuneration	£ 36,570	£ 36,570
Director General total remuneration	£ 158,926	£ 170,397

The median staff salary at the BSB in 2017-18 was £34,210¹², the ratio between this and the Director General (salary: £148,331) was 1:4.3. As well as the Director General, the Bar Standards Board has four Senior Managers¹³ paid in a salary band between £70,000 and £90,000.

Summary

	£ thousands	
Staff costs	4,094	4,336
Board ¹⁴ costs	199	189
Average cost of regulator for each authorised individual	£ 439	£ 473

All figures in this document have been rounded to the nearest £1,000.

¹ In accordance with s51 of the Legal Services Act 2007 (LSA) and the rules made thereunder.

² Currently provision for the LSB (Legal Services Board), OLC (Office for Legal Complaints) operating costs and pension liabilities shared between the Bar Council and the BSB.

³ All BSB activities are considered regulatory activities under the definition in the LSA07. Non-regulatory permitted purposes include Bar Council permitted purposes activities, and non-operating activities such as the LSB / OLC levy.

⁴ Part of our income comes from charges we levy for the services we provide. Directly controlled income streams include the fees from the Bar Professional Training Course (BPTC) providers, the Bar Transfer Test (BTT), fees related to waivers and entity & ABS authorisation fees.

⁵ This includes a share of the premises at 289-293 High Holborn, as well as support staff and costs from the Resources Groups (e.g. HR, Finance and IT). The Resources Group budget is managed separately and part of it is apportioned to the BSB.

⁶ This is the number of barristers holding a practising certificate as at 31 March 2018. In addition, there are approximately 50,000 unregistered barristers who do not hold practising certificates. We regulate these barristers reactively (i.e. we will take enforcement action against them for breaches of the Handbook).

⁷ Licensed Bodies (ABS): 8, Authorised Bodies (Entities): 81.

⁸ <https://www.barstandardsboard.org.uk/regulatory-requirements/entities,-including-alternative-business-structures/fees-and-charges/>

⁹ Snapshot of direct headcount at end of each financial year, this does not include support staff in the shared Bar Council / BSB Resources Group.

¹⁰ Total remuneration includes; Salary; Pension Contributions and, for staff members only, a fixed allowance of £1,300.

¹¹ Sir Andrew Burns KCMG (Chair until 31/12/2017): £66,948, Baroness Tessa Blackstone (Chair from 01/01/2018): £22,825.

¹² Median salary in 2017-18 was £33,290 and ratio 1:4.4.

¹³ Director of Communications and Public Engagement, Director of Regulatory Assurance, Director of Professional Conduct and Director of Strategy & Policy.

¹⁴ Including salary costs for Chair, Vice-Chair and all lay board members.

Contact us

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 feedback on our services, particularly where the level of service has exceeded or fallen below expectations. Comments and suggestions are important to us as they will help us to meet our obligations and improve our performance.

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