

Company number: 04608905

Costs Lawyer Standards Board Ltd
Wednesday 16 July 2014 at 10.30 am
The Studio, 7 Cannon Street, Birmingham

Present: Steve Winfield (Chair)
Gillian Milburn (Vice Chair)
Richard Allen
David Gamble
Tracyanne Ayliffe

In attendance: Lynn Plumbley (Chief Executive)

1. Quorum, apologies & declarations of interest

The Chair declared the meeting quorate, there were no declarations of interest.

2. Minutes

The minutes dated 16 April 2014 were approved as being a true record for signing, there were no matters arising.

3. Board matters

(i) The schedule of board dates for 2015

These were agreed as being 14 January, 15 April, 15 July & 21 October.

(ii) Business plan 2015

The draft plan was discussed. It was agreed that as the diversity survey, undertaken annually for the last three years, had not identified any significant change or otherwise in the profession that require regulatory action CLSB would, going forward, now conduct this survey every other year. Reference to the survey during 2015 was therefore removed.

Action: LDP: Ensure the business plan 2015 is accessible via the CLSB website

(iii) Delegated authorities (Chair included)

Revised guidance notes: Tracyanne & Richard

(iv) NED's with special interests (Chair included)

Entity regulation project: Tracyanne & Richard

HR & employment: David

Education: David

Self assessments: Richard

LSB board interaction: David

4. Finance

(i) 2014 Q2 finance report

The board noted the current financial position as per the report and book keeping records.

(ii) Approve 2013 accounts

The draft accounts were discussed and agreed for signing.

Action: LDP: File accounts with Companies House.

(iii) Budget for 2014 & 2015

The 2014 budget was reviewed against the Q2 report. The 2015 budget was agreed subject to a format change.

Action: LDP: Revise format to reflect book keeping records

(iv) Mutual trading status

On the basis HMRC would not clarify our corporation tax position and instead advised it was ultimately for CLSB to determine based on current rules, CLSB noted the accountants believed the same outcome would happen in the event they sought clarification on mutual trading status. The board agreed no further action be taken.

(v) 2015 PCF consultation paper

The draft consultation paper was agreed.

5. Risk management

(i) Risk matrix

The consumer, profession and business risk matrix were individually reviewed and revised.

(ii) Disaster Recovery & Business Continuity Plan

The revised plan was discussed and agreed.

Action: LDP:

- **Send spare set of keys for fireproof safe & cabinets to nominated NED.**
- **Reconsider CEO job description & person specification to ensure it is current.**

6. Education

(i) Updated position

The board considered the report of Carol Cook excellent and informative. Outside of the report a concern had been raised that the general law paper had been set at too high a standard.

Action: LDP:

- **Send a letter to ACLT congratulating them on their progress to date.**
- **Send ACLT a resume of the report findings, as approved by Steve.**
- **Request ACLT consider if the general law paper has been set at too high a standard.**

(ii) Qualification exemption

It was noted that Carol Cook felt that the exemptions should go further than set out by ACLT in their exemption policy. It was agreed Tracyanne & Richard would consider this further.

Action: LDP: Send the modular courses to Tracyanne & Richard to consider exemptions.

Action: RA & TA: Consider whether current exemptions are appropriate.

7. Regulatory matters

(i) CPD audit 2013

It was noted that as resources were being focused on entity regulation, this would be put back to either Q3 or Q4 this year.

(ii) Draft self-assessment

The drafts were discussed.

Action: LDP:

- **Request LSB clarify who undertook independent reviews for other ARs in 2012, and at what costs if known by the LSB.**
- **Send drafts to LSB for review of work in progress, as offered by them on 11 June 2014.**
- **Richard agreed to undertake role of "sign off" board member.**

(iii) Guidance note: Retention of client files

The draft guidance note was discussed and agreed.

Action: LDP: Ensure the guidance note is accessible via the CLSB website.

(iv) Outcome of MOJ 2013 call for evidence

The nil outcome was noted.

(v) ACL conference outcome

The board had already been made aware that ACL had not invited our Chair to speak this year, and that this had not been communicated to CLSB. As a result, Steve's statement had been communicated by newsletter.

(vi) Legal advice to ACL on challenges to Costs Lawyer rights

This was noted.

(vii) MOJ summit on de-regulation

Scheduled to take place Monday 21 July with Steve & Lynn attending. CLSB had to request some steer on what the de-regulation brief was in reality as based on the LSB plan, we felt there was likely to be differing interpretations.

(viii) Entity regulation update

It was noted Lynn had now compiled a register of all those entities she had been unable to establish were not either in-house, SRA regulated or sole practitioners and would possibly therefore be liable to entity regulation /ABS licensing. Lynn also advised the consultation had closed and she was working her way through submissions made.

Action: LDP: Circulate response report once completed.

(ix) Maximum age of Trainee Costs Lawyer

It was noted our solicitor advised a 16 year old could leave school to undertake a traineeship. It was also noted that ACLT rules contradicted CLSB Training & CPD Rules and set the entry age as being 18.

Action: LDP: Write to ACLT on this point.

8. Legal Services Board (LSB)

(i) Levy update

The position as advised by the MOJ was noted.

(ii) Meeting with LSB (10 June 2014)

Steve advised the board that he and Lynn had met the new LSB Chair at this meeting and that we were able to touch on some current concerns.

(iii) Report: How do people resolve legal problems

The report was noted.

(iv) Report: Helping the consumer make better decisions

The report was noted.

(v) Annual report & accounts 2013/14

The report & accounts were noted.

(vi) Board to board interaction

The board agreed with Steve's submission on this proposal that if implemented, real benefit should be monitored. David agreed to undertake this role.

Action: SW: Notify LSB Chair of board outcome.

9. Legal Services Consumer Panel (LSCP)

(i) Comparison websites

It was noted that CLSB already identifies on its register the following data identified by the LSCP: name, whether regulated, disciplinary findings, accreditations.

Action: LDP: Contact Chambers and Legal 500 to see if they would list regulated Costs Lawyers.

(ii) Annual report 2014

The report was noted.

10. Legal Ombudsman (LeO)

(i) Request for financial support on project

The board noted and agreed the reasons why this request had been declined.

(ii) Service complaint numbers

It was noted that LeO had yet again failed to notify CLSB of a Costs Lawyer complaint received by them in November 2013 until July 2014.

Action: LDP: Advise board of nature of the two complaints received to date by LeO.

11. ACL (Representation)

(i) Outcome of meeting on 10 June 2014

Concerns were noted and would be monitored.

12. Any other business

- Concern was expressed at the mixed messages being received about the future of legal regulation, the Lord Chancellor publically stating there will be no single regulator, the LSB subsequently issuing a statement that was their aim. It was agreed

this was not in the best interests of the professions or the consumer. CLSB maintains it would not support a single regulator.

- It was noted the Lord Chancellor had said on 5 June 2014 that there were too many layers of regulation and that the new LSB Chair had been advised to create an environment where the LSB *“is not necessary in the long term.”*

13. Date & time of next meeting

Date & time: Wednesday 15 October 2014 @ 10.30am

Location: The Studio, 7 Cannon Street, Birmingham.

Richard Allen tendered his apologies in advance.

There being no further business, the Chair declared the meeting closed.

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Chairman