
How we follow the Regulators' Code



16 April 2014

Costs Lawyer Standards Board

CLSB
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Introduction

The [Regulators' Code](#) came into effect on 6 April 2014. It is acknowledged by the government that the Regulators' Code is not a set of rules but an approach to regulation. It provides a flexible principles-based framework for regulatory delivery in a manner best suited to business.

Whilst the Costs Lawyer Standards Board (CLSB) does not fall within scope of the Code under current law, it does endorse its approach and continues to be committed to providing a regulatory environment that does not interfere with business prosperity.

This document sets out the CLSB's policy of compliance with the Regulators' Code in undertaking its regulatory activities.

Approach

The CLSB believes that informed and proportionate regulation creates conditions of consumer confidence and thus supports business growth.

The CLSB follows (where it does not undermine the performance of its regulatory duties under the Legal Services Act 2007) the approach set out in the Regulators' Code and the statutory principles of good regulation set out under Part 2 of the Legislative and Regulatory Reform Act 2006 in that:

- a) regulatory activities should be carried out in a way which is transparent, accountable, proportionate and consistent;
- b) regulatory activities should be targeted only at cases in which action is needed.

Code provisions

CODE 1: Regulators should carry out their activities in a way that supports those they regulate to comply and grow

Proportionality of approach

The CLSB aims to avoid adverse impact on business by taking an informed, balanced and proportionate approach to regulation, giving due consideration to the following when determining regulatory activity:

- minimising cost;
- environmental outcomes;
- economic outcomes;
- business size;
- capacity.

Business impact

The CLSB takes into account impact on the following when considering regulatory measures:

- quality assurance;
- the consumer;
- the Costs Lawyer profession;
- businesses.

Competency in support of business needs

The CLSB aims to ensure that Costs Lawyers:

- are suitably qualified upon entering the profession;
- undertake Continuing Professional Development (CPD) annually.

Understanding of business needs

The CLSB implemented a revised Costs Lawyer qualification, effective 2014, which now includes business management and legal accounts and will continue to support such skill sets at Trainee Costs Lawyer level.

The CLSB employs those with business acumen and experience at both executive and non-executive (board) level.

Representation at board level

The CLSB appoints two non-lawyer person board members (legal professionals) who bring balance to the board in terms of safeguarding the interests of businesses in the profession.

Monitoring

The Costs Lawyer qualification is subject to annual independent audit by the CLSB. CPD is subject to annual random audit.

CODE 2: Regulators should provide simple and straightforward ways to engage with those they regulate and hear their views

Engaging with those we regulate

The CLSB has a policy of being open to contact via phone, email and letter. The CLSB will continue to engage regularly with those it regulates by various methods, including:

- Engagement with the Association of Costs Lawyers (ACL), the profession's representative body. The CLSB will seek the views of ACL where appropriate and will hear representations made by ACL when submitted to enable an informed decision to be made.
- Consultation, sent directly to Costs Lawyers.
- CLSB website, offering access to a wide range of information and guidance, current news and the means to contact CLSB via email.
- CLSB newsletters.
- Annual practising certificate application forms where feedback and data are gathered.
- Attendance at the annual ACL National Conferences.
- Regulatory updates in the Costs Lawyer Journal.
- Surveys.
- Statistical evaluation and monitoring of the Costs Lawyer profession.

Communication

The CLSB ensures transparency through its website, which provides public access to governance documents, guidance notes, news items, newsletters, minutes etc. The CLSB consults with a wide audience (see Code 5) in the event it seeks to change its regulatory arrangements.

Regulatory process

The CLSB aims to have in place clear and concise, publicly accessible codes, rules and procedures which include the following for Costs Lawyers with a practising certificate:

- Code of Conduct;
- Practising Rules;
- Disciplinary Rules and Procedures;
- Training Rules;
- CPD Rules

Monitoring

The CLSB regularly reviews its rules and procedures to ensure they are fit for purposes. Identifying new methods and means of engaging with the Costs Lawyer profession is an ongoing process.

CODE 3: Regulators should base their regulatory activities on risk

Approach to risk identification

The CLSB undertakes a dual approach to the identification, elimination or mitigation of risk:

- proactive, anticipating risk in advance where possible;
- reactive, identifying risk by events.

The CLSB considers risk at every stage of its decision making process in relation to:

- consumer risk;
- risk to the profession; and
- business (operational) risk.

Monitoring

CLSB risk monitoring has evolved since inception and will continue to do so to ensure that it remains current and effective. Risk will continue to be monitored on an ongoing basis with risk management being a standard CLSB board agenda item and current risk registers being published on the CLSB website.

CODE 4: Regulators should share their information about compliance and risk

Oversight by the Legal Services Board (LSB)

The CLSB is subject to oversight by the LSB in accordance with the Legal Services Act 2007, with whom it shares compliance and risk information.

Subject to prevailing data protection law, the CLSB shares information with fellow Approved Regulators under the Legal Services Act 2007 (listed below) by means of the Regulators' Forum, under the joint Memorandum of Understanding and in the general spirit of cooperation.

- Solicitors Regulation Authority
- Bar Standards Board
- Clllex Regulation
- Intellectual Property Regulatory Board
- Council of Licensed Conveyancers
- Master of Faculties
- ICAEW

Monitoring

The CLSB board is responsible for identifying the need for additional shared information about compliance and risk as it deems necessary to enable informed decisions to be made.

CODE 5: Regulators should ensure clear information, guidance and advice is available to help those they regulate meet responsibilities to comply

Guidance and advice

The CLSB's regulatory arrangements are written in plain language and presented in a clear and concise format. They are available via the CLSB website or upon request. This documentation includes:

- The Costs Lawyer Handbook, including the Code of Conduct
- Guidance notes
- Policies and guides

Consultation

The CLSB consults on changes to its regulatory arrangements with the following parties to ensure a rounded and informed approach and understanding of impact:

- The Costs Lawyer profession.
- Approved Regulators defined by the Legal Services Act 2007.
- Legal representative bodies.
- The Legal Ombudsman.
- Costs Judges (via the Senior Courts Costs Office).
- The Legal Services Consumer Panel.
- Citizens Advice.
- The Law Centre Federation.
- The Ministry of Justice.
- The public at large (via the CLSB website).

Monitoring

All CLSB regulatory arrangements are subject to ongoing review to ensure they are current and fit for purpose.

CODE 6: Regulators should ensure that their approach to their regulatory activities is transparent

Regulatory standards

These are ensured by the LSB who oversee the work of the CLSB and publish their assessments.

Fees and charges

The CLSB consults with the profession on its annual fee for a Costs Lawyer practising certificate before seeking LSB approval under section 51 of the Legal Services Act 2007. Under that consultation process, the CLSB provides its accounts for the previous year and a budget for the forthcoming year and a paper explaining how the proposed fee was arrived at.

Disciplinary outcomes

The CLSB publishes the outcome of any disciplinary proceedings and appeals.

Feedback

The CLSB will continue to seek feedback from those they regulate on their performance via their annual practising certificate application form.