

BAR STANDARDS BOARD

REGULATING BARRISTERS

Bar Standards Board submission to Ministry of Justice Legal Services Review Call for Evidence

On 5 June 2013 the Ministry of Justice commenced a review of the legal services statutory framework by issuing a call for evidence. The purpose of this review is to consider what could be done to simplify the regulatory framework and reduce unnecessary burdens on the legal sector whilst retaining appropriate regulatory oversight. This review will encompass the full breadth of the legislative framework. The Ministry also welcomed comments on the interaction between the legislative framework and the detailed rules and regulations of the approved regulators, licensing authorities and of the Legal Services Board and Office for Legal Complaints; although recognising that these are not owned by the Ministry of Justice.

The Bar Standards Board is grateful for the opportunity to make a submission in response to this call for evidence. Our submission will address the following:

- Positive effects of the Act
- Concerns about the existing system
- Costs of the existing system
- Ideas for simplifying the regulatory framework
 - Wider Statutory change
 - More rapid change within existing statutory framework
- How these ideas may reduce unnecessary burdens
- How these idea retain appropriate regulatory oversight in the public interest.
- A timetable for reform

Positive effects of the Act

1. The reform of legal services, primarily through the introduction of the Legal Services Act 2007 (“the Act”), has had some positive results, which should be recognised and not lost in any subsequent reforms.
2. The independence required by the Act of regulation from the representative interests of the profession should not only be retained but further strengthened. The fact that it has largely been achieved by all of the regulators is in part due to the emphasis placed on this aspect by the Legal Services Board. The Bar Standards Board considers that the input of lay members has improved its deliberations and decision-making, quite apart from properly giving the public reassurance that regulation is taking place in the public

interest rather than the profession's self-interest. Now, however, that this groundwork has been laid, maintenance of the independence that has been achieved does not require the continuance of the LSB, as explained further below.

3. Legal Ombudsman. The introduction of an independent and systematic mechanism for dealing with complaints about legal services providers was necessary and has been broadly successful. The Bar Standards Board is in favour of retaining the Office for Legal Complaints and the Legal Ombudsman. Apart from ironing out some issues regarding collection and sharing of data (which have been or are being resolved constructively), there have been few issues in dealing with the Legal Ombudsman. The relationship is generally good, the functions are clearly defined and the system generally operates well. It has been a positive addition to the regulatory landscape in terms of providing a single point of contact for clients and its focus on how the legal profession deals with clients. The BSB supports the extension of the Legal Ombudsman's remit to include all legal services rather than restricting it to the narrow definition currently in the Act.
4. The Act presented opportunities for business innovation in the interests of consumers. Business models should not be unduly or improperly fettered provided that the public interest is properly protected in whatever model is used. To that end, retaining the increased ability of the profession to choose between different business models should be retained (eg entities, ABS). Whatever changes are made, there should not be a reversal of the facilitation of more flexible business approaches for the professions although protections for the public interest and rule of law must still be considered.
5. The general principle that regulation should be undertaken well and reflect the principles of good regulation¹ (transparency, accountability, proportionality, consistency and being targeted only at cases in which action is needed) should remain a central requirement. There are, however, a number of ways in which these principles can reasonably be put into practice and the front line regulators should be left to decide what regulatory approach best suits the job they have to do and the resources they have available to do it. It is inappropriate and unnecessary for an oversight regulator to substitute its views for that of the front line regulator or be unduly prescriptive in how it expects regulation to then be carried out.

Concerns about existing system

6. The Bar Standards Board has taken previous opportunities to make submissions regarding the effectiveness of the Legal Services Board. For instance, the BSB has made submissions in response to the Ministry of Justice's triennial review² in March 2012 and the post legislative assessment of the Legal Services Act that commenced earlier this year.

¹ As set out in sections 3 and 28 of the Legal Services Act and embodied in section 21 of the Legislative and Regulatory Reform Act 2006

² Available at

https://www.barstandardsboard.org.uk/media/1400178/bsb_reponse_to_triennial_review_axs_included.pdf

7. The Bar Standards Board has made submissions directly to the Legal Services Board in response to its consultations on a number of occasions, in many cases making similar points about the Board's operation and activities. The most recent responses are available on our website³ and all our submissions to the LSB are available on request.
8. In summary, as previously expressed in those submissions, the main themes of the Bar Standards Board's concerns about the Act and the operation of the LSB in particular are:
 - a) The incorrect balance being struck between LSB prescription and front line Regulator discretion. As previously stated, the BSB considers that the LSB errs too far on the side of prescription and does not leave sufficient space for regulator discretion when regulators should properly exercise discretion. The LSB seems often to find it difficult to remain in oversight mode, appearing very keen to be prescribing actions, taking what is arguably a frontline approach. Even when it is articulating what might be considered a higher level principle, eg outcome focused regulation, it takes a prescriptive approach which does not allow frontline regulators to take into account different approaches. It also takes a very narrow approach to the definition of consumer, excluding many types of users of legal services and focusing largely on individuals.
 - b) The LSB engaging in a high level of detail. This appears in many aspects of the LSB's approach including to the statutory function of approval of changes to regulatory arrangements where the LSB subjects changes to minute scrutiny without this necessarily adding value as opposed to cost.
 - c) The LSB initiating activities and extending or over-reaching its statutory role. The BSB and LSB take a different view of the role and powers of the LSB under the legislation. The BSB contends that the LSB should be constrained to being (in effect) a "Wednesbury reasonableness" oversight regulator, stepping in only when the frontline regulator is acting unlawfully or unreasonably. The LSB considers that it can and should be activist, relying on its own interpretation of the word "assist" in section 4 of the Act to support that approach.
 - d) Balancing of regulatory objectives/focus on consumers. The LSB maintained for some time that the consumer interest was paramount among the regulatory objectives. More recently it has referred to the public interest as well. Either way the BSB is concerned that this is not the right way to approach the eight regulatory objectives when there is no statutory hierarchy among them. The BSB contends that all regulatory objectives need to be taken into account and held in balance.
9. The Legal Services Act itself is complex and difficult to understand. Some aspects of this complexity were outlined in our Post Legislative Assessment submission, attached

³ Available on BSB website <https://www.barstandardsboard.org.uk/about-bar-standards-board/consultations/bsb-responses-to-external-consultations/>

as Annex 1. The end result is that the Act unfortunately did not meet the intention of simplifying the regulatory maze. Even if (contrary to the BSB's recommendations) no change were to be made to the oversight regulator arrangements, the Act would benefit from some revision to simplify it.

10. One area of the statutory framework that does require attention is the approach to reserved legal activities and regulation of people by title. We think that the public expects that any person offering legal services is regulated for everything that they do. That is not the case under the Act as it stands. Barristers are covered for all legal activities, whether reserved or not, because they are regulated by title. However that is not the position for all legal professionals. We think consumers expect that all services provided by a legal professional are fully regulated, rather than only their reserved legal activities being regulated whilst non-regulated activities, such as any legal advice they may give, are not. There are a number of different ways that result could be achieved, including by amendment to the Act, if agreement were reached on the principle that this is a desired outcome. .
11. The BSB has in previous submissions been unenthusiastic about the Legal Services Consumer Panel. However, the Panel appears in recent times genuinely to have listened to the concerns expressed about its role and operation and responded to them. The result is that the relationship with the Panel and the interaction is much more constructive than it was previously. The Panel is producing useful evidence (although there is still little regarding barristers) and it is helping to coordinate activity with the regulators. This is a welcome development. In looking at the Act, especially if the LSB is no longer in existence, consideration of the role and function of the Panel would be beneficial. This would include looking at its membership and the knowledge/experience its members ought to have. Particular consideration should be given to having members who have used or are directly familiar with different aspects of legal services. It is possible that the Panel could be a very useful shared resource in helping all regulators understand the impact of their regulatory activities and the risks posed by the people they regulate. (This would have the added benefit of supporting the new Regulators' Code.) Any further consideration should include ensuring that the Panel considers all types of consumers (including corporates) and how to get to hard to reach consumers, eg when a barrister is providing legal services on a referral basis and therefore there is no direct contact with the ultimate client.

The costs of the existing system

12. Since the introduction of the Act the costs to the majority of people who pay for the system have consistently increased. For barristers this has taken two forms: the imposition of the levy to pay for the LSB and OLC, and the increased costs of regulation to meet the LSB's demands. To be fair the LSB's demands are partly of the LSB's own making (eg its specific requirements regarding QASA) and partly due to the statutory processes laid out in the Act (eg approval of regulatory arrangements). Unfortunately even in the latter type of case, the LSB's approach has been unduly detailed meaning these costs have not obviously been kept to the minimum possible. The way in which

the LSB undertakes the regulatory arrangements approval process adds significantly to the time taken to effect any changes. We estimate that for every 5 days of an approval process, one of those days is used to deal with the LSB. The time needed to make necessary changes is therefore approximately 20% longer than it could be and costs approximately 20% more than it could do.

13. The LSB levy is imposed on a per head basis. Since the LSB came into existence, the Bar has been required to pay £2.4M to fund the LSB (being its share of the £23.7M total establishment and running costs of the LSB). Each of the approximately 15,000 members of the barrister profession has therefore paid approximately £162 to fund the Legal Services Board directly⁴. The rising costs of the Bar Standards Board are also attributable in part to the requirements put in place by the LSB.

Ideas for simplifying the regulatory framework

14. The BSB has reflected upon the Department for Business, Innovation & Skills' programme for reducing the impact of regulation on business and in particular the principles underpinning the review of the effectiveness of government regulation. One approach emanating from that work in particular may be applied here and that is to assume that regulation should go, unless there is a strong justification for it to stay⁵.

15. In order to assess whether there is a strong justification for the Act (and the LSB) remaining, one might usefully consider the concerns originally expressed by Sir David Clementi⁶ about the regulation of legal services. They were:

- a concern about the current regulatory framework in place at that time. It was seen as "outdated, inflexible, over-complex and insufficiently accountable or transparent". Oversight was over-complex and inconsistent There were no clear objectives and principles underlying the regulatory system and the system itself had insufficient regard to the interests of consumers.
- a concern about the complaints systems previously in place. There were concerns about inefficiency of systems, overlapping powers and lack of consumer confidence in lawyer run systems.
- a concern about the restrictive nature of business structures. With little change in decades if not centuries, there was little obvious response to current market conditions or consumer need. There was little scope for innovation or inclusion of non-lawyers in the running of legal practices.

16. In the BSB's view, these concerns have largely been met. . The changes introduced by the Act in respect of complaints have, as noted above, been successful. Lawyers and

⁴ The OLC has cost barristers approximately £130 each in addition for both start up and operating costs.

⁵ <https://www.gov.uk/government/policies/reducing-the-impact-of-regulation-on-business/supporting-pages/reviewing-the-effectiveness-of-government-regulations>

⁶ <http://webarchive.nationalarchives.gov.uk/http://www.legal-services-review.org.uk/content/report/index.htm>

non-lawyers are now able to set up the new types of business structure envisaged by the Act. Governance changes have ensured that the regulators regulate independently, in the public interest, and are accountable. Rulebooks have been or are being overhauled and old restrictions that are no longer justified have been culled (indeed, this would have been achieved quicker had it not been for the processes that require LSB approval of changes to regulatory arrangements). The regulators have examined their approaches to regulation and worked out what changes need to be made in order to modernise. Whilst not all of that work is yet completed in all respects, it is well advanced and could reasonably be expected to be well established by the time any new legislation was enacted to replace the existing Act.

17. The issue, now, is whether there is a continuing need for the role of the LSB in order for this progress to be maintained or whether it would continue under its own momentum in any event. The BSB suggests the LSB should be regarded as a catalyst, which has served its purpose in kick-starting change. That process can and will now continue without it. A sunset clause for completion of the current reforms and end of the Legal Services Board is therefore both reasonable to expect and indeed may be helpful to ensure things are completed in a timely and prioritised fashion.
18. The BSB therefore considers that there is strong justification for the principles to remain but not all aspects of the legislation itself remain necessary and in particular the LSB is no longer needed. Wider statutory change is warranted in the BSB's view, as outlined below:

Wider statutory change

19. As the BSB hopes is clear, it does not favour abolition of the Act in its entirety. It would benefit, however, from some modification and clarification. Specifically, the Act should be amended to strip out the role of the LSB; and the regulatory objectives and the issue of whether there is any hierarchy between them should be revisited and clarified in the light of experience and academic studies carried out since implementation. At the least, this means amending legislation will be needed. Given the complexity of the Act, however, it is possible that as an amendment is developed it becomes clear that repeal of the existing Act and replacement with another will deliver the most coherent legislative framework for the future. The BSB would support the introduction of a new standalone simplified Act if the Ministry of Justice reached the view that a new Act would be the better legislative approach.
20. The BSB suggests that removing the LSB would now be appropriate. The LSB's functions under the Act are, in essence:
 - a) To take enforcement action against the front line regulators if they breach their duties (ss31, 32, 33, 35, 37, 41, 45 and 76);
 - b) To assist the front line regulators (which the LSB as noted in previous submissions interprets very broadly) (s4);
 - c) To act as a fallback regulator for ABSs if no other licensing authority is available (Schedule 12, Paragraph 1(3)-(6));

- d) To deal with conflicts between regulatory regimes if the front-line regulators fail to do so (ss 32 and 53);
- e) To approve changes to regulatory arrangements (s21 and Schedule 4, Part 3, Paragraph 19); and
- f) To make recommendations to the Lord Chancellor (ss15, 24, 42, 45, 47, 48, 66, 69, 76, 78, 79, 81, 106).

21. Each of those functions can and should now either be devolved elsewhere or cease:

- a) Oversight regulatory enforcement should be left to the mechanism of judicial review and/or a statutory mechanism under which regulatory decisions could be challenged as lacking independence, in breach of the regulatory objectives, in breach of the regulatory principles, or irrational or otherwise unlawful;
- b) There are more cost effective and less intrusive ways to drive improvements in regulation and in the information and research available to the regulators, including building on the role of the Consumer Panel and establishing a non-statutory Council of Regulators;
- c) There are available licensing authorities and no need for the LSB to assume this role;
- d) There are more cost effective and less intrusive ways to deal with conflicts;
- e) Changes to regulatory arrangements should be left to the front line regulators, after appropriate consultation, without any need for a further approval process by the LSB; and
- f) A small panel whose professional and lay members have experience of legal services regulation could advise the Lord Chancellor on overarching policy matters, for example if the scope of reserved activities were to require further examination in the future.

22. A more detailed analysis of the LSB's powers and functions under the Act is contained in Annex 1, including suggestions for how the underlying need for powers or functions might be dealt with in the future. It should be noted that many short term improvements and a reduction in regulatory burdens can be achieved through redefining the framework agreement, as discussed in paragraph 34.

23. The Act itself imposes obligations on the front line regulators in terms of their independence, the regulatory objectives and the regulatory principles. In addition, the new Regulators' Code⁷ could be applied to all of the relevant regulators. At present it is anticipated that it will apply to the Solicitors Regulation Authority (SRA) and the Legal Services Board. That in itself creates a duplication of regulation for the SRA, as long as the LSB continues to exist, and is anomalous in that not all legal services regulators are covered by the Code. It would be preferable to strip out that duplication and make all legal services regulators subject to the Code. The Code may also result in the added advantage of allowing a community of non-economic regulators to develop.

⁷ <http://www.bis.gov.uk/assets/brdo/docs/publications-2013/13-1016-regulators-code.pdf>

24. Independence has already been entrenched by way of governance arrangements approved by the LSB (which include protections such that the representative bodies cannot now reverse those changes to governance). Independence could and should be further entrenched by requiring the regulators to be separate legal entities from the representative bodies, albeit allowing cost-sharing arrangements where these contribute to efficiency without compromising independence. Care needs to be taken not to create regulators that, as a result of separation from the profession, lack understanding of the market in which they operate. Regulators can achieve results through a variety of different mechanisms and philosophies. Strong separation with little understanding of the market may well result in a lot of “tell” without a corresponding ability to work alongside the regulated community to achieve positive results. The BSB would very strongly prefer a model that allows for the latter rather than one that encourages the former.
25. There is no need for the LSB to act on a continuing basis as a kind of “special police” to ensure the front line regulators discharge their duties. Such a “regulator of the regulators” exists in some other regulatory fields but is not routinely considered necessary and is an additional layer of cost and complexity which should not be maintained without proper justification. Creating a “regulator of regulators” with the capacity to understand the practices of the professions they are regulating is also challenging. Some concern has been expressed in the healthcare and financial services sectors in this respect.
26. It is less likely to be necessary when other control mechanisms exist, as is the case in the legal sector. Each of the regulators has established routes for appealing their decisions and is subject to judicial review. Challenges to unlawful decisions (for example, decisions made in breach of the requirements of independence, or which take an irrational view of how the regulatory objectives are to be achieved) can be brought by that means. Moreover, the ability of entities to choose their regulator (where, as will often be the case, more than one of the front line regulators could regulate the relevant entity) will act as a check on any regulator developing a regime which is either excessively burdensome in the way it seeks to achieve the regulatory objectives, or which is perceived as offering less meaningful reassurance to clients as to the standards they can expect.
27. The BSB considers having both the Legal Services Board and the Regulators’ Code is an unnecessary duplication. Much of what Legal Services Board has required through its Regulatory Standards Framework is encapsulated in the code so further complexity and duplication is being introduced rather than removed with its introduction. It also seems disproportionate and inefficient to have a code applying to 50+ non-economic regulators and an Act and separate oversight body governing only 10 approved regulators (with only eight of those actively authorising practitioners).
28. There is likewise no need for the LSB to second guess the judgments frontline regulators make about changes to their regulatory arrangements. When making such changes, the regulators are obliged to consult appropriately and to observe their duties in respect of

the regulatory objectives and principles of regulation. That is a sufficient protection. Having a further requirement that another regulator should oversee changes to regulatory arrangements changes simply encourages duplication of function and second-guessing of minutiae, with consequent delays to changes the front line regulators have reasonably judged to be beneficial.

29. Conflicts between the rules of the front line regulators are rare and their practical impact is mitigated by the provisions in the Act which create a hierarchy, giving precedence to the rules of the regulator who regulates the entity within which an individual works. Moreover, where conflicts do arise the regulators could resolve them themselves through a Council of Regulators and/or, in a last resort, by way of legal challenge to a rule considered to breach the regulatory objectives or otherwise to breach the law.
30. To the extent that regulation would benefit from collaboration across regulators, whether in relation to consistency of approach or commissioning joint research on areas of common interest or otherwise assisting one another, that can be achieved by the regulators themselves creating a common forum, a Council of Regulators, within which such initiatives can be raised and decisions taken as to whether and how to take forward jointly. The Council would not be a regulator or duplicate the functions of the front line regulators but would be a means of sharing information and coordinating activities in those areas where this is agreed to be beneficial. The role of the Consumer Panel would include providing assistance to the front line regulators on matters within its expertise, so as to provide a consumer perspective to inform their consideration.
31. In short, the current regime has created a degree of duplication of function, as between the LSB and the front line regulators, which adds a layer of cost, complexity and delay, without any sufficient countervailing advantage to justify these downsides. This can be stripped out, as indicated above, with no damage to the overall regulatory structure. It may, perhaps, be suggested that the alternative way to remove this duplication would be to turn the LSB into a monolith legal services regulator and abolish all of the existing regulators. That alternative would lose the advantages that the existing regime has of allowing specialist regulation of specialisms within the field of legal services. For example, only a minority of lawyers provide advocacy services in the Higher Courts and the vast majority of those who do so are barristers. The BSB is able to tailor its regulatory regime to focus on the particular challenges and risks that this type of work presents and to provide a style of regulation which focuses in particular on the duties of the individual advocate (even if operating within a new type of business structure). Provided that mechanism are in place to deal with conflicts and coordinate as necessary (as to which, see above) this plurality of frontline regulators should be beneficial in providing choice and maintaining momentum in modernising regulation of legal services.

32. Lastly, the existing regulatory objectives would bear some reconsideration. They have been the subject of some academic consideration⁸ which it would be useful to consider. Some of the objectives (such as promoting understanding of citizens' rights and duties) are difficult for individual legal regulators to progress and may require a different approach, whether specifically considered as a joint undertaking between regulators or provided for within another sector. In order to do this effectively a much greater reach may be necessary (eg into schools), which legal regulators will find difficult to do. This may call for a wider government approach rather than being a specific legal services sector task, although the professions, their regulators and indeed perhaps also their representative bodies could properly play a role in contributing to it.
33. As noted in previous submissions, the LSB has been inclined to treat the consumer interest as an overriding objective. The BSB's view has been that there is no hierarchy (save to the extent that individual regulatory objectives might be regarded as different facts of the public interest, with the latter being the overriding consideration) and that the objectives must be held in balance. It would be preferable for Parliament itself to state, within the body of the Act, whether it intends there to be a hierarchy and if so what. There is otherwise a risk of its intentions in this regard being subverted.

More rapid changes within existing statutory framework

34. The BSB recognises that wider legislative reform will take time. However, improvements could be made more rapidly within the existing statutory framework and indeed the MoJ has specifically asked for ideas on how to do this. The BSB considers the improvements outlined in the following paragraphs could be made with immediate effect.
35. The BSB suggests that the Ministry of Justice revise the framework agreement between it and the Legal Services Board to require that LSB stays focused on being an oversight regulator with a role as outlined in our previous submissions. The LSB's role in "assisting" should be confined to either responding to requests for assistance from front line regulators, or doing so when a regulator has demonstrably failed, by omission or commission, to act compatibly with s1 regulatory objectives. When approving changes to regulatory arrangements or in any other of its activities, it should be made clear that it is no part of the LSB's role to second guess reasonable judgments made by the front line regulator and substitute its own. Being clear about the manner in which they should act, eg balancing all regulatory objectives and avoiding detailed prescription would also be important parts of this revision.
36. On that basis, in the period pending the revision to the statutory framework outlined above, the LSB's activities would be focussed on completing ongoing work that is specifically required of them by the Act, in particular independence from representative interests and overseeing the finalisation of ABS arrangements, as opposed to imposing

⁸ See Stephen Mayson's papers for the Legal Services Institute: Legal Services Regulation and 'The public interest', Legal Services Institute, The University of Law, 2013 and Improving access to justice: scope of the regulatory objective, Legal Services Institute, The University of Law, 2012

new facultative initiatives on the frontline regulators (it being better left to the frontline regulators themselves to determine where to focus their limited resources).

37. This would enable a date to be set by which the LSB could reasonably be expected to complete this work in the way prescribed. The BSB suggests, given progress already made, this could reasonably be set as a year from the completion of this review or at most a period of some 18 months. A roadmap is given at the end of the document

How these ideas reduce unnecessary burdens

38. The above changes and harmonising the existing statute with other regulatory initiatives (eg the Regulators' Code) would reduce the complexity of the sector considerably. In some areas, it would remove duplication, eg the SRA being subject to both the Regulators' Code and oversight by the LSB under the Legal Services Act. It would also harmonise the regulatory landscape across sectors making it easier for those who operate in several sectors to understand what the relevant regime is. It would also afford the public the advantages of a consistent approach to regulation without the additional expense that comes from duplicating regulatory functions as between the LSB and frontline regulators. As the use of ABS grows, the number of organisations and individuals operating across different sectors is likely to grow so consistency of approach would remove any burdens in familiarising oneself with how a new regulator is likely to operate.
39. Simplifying a complex piece of legislation will help frontline regulators understand their own obligations more quickly and easily, making compliance a quicker and easier task, reducing the regulatory burden while doing so. The benefits to consumers from the Act, in respect of facilitating competition and alternative business models, greater consumer choice and increased compliance with professional rules will not be compromised by the suggested changes.
40. Regulatory costs will be reduced both directly (by the amount of the LSB levy) and indirectly (by enabling frontline regulators to determine their own priorities for the use of their limited resources). Some financial savings for the profession are therefore likely as a result of these suggested changes which will reduce the economic burden for individuals, some of whom are under financial pressure. Since the profession can be expected to pass on higher regulatory costs to consumers in fees (and conversely, competition should force the profession to pass on any costs savings) reducing the costs of both paying for and complying with the regulatory regime should also have positive effects for consumers.

How these ideas retain appropriate regulatory oversight

41. Those affected by the regulators' activities would be able to hold regulators to account to through the Courts, by reference to the criteria laid down in the Act. The final version of the Regulators' Code may also provide alternative accountability mechanisms.

42. If the statutory framework is clearer and simpler to decipher, the public and the profession may find it easier to make those necessary challenges. The existing mechanisms of JR would be available, or a specific statutory review mechanism could be provided for.

Summary

The Bar Standards Board acknowledges the improvements made in regulation of legal services has resulted from the Legal Services Act 2007. Some elements should remain in place, such as the Legal Ombudsman. For other aspects, such as the Legal Services Board, the time has come to reconsider whether they continue to be needed. The Bar Standards Board suggests that in the short term the Legal Services Board's role be clarified with it through a revision to the framework agreement. In the slightly longer term, the Act should be amended (or replaced if that would result in a clearer piece of legislation) in order to remove the oversight regulator altogether, keep the frontline regulators, revise the regulatory objectives, apply the Regulators' Code to all regulators and separate the regulatory and representative functions further from one another.

These changes could be effected using the following timetable:

Activity	Start	Completion	Comment
Renegotiate framework agreement	Immediately	April 2013	To be in place to inform LSB's 2014-15 business plan
Amend Legal Services Act to make essential changes re LSB activity and insert sunset clauses for LSB	Immediately	February 2015	Attach to suitable existing bill
Regulators' Code to apply to all legal regulators		February 2015	
Disestablish LSB		2017	
New Act consolidating amendments and streamlining legislation comes into effect	June/July 2015	2018	

In conclusion, the BSB is pleased to have had the opportunity to contribute to this review and we hope the suggestions are helpful. We would be happy to discuss any points raised.

Bar Standards Board
16 September 2013