BUSINESS PLAN 2016

Costs Lawyer Standards Board

Definitions herein

CLSB	Costs Lawyer Standards Board
LeO	Legal Ombudsman
LSA	Legal Services Act 2007
LSB	Legal Services Board
LSCP	Legal Services Consumer Panel
PCF	Practising Certificate Fee

(i) Focus & objectives

Since 31 October 2011, CLSB has provided a stable and effective regulatory service for the Costs Lawyer profession.

During 2016, the primary objectives of the CLSB will be:

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

In undertaking its regulatory duties CLSB acknowledges its regulatory objectives under the 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 these objectives, CLSB will ensure that it remains financially sound whilst providing the best value service possible.

CLSB has always sought to provide a proportionate regulatory framework based on what it considers to be the low risk nature of a legal profession that does not handle client monies. CLSB are of the view stats on complaint data over recent years reinforces this long held view and as a result, CLSB remains committed to its approach.

During 2016, CLSB will continue its work under the current deregulation agenda, having regard to the growth duty and Regulators Code as well as all other prevailing legislative expectations.

(ii) Planned work

The following is planned work for 2016, it does not however cover "day to day" operations and may change should the need be identified. Following the general election in May 2015 and a new Lord Chancellor taking up post, the CLSB will react to any expectations arising as a result of governmental changes and the deregulation agenda.

CLSB objective	Latest date by in 2016	Action
Regulatory compliance	13 Jan	Board meeting, standard agenda items: Board matters, finance, risk (consumer, profession, business), education, regulatory matters, LSB, LSCP, LeO, ACL, any other business.
Educational standard	13 Jan	Annual authorisation of study provider.
Fitness to practice/ consumer protection	15 Jan	2016 register of authorised & regulated Costs Lawyers on the CLSB website.
Educational standard	15 Jan	Initiate annual education audit on new qualification introduced September 2014 and previous course.
Fitness to practice	31 Jan	Send register of authorised & regulated Costs Lawyers to all Costs Judges.
Regulatory compliance	15 Feb	Review Oxera chart.
Regulatory compliance	13 April	Board meeting, standard agenda items: Board matters, finance, risk (consumer, profession, business), education, regulatory matters, LSB, LSCP, LeO, ACL, any other business.
Meeting expectations	13 April	Board to consider report on outcome of question "Advise of ways you feel the professional standards of Costs Lawyers can be improved and ways the CLSB can better regulate the profession."
Understanding the consumer/profession	30 Mar	Collate stats e.g. geographical location, instructions, the profession, legal aid, insurance.
Diversity	30 Apr	Undertake diversity survey.
Communication	May	Attend 2 day ACL National Conference in London & make annual presentation.
Regulatory compliance	13 July	Board meeting, standard agenda items: Board matters, finance, risk (consumer, profession, business), education, regulatory matters, LSB, LSCP, LeO, ACL, any other business.
Regulatory compliance	13 July	Board approve: • Accounts for year ended 31 December 2015 • Budget 2017 • Consultation paper on 2017 PCF • 2017 business plan for publication
Regulatory compliance	15 June	Initiate timetable for S.51 application on 2017 PCF.

Fitness to practice	15 June	Undertake random audit of 2015 CPD records.
Regulatory compliance	21 July	Issue consultation paper on proposed 2017 PCF.
Regulatory compliance	15 Sept	File S.51 application for LSB approval of 2017 PCF.
Regulatory compliance	12 Oct	Board meeting, standard agenda items: Board matters, finance, risk (consumer, profession, business), education, regulatory matters, LSB, LSCP, LeO, ACL, any other business.
Regulatory compliance	15 Oct	LSB approve 2017 PCF.
Communication	October	Attend 1 day annual ACL conference in Manchester.
Fitness to practice	20 Nov	Issue application packs for 2017 practising certificate to all Costs Lawyers on the 2016 register and all newly qualified Costs Lawyers.
Fitness to practice/ consumer protection	31 Dec	First-tier complaints procedures required to be filed before a 2017 practising certificate issued.
Fitness to practice/ consumer protection	31 Dec	Evidence of current insurance (where appropriate) required to be filed before a 2017 practising certificate issued.
Fitness to practice/ consumer protection	31 Dec	Issue 2017 practising certificate to all Costs Lawyers who have applied and comply with regulatory requirements.

(iii) Ongoing work

During 2016, CLSB will continue with on-going work streams which include:

Category	**Action**
Deregulation	The deregulation agenda.
Regulatory compliance	Self-assessment. LSB have advised they intend to hold in-depth interviews on 2014/15 assessment late 2015/early 2016 with publication of their assessment on 31 March 2016.
Statutory compliance	Working with BIS on Regulators code, understanding and implementing the growth duty.
Statutory compliance	Working with BIS on ensuring the EU recognition of professional qualification is complied with.
Consumer protection	If not implemented during 2015, options on entity regulation.
Consumer protection	Options on ABS and impact on the profession.
Consumer protection	Continued lobbying on the unfair and disproportionate impact of ABS licensing provisions on the Costs Lawyer profession.

Fitness to practice/ consumer protection	Independent investigation/Conduct Committee/Conduct Appeal Committee initiated to deal with professional conduct complaints accepted by CLSB under prevailing rules.
Fitness to practice/ consumer protection	Maintaining the authorised and regulated Costs Lawyer register and ensure it remains accurate on CLSB website.
Fitness to practice/ consumer protection	Maintaining the Accredited Costs Lawyer for purposes of CPD and ensure it remains accurate on CLSB website.
Fitness to practice/ consumer protection	Maintaining the register of Costs Lawyers licensed to use the Mark of Regulation.
Communication	Initiating consultation processes as and when required.
Communication	Partaking in consultation processes received from others e.g. LSB, LeO, other legal regulators.
Consumer protection	Continual assessment of risk to the consumer, profession and business for consideration by CLSB board.
Regulatory compliance	Continual assessment of governance documents being fit for purpose e.g. following changes in the law, case law etc.
Consumer protection	Identify risk trends through LeO & CLSB complaints.
Consumer protection	Seeking ways to bring unregulated costs practitioners e.g. Law Costs Draftsmen into the regulated community.
Communication/ consumer protection	Raising awareness of those who are authorised & regulated and those who are not.
Communication	Engagement through the Costs Lawyer Journal, CLSB website, ACL National Conference, events and meetings.
Communication/ regulatory compliance	Engagement with the LSB on compliance matters.
Communication	Engagement with fellow legal regulators at forums, other meetings and through consultations.
Communication	Engagement with ACL through meetings, emails and consultation on regulatory matters affecting the profession.
Consumer protection	Engagement with LSCP to identify any concerns in relation to consumer interest.
Consumer protection	Engagement with LeO on service complaint matters to identify trends and risks.
Communication	Executive briefings to the chair/board on a “needs-be” basis between board meetings.
Communication	Ensuring CLSB website content is accurate and transparent.
Communication	Posting news articles on the CLSB website.
Business	Compliance with Companies House requirements e.g. annual returns, filing of accounts.
Business	Compliance with employment law requirements.
Business	Compliance with financial requirements e.g. accounting, payroll, tax & NI, P60s.

Business	Recruitment, as required.
Business	Managing external services providers e.g. solicitors, barristers, accountants, education auditor, IT support, trademark attorney.
Business/regulatory compliance	Considering reports issued through the year by LSB, LSCP and LeO.

(iv) Board of directors

During 2016, CLSB will continue to have in place a board of non-executive directors made up of three lay persons (including the lay Chair) and two non-lay persons. The board will meet at least four times a year to consider strategy and policy. The board has four scheduled meeting planned for 2016 and will convene additional meeting on a needs be basis. Individual CLSB board members performance will continue to be assessed under the appraisal policy prevailing at the time. CLSB board minutes will continue to be published on the CLSB website. The CLSB board will remain subject the CLSB Board Code of Conduct.

(v) Operational management

During 2016, the CLSB Board will continue to approve strategy and policy decisions. These decisions will be implemented and managed by the executive.

(vi) Finance

For the year 2016, CLSB will be financed by the 2016 PCF. This is the only source of income for the CLSB. Based on 610 authorised and regulated Costs Lawyers, CLSB anticipates an income of £152,500.00. Out of that fee, CLSB is obliged to pay a per head levy to the LSB and LeO. CLSB is not registered for VAT and is not liable to corporation tax and it is not anticipated this position will change during 2016. It is intended that agp, accountancy advisors to CLSB, will continue to provide accountancy services and company secretariat support for 2016. The board of the CLSB will undertake quarterly reviews of spend against budget.

Budget 2016		
Expenditure	**Budget (£)**	**Includes**
Salaries	54,000.00	Salaries of executive, chair, NEDs & panel members. Executive pension.
Tax & NI	15,000.00	Tax & NI.
Travel & subsistence	8,000.00	Travel & subsistence for executive, chair, NEDs, panel members.
Rent	3,000.00	Manchester office rent & reception service. Room hire for board meetings, disciplinary hearings, general meetings e.g. ACL, ACLT, LSB, regulators forum. Storage facility.
Phone	500.00	Phone costs.
Admin	6,500.00	Postage, printing, stationary, printer cartridges
Equipment	1,000.00	Printers, laptops, Blackberry
Services	50,000.00	LSB levy, LeO levy, insurance, accountant, solicitor, barrister, TM attorney, LawCare, phone answering

		service, IT support, website design & update, email server hosting, domain names, cloud storage, education audit, disciplinary investigator, banking costs, locum, advertising, training.
Misc	13,500.00	Companies house fees, ICO fee, card cases for new qualifiers, anti-virus, ARDL membership, GMCC membership, contingency/reserve.
	£151,500.00	

(vii) Insurance

During 2016, CLSB will maintain the following insurance cover:

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

(viii) Reserve policy

CLSB continues to make steady progress towards achieving its board approved reserve of one year's operating income. CLSB is not expected to achieve that target until 2020. During 2016, CLSB will continue to contribute to achieving this target by transferring any unspent 2016 income into the CLSB reserve account.

(ix) CLSB shares

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). There is no intention to issue more fully paid up shares or buy back fully paid up shares during 2016.

(x) Registered office

During 2016, CLSB registered office address will continue to be Sycamore House, Sutton Quays Business Park, Sutton Weaver, Runcorn, Cheshire WA7 3EH.

(xi) Data protection

During 2016, CLSB will continue to be registered under and comply with the Data Protection Act.

(xii) Intellectual property

During 2016, CLSB will retain its intellectual property rights in the CLSB logo & mark of regulation.

(xiii) LawCare

During 2016, CLSB will continue to offer LawCare cover to those authorised and regulated by CLSB as an additional benefit.

(xiv) Memorandums of understanding (MOU)

During 2016, CLSB will continue to work in accordance with MOUs and Operational Protocols in place and will seek to ensure they are current and fit for purpose.

(xv) Governance documents

CLSB has in place a portfolio of over 40 governance documents for both Costs Lawyers and the CLSB. During 2016, CLSB will continue to review these on a regular basis to ensure they are both current and 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

Guidance notes (accessible on the CLSB website) are:

- First-tier complaints handling procedures
- CPD rules
- Money laundering
- Principle 3.6
- ATE insurance
- Executing legal documents & the right to administer oaths
- Referral fees, fee arrangements, fee sharing
- Conditional fee arrangements
- Insurance
- Retention of clients files
- Vulnerable consumers

Those directly attributed to CLSB include:

- Regulators Code Policy
- Risk Management Policy
- Equality & Diversity Policy
- Health & Safety Policy
- Whistleblowing Policy & Procedure
- Confidentiality & Information Security Policy
- Disaster Recovery & Business Continuity Plan
- Board Appointment Rules
- Board Code of Conduct

Those attributable directly to Panel Members:

- Panel Member Code of Conduct

CLSB Board Approved
15 July 2015