

## **BUSINESS PLAN 2014**

### **Costs Lawyer Standards Board (“CLSB”)**

#### **1. FOCUS & OBJECTIVES**

Since 31 October 2011 CLSB has worked to provide a stable and effective pro-active and re-active regulatory service for the Costs Lawyer profession. During 2014 CLSB proposes to continue to build on this.

The primary objectives of the CLSB will be:

- To protect consumer interest.
- To promote and protect the status and interests of Costs Lawyers.
- To set and maintain professional standards within the Costs Lawyer profession.
- To ensure the high standard of education and qualification is maintained.

In undertaking its regulatory duties the CLSB acknowledges its regulatory objectives under the Legal Services Act 2007 (“LSA”) as follows:

- (i) Protecting & promoting the public interest.
- (ii) Supporting the constitutional principle of the rule of law.
- (iii) Improving access to justice.
- (iv) Protecting & promoting the interest of consumers.
- (v) Promoting competition in the provision of services.
- (vi) Encouraging an independent, strong, diverse and effective legal profession.
- (vii) Increasing public understanding of the citizen’s legal rights and duties.
- (viii) Promoting and maintaining adherence to the professional principles.

To meet its objectives, the CLSB will ensure that it remains financially sound whilst providing the best value service possible.

The following is the main scheduled plan of work for 2014. It does not drill down into day to day operational issues and the plan may change should the need be identified e.g. once the outcome of the 2013 Ministry of Justice call for evidence on the future of legal regulation has been established.

Reference is made herein to Trainee Costs Lawyers (“Trainees”). At the time of drafting this plan CLSB has, with the support of the ACL Council, sought permission of the Legal Services Board (“LSB”) to revise its regulatory arrangements with effect from 1 January 2014 to define greater regulatory expectations in respect of Trainees.

<b>Regulatory requirement</b>	<b>Date by 2014</b>	<b>Action</b>
Fitness to practice/ consumer protection	1 January	First-tier complaints procedures required to be filed before a 2014 practising certificate is issued.

Fitness to practice/consumer protection	1 January	Establish the number of complaints resolved at first-tier level
Fitness to practice/consumer protection	1 January	Evidence of required insurance provision (where appropriate) required by CLSB before a 2014 practising certificate will be issued.
Fitness to practice/consumer protection	1 January	CLSB will issue a 2014 practising certificates to all Costs Lawyers who comply with regulatory requirements.
Consumer protection	1 January	If approved by the LSB, CLSB will implement regulatory arrangements and structure in relation to Trainee Costs Lawyers.
Consumer protection	1 January	Post new governance documents in relation to Trainee Costs Lawyers on the CLSB website.
Consumer protection	15 January	New 2014 Trainee Costs Lawyer register on website
Fitness to practice/consumer protection	15 January	New 2014 Register of Costs Lawyers with a current practising certificate on the CLSB website.
Educational standard	9 January	Consider the independent audit of the current Authorised Study Provider and their authorisation for 2014.
Educational standard	31 January	By way of independent audit, ensure the current three year modular Costs Lawyer qualification: <ul style="list-style-type: none"> <li>• offers an accessible route to qualification,</li> <li>• is of an appropriate standard,</li> <li>• remains relevant,</li> <li>• is being effectively communicated out and managed.</li> </ul>
Fitness to practice	31 January	Issue letter and list of all Costs Lawyers with a 2014 practising certificate to all Costs Judges.
Regulatory compliance	15 February	Review Oxera chart, inputting stats from 2014 practising certificate applications
Diversity	15 March	Issue a diversity analysis questionnaire to Costs Lawyers & Trainee Costs Lawyers.
Regulatory compliance	30 April	Provide LSB with required regulatory self-assessment forms and documentation in support.
Diversity	15 May	Publish diversity survey results in Costs Lawyer Journal and on CLSB website and issue any appropriate Equality Impact Assessment (EIA) in the Costs Lawyer Journal & on the CLSB website.
Regulatory compliance	30 May	Provide LSB with requires independence assessment forms and documentation in support, countersigned by ACL.
Fitness to practice	15 June	Undertake a random audit of 2013 CPD records of Costs Lawyers.
Fitness to practice	15 June	Undertake a random audit of first-tier complaints procedures filed with 2014 practising certificate applications.

Regulatory compliance	30 June	2015 Business Plan agreed.
Regulatory compliance	1 August	Commence S.51 application for 2015 practising certificate fee.
Fitness to practice	15 Nov	Issue application forms for 2015 practising certificate to all Costs Lawyers on the 2014 Register and all newly qualified Costs Lawyers.
Consumer protection	15 Nov	Issue forms for registration and regulation to all Trainee Costs Lawyers that are undertaking study with an Authorised Study provider.

The following identifies the main areas of on-going work which will be carried forward throughout 2014.

<b>Regulatory requirement</b>	<b>Date by</b>	<b>Action</b>
Regulatory compliance	On-going	Management: Four scheduled board meetings a year, plus additional meetings as and when required.
Regulatory compliance	On-going	Entity regulation: The impact and viability of entity regulation will be considered further once the outcome of the 2013 MOJ review of legal regulatory framework has been established.
Regulatory compliance	On-going	Alternative Business Structure (ABS) Licensing: Monitor impact on the profession
Educational standard	On-going	Authorised study provider: Work with Authorised Study Providers on reporting structures, communication of material e.g. handbook, website etc.
Fitness to practice/ consumer protection	On-going	Disciplinary issues: Independent investigation/ Conduct Committee and Conduct Appeal Committee will deal with conduct complaints under prevailing CLSB rules & procedures as they arise.
Fitness to practice/ consumer protection	On-going	Communication: Continue to maintain Accredited Costs Lawyer register and ensure it remains accurate on CLSB website.
Fitness to practice/ consumer protection	On-going	Communication: Continue to maintain the register of Costs Lawyer licensed to use the Mark of Regulation.
Communication	On-going	Consultations: Initiate consultation processes as and when required.
Communication	On-going	Consultations: Partake in consultation processes received and will respond should proposals therein impact on the Costs Lawyer profession.
Consumer protection	On-going	Risk management: Continued risk management (consumer, profession, business) in accordance with defined procedures.

Consumer protection	On-going	Risk management: Identify trends e.g. complaints and ensure these are addressed.
Consumer protection	On-going	Unregulated practitioners: Continue to seek ways to bring Law Costs Draftsmen into the regulated community.
Communication	On-going	Unregulated practitioners: Continued to raise awareness of those who are regulated (Costs Lawyers with a current practising certificate) and those who are not (Law Costs Draftsmen).
Communication	On-going	Communication: This will be continued through Costs Lawyer Journal, CLSB website, ACL National Conference, events and meetings.
Communication	On-going	Communication: Continued engagement with those in regulatory community e.g. LSB, AR's, LeO.
Consumer protection	On-going	Communication: Continue engagement with the Legal Ombudsman establish service level issues within the profession.
Consumer protection	On-going	Communication: Continue engagement with LSB Consumer Panel to identify any concerns in relation to consumer interest.
Regulatory compliance	On-going	Communication: Executive updating board and Chair on a "needs-be" basis between board meetings.

## **2. OPERATIONS**

### **2.1 Governance**

CLSB will continue to have in place during 2014 a board of Non-Executive Directors made up of three lay persons (including the lay Chair) and two non-lay persons, who will meet at least four times a year to endorse strategy and policy. CLSB board minutes will continue to be published on the CLSB website. The CLSB has in place a full set of governance documents under which it operates, its Non-Executive Directors are bound by a Code of Conduct.

### **2.2 Management**

The CLSB's strategy and policy decisions will be implemented and managed by the Chief Executive.

### **2.3 Finance**

The CLSB will be financed for the year 2014 by way of £200.00 per Costs Lawyer from the 2014 Practising Certificate fee of £250.00. The CLSB will also retain a further £50.00 from that fee to pay the LSB/Legal Ombudsman per head levy (payable April 2015 for those practising during 2013). The CLSB has identified an operating cost for 2014 of approximately £140k. The CLSB is not registered for VAT and is not liable to Corporation Tax. Agp, the accountancy advisors to CLSB, will continue to provide accountancy services and company secretary support for 2014.

### **2.4 Insurance**

Insurance cover has been put in place for 2013 as follows and will continue for 2014:

- Professional Indemnity (£5 million)
- Directors & Officers (£2 million)
- Entity (£250k)
- Employers Liability (£10 million)
- Computer Equipment (£6k)

## **2.5 Company**

Costs Lawyer Standards Board Ltd is a company registered in England & Wales under company number 04608905 with an authorised share capital of 100,000 ordinary shares of £1.00 each of which 15,000 shares are currently in issue to the ACL (fully paid up). The CLSB registered office address will be: Sycamore House, Sutton Quays Business Park, Sutton Weaver, Runcorn, Cheshire WA7 3EH

## **2.6 Registrations**

The CLSB is registered under the Data Protection Act with the ICO and the CLSB logo & Mark of Regulation are both registered trademarks.

## **2.7 Policies, procedures & guidance notes**

The CLSB has in place a portfolio of policies and procedures for both Costs Lawyers and the CLSB and reviews them on a regular/needs be basis to ensure they are relevant.

Those directly attributed to Costs Lawyers (accessible on the CLSB website) are:

- Costs Lawyer Code of Conduct
- Costs Lawyer Practising Rules
- Costs Lawyer Training & CPD Rules
- Costs Lawyer Disciplinary Rules & Procedures

Those directly attributable to Trainee Costs Lawyers (if the proposal CLSB will regulate Trainees with effect from 1 January 2014 is approved) will be:

- Trainee Costs Lawyer Code of Conduct
- Trainee Costs Lawyer Disciplinary Rules & Procedures
- Trainee Costs Lawyer Training & CPD Rules

Guidance notes (accessible on the CLSB website) are:

- First-Tier Complaints Handling Procedures
- CPD Rules
- Money Laundering
- Principle 3.6
- ATE Insurance
- Right to Administer Oaths
- Referral Fees, Fee Arrangements, Fee Sharing
- Conditional Fee Arrangements (CFA)

Those directly attributed to CLSB include:

- Risk Management Policy
- Equality & Diversity Policy
- Health & Safety Policy

- Whistleblowing Policy & Procedure
- Confidentiality & Information Security Policy
- Disaster Recovery Plan
- Board Appointment Rules
- Board Code of Conduct

Those attributable directly to Panel Members:

- Panel Member Code of Conduct

CLSB Board Approved  
Dated: 9 October 2013